



Colchester  
City Council

# Cabinet Meeting

**Grand Jury Room, Town Hall, High Street,  
Colchester, CO1 1PJ  
Wednesday, 13 March 2024 at 18:00**

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



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**COLCHESTER CITY COUNCIL**  
**Cabinet**  
**Wednesday, 13 March 2024 at 18:00**

Leader and Chair	Councillor King Councillor Burrows Councillor Cory Councillor Goss Councillor Jay Councillor Luxford Vaughan Councillor Smith Councillor Sommers
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**AGENDA**  
**THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING**  
**(Part A - open to the public)**

**Live Broadcast**

Please follow this link to watch the meeting live on YouTube:

[\(107\) ColchesterCBC - YouTube](#)

**1 Welcome and Announcements**

The Chair will welcome members of the public and Councillors to the meeting and remind those participating to mute their microphones when not talking. The Chairman will invite all Councillors and Officers participating in the meeting to introduce themselves.

**2 Urgent Items**

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

**3 Declarations of Interest**

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of

the item or participating in any vote upon the item, or any other registerable interest or non-registerable interest.

#### 4 **Minutes of Previous Meeting**

Cabinet will be invited to confirm that the minutes of the meeting held on 24 January 2024 are a correct record.

**24-01-24 public**

9 - 24

#### 5 **Have Your Say! (Hybrid Cabinet Meetings)**

Members of the public may make representations to Cabinet meetings on any item on the agenda or any other matter relating to the business of Cabinet. This can be made either in person at the meeting or by joining the meeting remotely and addressing the Cabinet via Zoom. Each representation may be no more than three minutes. Members of the public wishing to address Cabinet remotely may register their wish to address the meeting by e-mailing [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk) by 12.00 noon on the working day before the meeting. In addition, a written copy of the representation should be supplied for use in the event of technical difficulties preventing participation at the meeting itself.

There is no requirement to pre-register for those attending in person.

#### 6 **Decisions Reviewed by the Scrutiny Panel**

Cabinet will consider the outcome of a review of a decision by the Scrutiny Panel under the call-in procedure. At the time of the publication of this agenda, there were none.

#### 7 **Strategy**

##### 7(i) **Fit for the Future Transformation Portfolio**

25 - 114

Cabinet will consider a report inviting it to adopt the portfolio of activity to transform the Council and ensure services are fit for the future and deliver savings required in the Medium-Term Financial Forecast. Cabinet will also consider the recommendation made by the Scrutiny Panel at its meeting on 26 February 2024.

##### 7(ii) **Hibernation of Colchester Amphora Housing Ltd**

115 -  
152

Cabinet will consider a report inviting it approve the necessary resolutions to enable Colchester Amphora Housing Ltd to be hibernated.

<b>8</b>	<b>Resources</b>	
8(i)	<b>The Estate Plan</b>	153 - 164
	Cabinet will consider a report inviting it to approve the Estate Plan.	
8(ii)	<b>Portfolio Holder for Resources - Recommendation from Scrutiny Panel</b>	165 - 168
	Cabinet will consider a recommendation from the Scrutiny Panel from its meeting on 23 January 2024.	
8(iii)	<b>Business Rates - Discretionary Rates Relief Policy</b>	169 - 212
	Cabinet will be invited to approve the new Business Rates Discretionary Rates Relief Policy which sets out how legislative powers will be used to award both mandatory and discretionary business rate relief.	
<b>9</b>	<b>Housing</b>	
9(i)	<b>Request for Delegated Authority for the Award of HRA Contracts 2024/25</b>	213 - 218
	Cabinet will consider a report seeking delegation of powers to the Portfolio Holder for Housing to approve the award of Housing Revenue Account contracts 2024/25 as they arise, which will make those awards smoother and faster if they arise between meetings scheduled for the next year.	
<b>10</b>	<b>Economy, Transformation and Performance</b>	
10(i)	<b>Corporate Key Performance Indicator Targets for 2024-2025</b>	219 - 224
	Cabinet will be invited to set Corporate Key Performance Indicators for 2024/25 municipal year.	
10(ii)	<b>Amendment of Councillor Development Policy: Leadership Academy</b>	225 - 230
	Cabinet will consider a report setting an amendment to the provision in the Councillor Development Policy relating to attendance at the Local Government Association's Leadership Academy programme.	
<b>11</b>	<b>General</b>	

- 11(i) **Progress of Responses to the Public** 231 -  
238  
Cabinet will consider a report setting out the progress of responses to members of the public who spoken under the Have Your Say provisions at recent meetings of Council, Cabinet and the Council's Committees and Panels.
- 11(ii) **Recommendation from the Scrutiny Panel - Corporate Communications** 239 -  
242  
Cabinet are invited to consider a recommendation made by the Scrutiny Panel meeting at its meeting on 13 February 2024.
- 12 **Exclusion of the Public (Cabinet)**  
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).

## **Part B (not open to the public including the press)**

- 13 **Minutes (Not for Publication)**  
Cabinet is invited to confirm the not for publication extract from the minutes of the meeting on 24 January 2024 as a correct record.
- 13(i) **Minutes 24-01-24 - not for publication extract**
- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).





## **CABINET**

### **24 January 2024**

*Present:* - Councillor King (Chair)  
Councillors Burrows, Cory, Goss, Jay, Luxford  
Vaughan, Sommers

Also in attendance: Councillors Dundas, Law, Lissimore,  
Pearson, Scordis, Sunnucks, Warnes, J. Young

#### **826. Minutes**

*RESOLVED* that the minutes of the meeting held on 19 December 2023 be confirmed as a correct record.

#### **827. Have Your Say!**

Sir Bob Russell attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) about the City Centre Masterplan. This had cost £142,000 at a time when financial prudence was imperative. It had been prepared by a firm of consultants based in London. In view of its importance it should have been considered by Full Council rather than the Local Plan Committee. The report was anti car. The Council should be looking to increase revenue through car parks rather than closing them. Concern was also raised about the suggestion that the Bingo Hall in Osborne Street should be closed.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, responded and stressed that the Masterplan had been through a robust process including an extensive consultation. Considerable further work was necessary to implement the proposals in the Masterplan but it would focus debate on the future of the city centre. Modelling of the proposals had shown that the proposed changes in car parking provision would not have a significant impact on income.

Trevor Orton attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). He had campaigned on issues relating to the condition and cleanliness of the city centre since 2016. He expressed thanks to Councillor King and the Neighbourhoods Teams who were now working closely with him. Concern was expressed about the condition of telephone boxes in the city centre. Whilst he had personally cleaned some of these, they were now in poor condition again. There was some

uncertainty over who was responsible for them which needed to be resolved so that they could be removed.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, indicated that he would investigate the ownership issue and had asked the Neighbourhoods Team to look at cleaning the telephone boxes. He thanked Mr Orton for his continued commitment to these issues.

Ian Drew attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to highlight the perceived lack of action in response to issues residents were raising with the Council. He would take issues in relation to 5G up with the Portfolio Holder for Planning, Environment and Sustainability, but Colchester should become the first city to resist the introduction of a 5G network. Concerns were also raised about the agenda being pursued by central government and international organisations such as the World Health Organisation, NATO and the United Nations.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, thanked him for attending but said his alternative viewpoint was not one that given his own experience of the organisations mentioned, that he or the Council could support.

Frances Wagstaff and Liz Austin, representing the CO1 Residents Association, attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) about concerns about Middle Weir. Funding should be secured to reinstate the bridge at Middle Weir as soon as possible. It was appreciated by visitors and was used as a scenic route into the town centre. The loss of the bridge was causing confusion to tourists who were still being directed to it by location apps. The adjacent Kings Meadow was sometimes used for car parking for events in the Lower Castle Park and the loss of the bridge was detrimental to the visitor experience. Whilst the initial response to the problems at Middle Weir had been quick the interim measures were causing consternation. Little monitoring of the measures was done. There needed to be more and clearer signage, more accessible options and better lighting. The view from the diversionary path was dismal with the river level low and detritus visible. The diversionary routes could be made permanently attractive. Alternative routes should also be explored, including through the cricket ground which gave access to another crossing. Funds needed to be made available for regular monitoring, to ensure signage remained in place. Residents in the riverside cottages were particularly impacted with increased foot traffic leading to more anti-social behaviour. Plans to restore the bridge should be agreed as a matter of urgency.

Councillor Goss, Portfolio Holder for Neighbourhood Services and Waste responded and explained that it was appreciated that the situation was frustrating but the solution would not be simple or quick. A stakeholder group of officers had been established which was working with specialist engineers to look at options. Once costed options has been received, the Council would be in a better position to assess the way forward and seek funding. When this information was received it would be published. The comments and suggestions made about the diversionary routes were welcomed and would be explored. In terms of alternative routes, there may be issues in terms of land ownership. Some clean-up of the river had been undertaken and more was planned.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, and Councillor Cory, Portfolio Holder for Resources, also explained that there was an opportunity to look at the usage of the river and to work and engage with interested groups, and as Essex County Councillors, would raise the issues of the condition of the footpaths with Essex County Council.

Councillor Scordis attended and with the consent of the Chair addressed Cabinet. In view of the issues Middle Weir and at Fieldgate Quay was the Council monitoring the condition of such sites frequently enough? Concern was also expressed about the proposals in the budget to close the café at Leisure World. Further information should be made available about how long it had been losing money and why efforts had not been made to modernise or to review its pricing. It was heavily used. The expertise of the Council's commercial companies should be utilised to evaluate how it could be improved and further income generated.

Councillor King, Leader of the Council and Portfolio Holder for Strategy explained that several Councillors had raised concerns about Leisure world café, and at least two petitions on the issue was in circulation. The proposal to close the café would be paused to give time to look at alternatives and the café would stay open in the meantime.

Councillor Goss, Portfolio Holder for Neighbourhoods, provided a timeline for the events leading to the closure of Middle Weir. This demonstrated that concerns had been raised with Essex County Council by City Council officers but they had decided to take no action. Councillor King indicated that in respect of maintenance of assets, it was the case that in view of financial pressures and the need to support frontline services, the Council had not invested heavily in the maintenance of its assets. This would now change and a review of assets and a comprehensive Asset Management Strategy were being brought forward.

Councillor Scordis responded that if he was provided with a copy of the timeline, as an Essex County Councillor he would raise the lack of action with the County Council as he regarded it as a very serious matter.

## **828. Draft Budget Proposals 2024/25 (including General Fund and Housing Revenue Account Revenue and Capital) and an updated Medium-Term Financial Forecast)**

The Section 151 Officer submitted a report a copy of which had been circulated to each Member together with the recommendation from the Scrutiny Panel meeting of 23 January 2024.

Christina Reed-Welham attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to express concerns that members of Leisure World had about the proposed closure of the café at Leisure World and to highlight the petition in support of keeping the café open. The Council should stop and reconsider and work with staff and members to enable it to remain part of the community. The Council's Strategic Plan highlighted the importance of health, wellbeing and happiness, and the Council had received £3.5 million in health funding to address these issues. There was now greater awareness of the link between exercise and mental health. Social connections combined with exercise contributed to wellbeing. The café was uniquely placed to encourage both social connections and exercise for a wide demographic range

and was a key part of the attraction of Leisure World. If the café was kept open for a further period of six months it would allow the talented staff to review the model and work towards a more profitable operation.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, expressed his thanks and reiterated the assurance he had given earlier that the decision to close the café had been paused and it would remain open whilst alternative options were explored. Councillor Cory, Portfolio Holder for Resources, explained that the decision had arisen in the context of the tough choices the administration faced. However, there had been some miscommunication about the nature of the proposal. Nevertheless the administration had listened to the concerns raised and would explore alternatives.

Councillor Law attended and with the consent of the Chair addressed Cabinet to express concern about how some of the proposals to reduce services would impact on Highwoods. Highwoods Country Park Visitor Centre provided key facilities to visitors to the Country Park, and staff from the visitor centre were important in helping with emergencies or countering anti-social behaviour. Less resources at the Visitor Centre could lead to increased anti-social behaviour and flytipping, which need further resource from elsewhere in the Council. Cuts were also proposed to Highwoods Sports Centre. This was an accessible site right at the heart of the community and made an important contribution to the health and wellbeing of the community. There were also cuts proposed to community facilities at St Marks, which helped provide important social connections contributing to health and wellbeing. The overall impression that would be given to residents would be that the Council did not care about providing good accessible, community facilities, and were not supportive of their health and wellbeing, contrary to Strategic Plan priorities.

Councillor King responded that the scale of the challenge facing the Council meant hard choices. It would look to cause the least harm it could. He would ask officers to look at the points raised about the Visitor Centre and the impact the proposals could have on other areas of the Council. However Highwoods was well served with sporting and community facilities.

Councillor Dundas attended and with the consent of the Chair addressed Cabinet. Further funding for local government had been announced by the government today. It was noted that whilst it had been proposed to close the café at Leisure World, another café run by the Council was losing significantly more money and further information for the basis of that decision was sought. Further information on the position on the reserves was necessary in order to make a judgement on whether the budget was prudent. Further information was sought about an outstanding debt from Colchester Amphora Energy Ltd to the Council and whether this had been paid. The position on reserves was important as the Medium Term Financial Forecast showed an accumulated deficit of £7.35 million, which could only be met from reserves. Further detail was needed on the Fit for the Future programme as there was not enough information for Councillors to make a judgement on the impact of the programme. Without this information informed judgements could not be made about whether to support the budget or how to propose meaningful amendments.

Councillor King and Councillor Cory responded and emphasised the importance of Councillors having sufficient detail to make decisions. The administration had had to make a judgement on how much information to provide. The proposals had been informed by member briefings and Alumni meetings and had not come unexpectedly. The

budget strategy was supported by a great deal of information and was clearer and went further than previous budgets. Further information about the Fit for the Future programme would be forthcoming in February. Advice would be sought on the point raised about the coffee shops. In terms of the point made about deficits and reserves the budget proposed putting funding back into reserves in 2024/25. A deficit was forecast in the following year but this would be addressed as the Council had a legal duty to set a balanced budget. It was not proposed to build up a deficit in the way that had been suggested. Reserves would be used in a limited way to provide a contingency in case there was slippage in the Fit for the Future programme. The administration was open to further suggestions and discussion in the run up to the Council meeting on 21 February 2024.

Councillor J Young attended and with the consent of the Chair addressed Cabinet to express thanks to officers for their work in bringing forward the budget proposals. The budget needed to be seen in the national context where many Councils were facing very difficult decisions. The Council had lost two-thirds of its direct funding grant from government since 2009. Added to this were issues of inflation, the cost of living crisis and increased homelessness demands. Did the Leader of the Council agree that the funding from central government since 2010 had been inadequate to meet the needs of the community?

Councillor King indicated that he agreed and noted that the LGA estimated that one in five authorities privately believed that they may need to issue a section 114 letter.

Councillor Pearson attended and with the consent of the Chair addressed Cabinet and indicated Councils nationwide were faced with problems not of their own making. Whilst it was right that Councils should look for efficiencies and review the way services were run as part of the normal course of events, this was not what was happening now. The House of Commons Library showed that the National Audit Office had estimated in 2018 that local authority spending power had fallen by 29% in real terms between 2010-2018. Issues of inflation and the cost of addressing homelessness also needed to be taken into consideration. A further recommendation should be made that the Council should work collaboratively with other authorities nationwide to make representations to central government for fair funding for local authorities.

Councillor King indicated that this proposal would be considered. The Council was a part of a number of local authority networks that could be used to help push this message, and lobbying was always most effective when it was cross party.

Councillor Sunnucks attended and with the consent of the Chair addressed Cabinet. He supported the recommendation from the Scrutiny Panel for further information. He was concerned by the budget and considered that this was an opportunity to take the Council in a different direction. In view of the comments about the national context, it was important to focus internally and not blame others. The Council was an inefficient organisation and there was scope for cuts that would not impact on frontline services. Further funding from central government was forthcoming. The following questions were asked of Cabinet:-

- Did Cabinet believe that it could convert this year's deficit into a small surplus next year without doing anything specific?

- Did Cabinet believe that Fit for the Future would work within a year?
- Could the budget be properly evaluated without information about the reserves?
- Were Cabinet aware that by approving this budget it was approving doubling the debt, largely through spending on social housing, and the cost of running the deficit would be £3-5 million per annum?

Councillor King and Councillor Cory responded and stressed that the budget was properly constructed and was based on high quality work. Further information about the position on the reserves and on Fit for the Future was being provided. The administration was not seeking to blame others and accepted its responsibility to take the necessary decisions to set a balanced budget. Difficult decisions had already been taken, such as on garden waste, which had had an impact on staffing.

Andrew Small, Section 151 Officer made a presentation to Cabinet. The presentation set out:-

- The financial context of one of the most challenging years for local government finance and the actions taken to address the budget gap.
- The scale of the budget gap and how this had been identified and how this would be addressed.
- The Medium Term Financial Forecast.
- The savings anticipated through the Fit for the Future programme and the contribution they would make to balancing future budgets. This would require some investment and this would be done by creating a Fit for the Future reserve.
- General Fund balances and the proposal to increase the minimum level of general fund balance to £3 million in view of the heightened volatility.
- A summary of earmarked reserves. These were being reviewed and were now better understood. The position was generally healthy but there were many demands on them.
- The Capital Programme had been reviewed and updated. Several schemes had been removed but there were also some key additions such as the repair to the Moot Hall.
- Housing Revenue Account was balanced and proposed an increase in rents of 7.7%. The income generated would remain within the HRA. A detailed review of the HRA would be undertaken in 2024.
- The Section 151 Officer was reassured that the budget was robust with a clear ambition to address future challenges. A section 25 report on the robustness of the budget would accompany the budget when it was referred to Council.

Councillor Goss, Portfolio for Neighbourhoods, sought clarification on the issues raised about the outstanding liabilities from the Heat Network project. The Section 151 Officer explained that these issues had been raised at Governance and audit Committee and it was recognised that there were risks around the ending of the project, particularly around the BEIS grant. This would be addressed as part of the closure of accounts but it was estimated that the level of potential loss was around £200,000.

In discussion Cabinet indicated that it accepted the recommendations made by the Scrutiny Panel, which it considered useful and fair. The requested further information would be addressed and some information on reserves had been part of the section 151 officer's presentation. In terms of the Treasury Management information, it was more likely this would be further information rather than the full Treasury Management Strategy Statement, in view of the timescales.

Cabinet noted that the issues raised by the budget had largely been discussed in response to the speakers. The advice of the section 151 officer on the robustness of the proposals was noted. It

offered its thanks to those officers who had worked hard to bring the proposals forward and to those who would be implementing and impacted by the Fit for the Future programme and other cost savings. It was appreciated that the proposals would be challenging for both officers and residents.

Cabinet welcomed the proposal from Councillor Pearson that a further recommendation be made in respect of pushing collaboratively for a fair approach to local government finance.

*RESOLVED* that:-

- (a) The final revenue and capital budget proposals for 2024/25 as presented in Appendices A to D of the Section 151 Officer's report, be agreed, subject to a pause on the proposal for the closure of the Leisure World Coffee Shop set out in Appendix D, whilst alternative options were explored.
- (b) The recommendations from the Scrutiny Panel meeting on 23 January 2024 be agreed.

*RECOMMENDED TO COUNCIL:-*

- (a) The budget for 2024/25 (including Revenue and Capital in Appendices A, B and the confidential and not for publication Appendix D to the Section 151 Officer's report) subject to the removal of the proposal for the closure of the Leisure World Coffee Shop set out in Appendix D.
- (b) The updated Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29 (covering General Fund and Housing Revenue Account in Appendix C)
- (c) The level of Council Tax increase for 2024/25 (as set out in paragraph 2.6 of Appendix A of the Section 151 Officer's report)
- (d) The level of Housing Rent increase for 2024/25 (as set out in paragraph 3.3, of Appendix A of the Section 151 Officer's report); and
- (e) The Management Fee payable to Colchester Borough Homes (CBH) in 2024/25 (as set out in paragraph 3.4 of Appendix A of the Section 151 Officer's report).
- (f) The Council work collaboratively with other councils nationwide to make representations to central government for fair funding for local government.

*REASONS*

To enable Cabinet to recommend a final budget for 2024/25 to the Council in February 2024.

*ALTERNATIVE OPTIONS*

The proposals in the Section 151 Officer's report represent Cabinet's recommended position on the 2024/25 General Fund and Housing Revenue Account budgets (both Revenue and Capital).

### **829. Delivery of Colchester Northern Gateway (South) Development**

The Deputy Chief Executive and Executive Director Place submitted a report a copy of which had been circulated to each Member.

Councillor Dundas attended and with the consent of the Chair addressed the Cabinet. This element of the Northern Gateway project had proved challenging and as a result the Council had an additional £20 million of capital funding which it had anticipated would have been paid off by now. This was a drag on the Council. He had previously received assurances on the resilience and viability of the project. It should be recognised that a project conceived in 2016 was no longer suitable in 2024 and that the Council did not have the skills or resources to deliver such a complex scheme. Whilst the recommendations at 2.2. and 2.3 of the Deputy Chief Executive's report were supported, the Council should not commit further capital funding to a project which might not be necessary. This would also have an impact on the revenue budget and expose the Council to potentially volatile market forces. The section 278 works were for the old scheme and may no longer be relevant for any new scheme that was brought forward. There was no longer demand for the office space envisaged in the project and therefore it was possible that a housing development could be brought forward for the site, which would generate less traffic and therefore the works on this scale may not be needed. Clarification was sought as to whether negotiations with the healthcare provider were still ongoing, the state of the power supply to the site and how the evaluations in the Part B appendix were arrived at as they differed from the viability assumptions used in the Tendring Colchester Garden Communities Garden Community.

Councillor Sunnucks attended and with the consent of the Chair addressed the Cabinet to support Councillor Dundas' comments. There was no plan of the proposed road development. The Council should not be acting as a developer and should be looking to sell the site and let a master developer take it forward and accept the risks of the development.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, agreed that the market had changed since the initial vision. The Council had had some success at Northern Gateway acting as a developer but it was right to take another look. This was a well-placed site with great potential for the right scheme. The proposal was just to make provision for a possible capital spend not a commitment to spend it as this point. Further discussions would take place cross party as matters developed.

Councillor Cory, Portfolio Holder for Resources, supported Councillor King's comments. He understood the caution proposed by Councillor Dundas. The questions and concerns would be looked at and discussed with officers. However, the proposal would keep the door open for the section 278 works and potential development. This was an opportunity to improve the infrastructure as the junction was already over capacity. He would address the specific questions raised in a separate meeting.

*RESOLVED* that:-



(a) The inclusion of £7.7 million in the Council's capital programme for 2024/25 to fund the enabling works and some construction works required to Junction 28 of the A12 be approved.

(b) To revisit the delivery strategy for Colchester Northern Gateway (South) (CNGS) acknowledging that the Council has taken on the leadership and responsibility for delivery from Colchester Commercial Holdings Ltd and needs to review the development strategy and retest the market and site options both within the context of the current planning permission and potentially a new planning approach. It is intended that this work will be completed by summer 2024 culminating in a new delivery strategy for the site.

(c) Authority be delegated to the Deputy Chief Executive, in consultation with the Portfolio Holder for Resources, the drawdown of the earmarked reserve (the Revolving Investment Fund (RIF)) to fund resourcing within the emerging Corporate Landlord Team, which is being established as part of the Fit for the Future transformation project on Assets to progress the necessary due diligence, a review of the development strategy, market and potential delivery options and to fund any viability and feasibility work needed to progress the delivery of the site.

## REASONS

CNGS is a key site in delivering some of the Council's priorities in the Strategic Plan.

It will directly contribute to the improvement of health, wellbeing, and happiness:

- With a key new active travel route through the site: The Walk, already delivered and enabling a high-quality walking, cycling, and wheeling option.
- A new health hub providing a private hospital, GP surgery, and a care home.

As a key employment site in the Local Plan, it will support growing the local economy so everyone benefits.

It will also make a significant contribution to delivering homes for those most in need with a minimum of 30% affordable, as well as supported housing options.

In addition, the whole Northern Gateway is a key gateway to the City of Colchester, and it will also be a community hub providing access and services to residents across the city area and beyond.

The Colchester Commercial Holdings Ltd (CCHL) review recommended the delivery strategy for CNGS needs to be reviewed for the following reasons:–

- A change in the Council's appetite for financial risk given the financial context and significant financial challenges facing Councils across the Country.
- Change in the property market since it was originally approved, for example the significantly reduced market demand for office space following the Covid Pandemic.

- The economic slow-down, cost of living crisis, inflationary pressures and increased interest rates affecting developer, investor, and occupier confidence during 2023.
- Master developer approach to the site has not progressed due to the investment challenges and significant cost escalation on build and infrastructure costs. The market is starting to show signs of returning to some normality as the latest BCIS forecast for 2024 projects a 2% increase (compared to 10.7% annual increase in previous years). Therefore, from a high-level perspective, the confidence in the market is expected to start to improve as prices settle and risk exposure to build costs reduce.
- The CCHL review recommended hibernation of Colchester Amphora Housing Ltd and Colchester Amphora Energy Ltd which were both delivery vehicles for elements of the site.

CNGS is a strategic site of significant socio-economic and financial value which will facilitate delivery of some of the Council's key Strategic Plan priorities. As a key employment site in the Local Plan, it will support growing the local economy, so everyone benefits as well as providing inward investment. It will also make a significant contribution to delivering homes for those most in need with a minimum of 30% affordable housing. As well as the improvement of health, wellbeing, and happiness with the facilitation of active travel options, the site also has designated community open space. A key strategic gateway site into the City of Colchester, CNGS is also of great financial significance and value.

Delivery of the whole of the CNGS consented scheme is predicated (via Condition 8 of the planning consent 190665) around the physical completion of the offsite highway works. A cost estimate was prepared in 2019 associated with the highway works and therefore given the market material and labour costs, alongside the development of the highways detailed design works now requires a refresh. The refresh will capture both legal and technical due diligence to feed into the cost plan estimate to provide a robust and complete analysis of the highway works project. Until this work is completed it is proposed the latest working assumption detail in Part B will be included in the Capital Programme.

Technical due diligence will also identify location, issues and solutions relating to existing utilities within the sites which are a significant risk and a key dependency upon time and cost to the delivery of CNG.

It is recognised specialist advice will be needed to review and develop delivery strategy options to meet the strategic objectives of CCC, access the occupier, developer, and investor markets, ensure the delivery of high-quality developments, facilitate infrastructure works and explore options to leverage potential third party investment.

### *ALTERNATIVE OPTIONS*

Do nothing – if the S278 highways work is not completed then it will not be possible for any part of the development to be occupied. It is also highly unlikely that any developer would be willing to purchase the site, or part thereof, without this work being completed.

If the delivery strategy is not reviewed, in light of the significant social and economic

changes that have occurred in the last 5 years, any development is less likely to meet current needs or deliver the maximum benefits for residents or the Council and will increase risk to the Council in relation to its investment and successful delivery of the expected outcomes.

Dispose of the site “as is”. This option is likely to prove very difficult without the completion of the S278 highways work as market interest will reduce due to increased cost and risk for developers and, if achievable, will return significantly less capital than if the work is completed. It will also mean that the Council will lose control over the development of the site and the outcomes that can be achieved.

### **830. Officer Pay Policy Statement 2024-25**

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

Councillor Cory, Portfolio Holder for Resources, introduced the report and highlighted the Council’s commitment to the Living Wage and the positive gender pay gap.

*RECOMMENDED TO COUNCIL* that the Officer Pay Statement for 2024/25 be approved and adopted.

#### *REASONS*

The Localism Act requires “authorities to prepare, approve and publish pay policy statements articulating their policies towards a range of issues relating to the pay of its workforce, which must be approved by full Council annually. An authority’s pay policy statement must be approved by a resolution of that authority before it comes into force”.

#### *ALTERNATIVE OPTIONS*

The only alternative would be to not recommend the approval of the Pay Policy Statement, but that would be contrary to the requirements of the Localism Act.

### **831. Managed Service Solution for Temporary Workers (Ref: 0197)**

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

*RESOLVED* that the Council sign up to the Essex County Council Managed Service Solution framework for temporary workers for 3 years from 1 April 2024.

#### *REASONS*

This decision is submitted to Cabinet in accordance with the Council’s Contract Procedure rules to seek approval to proceed to tender for a contract with a whole life cost valued above £500k.

Signing up to the ECC Managed Service Solution framework for temporary workers will ensure:

- Compliance with procurement regulations.
- Best value is achieved, giving the Council the cost reduction opportunities.
- Quality agency worker resources are easily available.
- Simplify oversight and control of spend through management information.
- Council resources to engage agency workers and to manage the contract are minimised.

### *ALTERNATIVE OPTIONS*

Consideration has been given to use the Eastern Shires Procurement Organisation (ESPO) agency framework, owned, and governed by a consortium of six-member local authorities including Leicestershire, Norfolk, Lincolnshire, Cambridgeshire and Warwickshire County Councils and Peterborough City Council. This procurement process would be more complex and lengthier and would not offer any additional benefit to the ECC solution.

In addition, signing up to the managed service solution will promote closer partnership working with Essex County Council and supports business development within the Essex council family.

### **832. Half Year April – September 2023 Performance Report Key Performance Indicators (KPI), Other Performance News, and Strategic Plan Delivery Plan Monitoring Report**

The Chief Operating Officer submitted a report a copy of which had been circulated to each Member.

Councillor Jay, Portfolio Holder for Economy, Transformation and Performance, introduced the report and thanked officers for the more detailed report with improved comparative and benchmarking information. Of the 26 Key Performance Indicators (KPIs), the majority were met, with performance exceeded in 12 KPIs. Customer facing staff should be congratulated for the excellent performance in respect of payment of benefits and Local Council Tax support.

In terms of those where performance was not met, the latest data indicated that performance in respect of rent collection was improving. Bereavement Service income was in line pre Covid levels and in terms of the household waste KPI the Council remained below the median and was 35<sup>th</sup> out of 333 authorities. The review of the Waste Strategy would improve performance further and move the Council closer to government targets. There had also been improvements in some of the performance on housing related KPIs and the Portfolio Holder for Housing was monitoring performance very carefully. Proposals for KPIs for 2024-25 would be brought to Cabinet in March.

The Senior Leadership Team were looking at those elements of the Strategic Plan Action Delivery Plan that were missing their target. The overall good performance of the Council

was reflected in a number of accreditations including Green Flags for open spaces and a Customer Service Excellence award for the Customer Contact team.

The Council's transformation programme was ongoing and further transformation would be driven by the Fit for the Future programme. Whilst it was recognised this would have an impact on staff it would help the Council perform effectively and efficiently and drive the necessary scale of change. It would be supported by ICT and technology changes.

*RESOLVED* that performance against Key Performance Indicators be noted and that where Key Performance Indicators had not been met, appropriate corrective action had been taken.

#### *REASONS*

To review half year performance for 2023 – 2024 and ensure robust performance management of key Council services.

#### *ALTERNATIVE OPTIONS*

No alternative options were presented to Cabinet.

### **833. Asset Based Community Development and Asset Mapping Update**

Cabinet considered the recommendation made by the Policy Panel at its meeting on 10 January 2024, a copy of which had been circulated to each Member.

Councillor Law, Chair of Policy Panel attended and with the consent of the Chair, addressed the Cabinet to introduce the recommendations from the Panel. The Panel had been pleased to see the progress of Asset Based Community Development within communities through training and wanted any barriers to this to be removed to maximise its impact. It was also suggested that in the future Cabinet look again at its dog ownership policies due to the impact of irresponsible dog ownership.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, indicated that the request on dog ownership policies seemed a reasonable request and could be looked at in future.

*RESOLVED* that:-

- (a) Training on Asset-Based Community Development be cascaded out to communities, partner organisations and local groups.
- (b) The Council works to assist local groups by removing barriers and red tape currently affecting Asset-Based Community Development work.
- (c) The request that Cabinet look again at dog ownership policies be noted.

#### *ALTERNATIVE OPTIONS*

It was open to Cabinet not to agree to the recommendation from the Policy Panel.

#### **834. Progress of Responses to the Public**

The Democratic Services Manager 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 resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 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.**

#### **835. Minutes – Not for Publication Extract**

*RESOLVED* that the not for publication extract from the minutes of the meeting on 19 December 2024 be confirmed as a correct record.

**The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 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.**

#### **836. Draft Budget Proposals 2024/25 (including General Fund and Housing Revenue Account Revenue and Capital, and an updated Medium-Term Financial Forecast)**

This minute is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of a particular person, including the authority holding the information).

**The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 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.**

### **837. Delivery of Colchester Northern Gateway (South) Development**

This minute is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of a particular person, including the authority holding the information).







## Cabinet

Item  
**7(i)**

13 March 2024

<b>Report of</b>	<b>Chief Operating Officer and Shared Director of ICT and Transformation</b>	<b>Author</b>	<b>Jane Goodenough</b> <a href="mailto:jane.goodenough@colchester.gov.uk">jane.goodenough@colchester.gov.uk</a>
<b>Title</b>	<b>Fit for the Future Transformation Portfolio</b>		
<b>Wards affected</b>	All		

### 1. Executive Summary

- 1.1 This report provides details of proposals to reimagine what we do as a Council and how we deliver services so it we are 'Fit for the Future'. The proposals are in the form of an integrated portfolio of activity covering all services that will transform their delivery, generate additional income, and reduce our net operating costs by 25% over the next 3 years.
- 1.2 Details of the overarching portfolio of activity are provided as well as information about each programme. Enabling plans to ensure governance, people and communications implications are managed effectively are also included.

### 2. Recommended Decision

- 2.1 That Cabinet resolves to adopt the portfolio of activity to transform the Council and ensure services are fit for the future and deliver savings required in the Medium-Term Financial Forecast.

### 3. Reason for Recommended Decision

- 3.1 To ensure there is a robust portfolio of activity to future-proof the Council, create efficiencies and increase income so that we are adequately prepared to meet the funding gap.

### 4. Alternative Options

- 4.1 Progressing with initiatives that are not cohesively brought together is not a viable or effective option. The portfolio of work was designed collaboratively across our senior leadership team in order for relationships and dependencies between projects to be identified, including enabling resources." While several programmes of work have been identified, the 'Fit for the Future' portfolio needs to be kept under review and additional options for transforming services will be considered to deliver the anticipated savings required.

## **5. Background Information**

- 5.1 The scale of the financial challenge we face as a Council is huge. The cost-of-living crisis, alongside the recovery from the Covid-19 pandemic and rising energy costs have placed significant pressure on our budgets and we simply cannot continue to operate as we are.
- 5.2 Our response to this financial challenge must be radical; to close the budget gap and future-proof our organisation, we will need to reduce our net operating costs by 25% over the next 3 years. This will be through a combination of additional income and reduced cost of providing services.
- 5.3 To achieve this, we need a fundamental portfolio of work that reimagines what we do as a Council and how we deliver it. The 'Fit for the Future' transformation portfolio will make sure that we are exactly that; fit for the future of our city, of our organisation and of our people.
- 5.4 Whilst this portfolio of work will help to align us with the Medium-Term Financial Forecast and ensure we are closing the budget gap identified, it will also prepare us for the longer-term financial challenge that lies ahead.
- 5.5 This portfolio of work will involve a significant change in our relationship with our residents, communities, and partners. The changes we make will have a very significant and visible impact across the city, and we must work to realign people's expectations of the services we deliver. As our duty, and at the heart of what we do as a local authority, we will continue to do all we can to protect those residents who are the most vulnerable and do what we can to mitigate the impact changes may have on them.
- 5.6 The proposed 'Fit for the Future' portfolio of activity to achieve this is shown at appendix A. This shows each theme with individual programmes, key milestones, forecast savings/income and implications. Priority has been given to developing detail for elements that deliver savings in 2024/2025 but information is also included for programmes that deliver savings in later years where this is available.
- 5.7 Effective internal and external communications will be essential to the success of 'Fit for the Future'. A proposed fully integrated internal and external communications plan is attached at appendix B.
- 5.8 Our staff are key to the success of these proposals and the changes to staffing and roles in the Council arising from 'Fit for the Future' are significant. As such, a workforce plan has been developed to ensure staff are supported through the changes ahead. This is attached at appendix C.
- 5.9 Effective governance will be key to ensuring appropriate oversight and decision making from senior officers and councillors. Proposed governance arrangements are attached at appendix D.
- 5.9 The activity proposed in this paper will also need to remain flexible and adaptable to any future pressures or changes in circumstances. It will be regularly reviewed through the governance outlined.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 As changes are made to services and staffing structures, equality and diversity implications will be assessed using individual equality impact assessments.

## **7. Strategic Plan References**

- 7.1 'Fit for the Future' will directly deliver against the Modern City Services strand of the strategic plan. When making any changes to services a key consideration of the future service provision will be contribution to all objectives of the Strategic Plan.

## **8. Consultation**

- 8.1 The detailed communications plan at appendix B demonstrates the commitment to engage and consult with staff informally. Staff and the recognised trade union will also be consulted formally about any changes to staffing structures and roles.
- 8.2 Stakeholders and the public will also be consulted throughout using various mechanisms and existing networks including One Colchester and the Residents Panel.

## **9. Publicity Considerations**

- 9.1 The detailed communications plan at appendix B demonstrates how changes arising from 'Fit for the Future' will be managed.

## **10. Financial implications**

- 10.1 'Fit for the Future' is essential to deliver budget savings required by the revised Medium Term Financial Forecast. By developing a 3-year planned strategic programme of change, savings can be delivered progressively avoiding the need for the development of new budget savings plans each year.
- 10.2 The forecast budget savings from each element of 'Fit for the Future' are shown in appendix A and show a roadmap to the delivery of a balanced budget over the next 3 years of the medium-term financial forecast. These are a combination of additional income and reduced operating costs.
- 10.3 Investment will also be required to facilitate many aspects of the portfolio and as reported to Cabinet in January 2024, the Council's available reserves allow for this. Investments will be made on a case-by-case basis only once a robust business case is made.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 As changes are made to services and staffing structures the health, wellbeing and community safety implications will be assessed.

## **12. Health and Safety Implications**

- 12.1 There are no specific implications.

## **13. Risk Management Implications**

- 13.1 Each programme that makes up 'Fit for the Future' will have its own risk register which in turn will feed into an overall risk register for the portfolio of activity. This will be reviewed and managed through the governance proposed at Appendix D.

## **14. Environmental and Sustainability Implications**

- 14.1 The implications of each programme will be carefully considered as changes to services are considered).
- 14.2 Several elements of 'Fit for the Future' have real potential to support the Council's strategic objectives relating to environmental sustainability such as the review of the waste strategy, review of our assets, and the review of the street care and greening services.

## **Appendices**

Appendix A – Details of the 'Fit for the Future' Portfolio

Appendix B – Communications plan

Appendix C – Workforce plan

Appendix D – Proposed governance

## **Background Papers**

None.

# Colchester City Council – Cabinet

## Fit for the Future Transformation Portfolio

13 March 2024

## Fit for the Future Portfolio – Key Messages

- The scale of the financial challenge councils face is huge. The cost-of-living crisis, alongside the recovery from the Covid-19 pandemic and rising energy costs have placed significant pressure on our budgets and we simply cannot continue to operate as we are.
- Our response to this financial challenge must be radical; to close the budget gap and future proof our organisation, we will need to reduce our operating costs by 25% over the next 3 years.
- To achieve this, we need a fundamental portfolio of work to reimagine what we do as a Council and how we deliver it. The 'Fit for the Future' portfolio will make sure that we are exactly that; fit for the future of our city, of our organisation and of our people.
- Whilst this work will help to align us with the Medium-Term Financial Forecast and ensure we are closing the budget gap identified, it will also prepare us for the longer-term financial challenge that lies ahead.

# Fit for the Future Portfolio – Purpose

- We are starting a portfolio of work which will span the next three years to respond to challenges we face to:
  - Run council services within budgets
  - Adapt our services to meet the changing needs of our communities
  - Seek opportunities for additional income
  - Invest in technology and the skills of our workforce to enable efficiencies and modernise services.
- The portfolio of work will involve a change in our relationship with our residents, communities and partners. The changes we make will have a visible impact across the city, and we must work to realign people's expectations of the services we deliver.
- We will continue to do all we can to protect those residents who are most vulnerable and do what we can to mitigate the impact changes may have on them.
- We will do all that can to support our people through this change, in line with our values. We will show integrity and kindness, be open and honest, demonstrate commitment to our skills, expertise and creativity, and maintain our pride in public service.

# Fit for the Future Portfolio – Terms used

The following terms will be used within the project descriptions:

Several initiatives will include multiple elements from redesigned services and roles that result in a reduced cost of operation. The elements include:

- Investment
  - Commitment of funding needed to achieve benefits for delivering a new service or change to an existing service
- Cuts or reductions
  - Removal of entire services, or significant reduction in the scale of services provided
- Efficiencies
  - Savings
  - Services maintaining but delivered more efficiently/effectively
- Income
  - Additional money generated by a service



# Fit for the Future - Portfolio Structure

Our Fit for the Future portfolio will look at the organisation as whole and aligns our programmes of work into 5 streams of governance:

- Environment
- Leisure and Economy
- Housing
- Assets
- Corporate

The projects, programmes and targets within the portfolio will evolve over time.

# Fit for the Future

Senior Leadership Board				
Environment	Leisure & Economy	Housing	Assets	Corporate
Waste Services	Culture & Heritage	HRA Review	Asset Management	Shared Services
Rosa Tanfield	Frank Hargrave	Lindsay Barker	Patricia Barry	Richard Block
Greening & Street Care	Active and Wellbeing	Housing Provision		Future Workforce
Rosa Tanfield Mel Rundle	Rory Doyle	Philip Sullivan		Jess Douglas
	Economic Growth			Digital Customer
	Matt Sterling			Mel Kemp-Salt

# Fit for the Future Savings & Revenue Financial Outcomes

Currently projected savings and revenue outcomes as of 9 January 2024

	24/25		25/26		26/27		Total
Stream	Savings	Income	Savings	Income	Savings	Income	
Environment	100K	1.055M	150K	103K	1.75M	-	<b>£3.158 million</b>
Leisure & Economy	146K	100K	-	-	210K	515K	<b>£1.171 million</b>
Asset	300K	-	-	-	-	-	<b>£0.3 million</b>
Housing	-	-	-	-	200K	-	<b>£0.2 million</b>
Corporate	143K	-	-	-	-	-	<b>£0.143 million</b>
<b>Total Portfolio</b>	<b>689K</b>	<b>1.155M</b>	<b>150K</b>	<b>103K</b>	<b>2.16M</b>	<b>515K</b>	<b>£4.772 million</b>

# Summary of Fit for the Future Financial Outcomes

Currently projected net budget outcomes as of 9 January 2024

Stream	24/25	25/26	26/27	Total
Environment	1.155M	253K	1.75M	<b>£3.158 million</b>
Leisure & Economy	246K	-	725K	<b>£1.171 million</b>
Asset	300K	-	-	<b>£0.3 million</b>
Housing	-	-	200K	<b>£0.2 million</b>
Corporate	143K	-	-	<b>£0.143 million</b>
Total Portfolio	2.044M	253K	2.675M	<b>£4.772 million</b>

Delivery of Fit for the Future (particularly later year savings) will require investment. Rather than building one-off investment into the Budget, proposals have been put forward for a Fit for the Future Reserve from a Reserve rationalisation.

# Waste Services Programme

	24-25	25-26	26-27
Income Target	£1.055M	£103K	N/A
Savings Target	N/A	N/A	£1M
Investment	None	None	£TBC

**Owner: Rosa Tanfield**

**Description:** Continue to be a leader in waste and recycling collections, ensuring that the Council is compliant with emerging Government waste reforms and setting out a plan to be more effective and efficient, whilst looking at new income opportunities, building on existing services that the Council provides.

	Project Manager	2023-24	2024-25	2025-26	2026-27
Garden Waste Chargeable Service	John Kellett	Implementation Jan-24			
Creation of Waste Strategy	Rosa Tanfield	Draft strategy to E&S Panel Mar-24	Full council sign-off by Oct-24		
Delivery of Waste Strategy	Rosa Tanfield			Implementation ongoing	
Business Waste Service Expansion	Rosa Tanfield		Implementation		

- Garden Waste Scheme: New revenue from subscription fees 2024/25 - £955K; 2025/2026 - £103K
- Business Waste Service: New revenue from increased business 2024/25 - £100K
- Creation and Delivery of Waste Strategy: 2026/27 - £1M

# Environment Stream: Waste Programme

SRO: Rosa Tanfield

Project	Garden Waste Chargeable Service		John Kellett
<b>Description</b>	A new opt-in chargeable garden waste service was launched in January 2024 as part of our Fit for the Future programme to bring in additional year on year income to the help close the budget gap. The new service has brought efficiencies within the service by rolling out a full wheeled bin collection for all residents, instead of the previous mix of sacks and bins. Not only do the wheeled bins bring collection efficiencies, but also aims to reduce staff sickness due to muscular/skeletal injuries and therefore a reduction in agency costs. In addition, financial support was provided to those that need it most, through a discount scheme for residents in receipt of Local Council Tax Support.		
<b>Planned Activity</b>	Continue to develop and delivery further self-serve options, such as ‘Home Move’ and ‘My bin is lost/broken’		
<b>Key Milestones</b>	Launch of Garden Waste scheme 15-Jan-24 Price review 2025/26, autumn/winter 2024 Renewals for existing residents, March/April 2025		
<b>Staff Impact</b>	The previous garden waste service used 5.25 trucks and crews. With the new paid for service, three crews will be used, later expanding to four if needed. Some of the remaining trucks and crews will be used to help with flat collections, where there's a lot of work. The rest of the crews, initially two and later one, will be moved to fill empty jobs in the team, replacing temporary workers if necessary. The Council has job openings for Senior Operatives and Team Leaders, and the plan is to put these crews into those positions, reducing the need for redundancies.		
<b>Investment Requirement</b>	Capital budget has already been approved for purchase of vehicles and wheeled bins.		
<b>Risks and Mitigation</b>	<b>Risks:</b> -Reputational risk: “garden tax” -Operational delivery challenges	<b>Mitigation:</b> -Clear and comprehensive communication plan -Data-led and best practice informed decision making -Whole-Council approach to project delivery, with risks and issues logs to manage and mitigate through robust project planning, management and delivery	
<b>Financial Outcomes</b>	<ul style="list-style-type: none"> <li>£955K net revenue <b>increase</b> 2024/25</li> <li>£103K net revenue <b>increase</b> 2025/26</li> </ul>	<b>What does this mean?</b>	2024/25 - This is made up by additional (gross) income of £1.246m from the new scheme. This additional customer and client receipt income is calculated on the basis of £1.896M, less £650K (of which £50K is attributed to a reduction in credit claim income under Grants and Reimbursements) 2025/26 - This is based on additional income on the base budget for further potential new customers, if existing customers renew)

# Environment Stream: Waste Programme

SRO: Rosa Tanfield

<b>Project</b>	Creation and Delivery of Waste Strategy		Rosa Tanfield
	<b>Waste Strategy for Colchester</b>		
<b>Description</b>	The development and delivery of a new Waste Strategy for Colchester, in response to central government guidance, the Environment Protection Act, the Environment Act 2021, the 25-year Environment Plan and other relevant legislation, strategies and policies. The aim is to deliver value for money, provide a safe, compliant, and resilient service, have a community asset based approach and minimise the impact on the environment. Running alongside this, waste reforms emerging from the Environment Act 2021 will see all residents and businesses being required to be consistent in the way they present recycling and waste materials for collection, and the way that Councils are funded to deliver waste collection services will change.		
<b>Planned Activity</b>	Review what we currently do and how we do it; draft a new Waste Strategy in winter/spring 2024; prepare for waste reform changes coming from the Environment Act 2021 imminent/April 2026 (flat food waste collections).		
<b>Key Milestones</b>	<ul style="list-style-type: none"> <li>• March 2024: Draft Waste Strategy for Colchester at Environment &amp; Sustainability Panel</li> <li>• Summer 2024: Public consultation on Waste Strategy</li> <li>• Autumn/Winter 2024: Ratification of Waste Strategy for Colchester</li> <li>• Winter 2024 onwards: Implementation of Waste Strategy for Colchester</li> </ul> <p>There will be also be major changes to food waste, plastic films and flexible plastics collections through the Waste reforms, Environment Act 2021.</p>		
<b>Staff Impact</b>	Additional internal capacity (project management) to deliver the strategy and changes will be needed. There is likely to be further staffing required at the launch of changes to support operational delivery. Some of this may be funded from DEFRA. Staffing levels and roles will be reviewed to deliver the strategy and waste reform aims and objectives.		
<b>Investment Requirement</b>	The strategy and option modelling will clearly set out the investment requirements of any proposals. This is still to be determined and will be dependent on the option agreed. Additional one-off funding will be needed to provide capacity to launch the changes. DEFRA have indicated new capital burden funding for the Waste reforms, Environment Act 2021 but the Council is requesting a review of the allocation to better reflect the operational need/requirement. Funding will be capital for new equipment, transitional to help with the launch and ongoing.		
<b>Risks and Mitigation</b>	<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Reputational risk from the public on the changes being made to their waste collections</li> <li>• Inability to launch the changes to the timeframe</li> <li>• Significant capital investment required</li> </ul>	<p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>• Effective communication strategies will be vital, as can already be seen through the results of the communication strategy with the garden waste changes. Additional mitigation will be determined as the strategy is drawn up.</li> <li>• Additional one-off funding will be needed to provide capacity to launch the changes</li> <li>• Seek advice from experts to minimise spend and risk</li> <li>• Data-led and best practice informed decision making</li> <li>• Whole-Council approach to project delivery, with risks and issues logs to manage and mitigate through robust project planning, management and delivery</li> </ul>	
<b>Financial Outcomes</b>	Aim for £1M net revenue <b>decrease</b> in budget 2026/27	<b>What does this mean?</b>	This could result in the way that residents put out recycling and waste material and the frequency that they do this being different. Fleet and service roles may also change.

# Environment Stream: Waste Programme

SRO: Rosa Tanfield

Project	Business Waste Service Expansion		Rosa Tanfield
<b>Description</b>	Waste reforms emerging from the Environment Act 2021 will see all businesses being required to be consistent in the way they present recycling and waste materials for collection. These changes and with the opportunity to build on the existing Business Waste Service, it is proposed that a business plan is created to expand the current service to enhance local businesses' waste management options, support compliance and to provide enhanced income and commercial opportunities.		
<b>Planned Activity</b>	Development and ratification of business plan spring / summer 2024		
<b>Key Milestones</b>	Spring/Summer 24: Ratification of Business Waste service proposal Autumn/Winter 24: Launch of extended Business Waste service		
<b>Staff Impact</b>	An additional crew will be required to service the new routes which will be funded from the new service offer by the additional income generated. The sales and process changes will require capacity from existing staff that will need to reprioritise other work unless additional capacity can be found. Commitment will need to be provided from our Marketing and Comms team to push the promotion of the service.		
<b>Risks and Mitigation</b>	<b>Risks:</b> -Public Perception -New vehicles is not available for operational launch -Inability to launch to timeline -Operational challenges	<b>Mitigation:</b> -Clear and comprehensive communication plan -Data-led and best practice informed decision making -Whole-Council approach to project delivery, with risks and issues logs to manage and mitigate through robust project planning, management and delivery	
<b>Investment Requirement</b>	Capital funding has already been agreed for new vehicle		
<b>Financial Outcomes</b>	Aim for £100K net revenue <b>increase</b> 2025/26	<b>What does this mean?</b>	We expect to see the current Business Waste Service expand and increase income generation and commercial opportunities

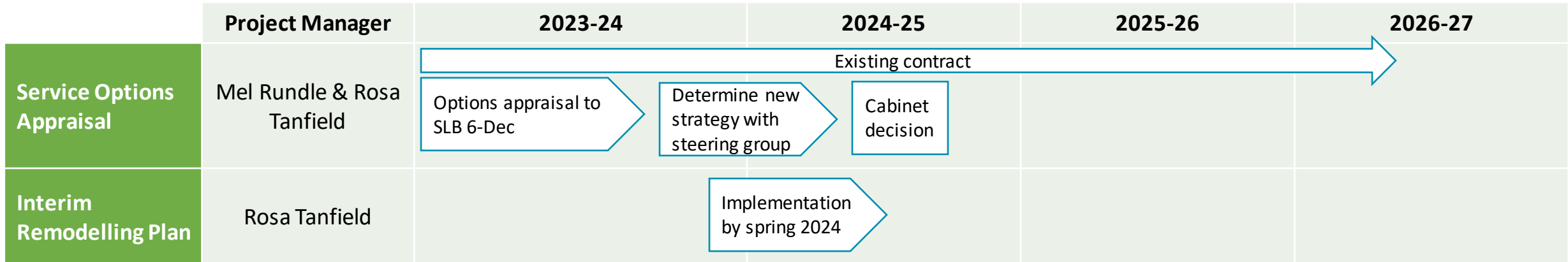


# Greening & Street Care Programme

	24-25	25-26	26-27
Income Target	N/A	N/A	N/A
Savings Target	£100K	£150K	£750K
Investment	TBC	TBC	TBC

**Owner: Mel Rundle & Rosa Tanfield**

**Description:** Reviewing what we do and how, in relation to functions and activities to do with grounds maintenance and street care and safety across the whole Council, and to consider and agree new ways of working, at the end of the current grounds maintenance contract, that achieve the objectives as set out below.



## Programme Objectives

- Ensure functions, initiatives and activities (particularly those that are statutory), are affordable and delivered within the allocated financial budget
- Deliver fit for the future services that match the changing needs of Colchester
- Work with partners and communities in a different way going forward

# Environment Stream: Greening & Street Care Programme

SRO: Mel Rundle & Rosa Tanfield

Project	Interim Remodelling Plan		Mel Rundle/Rosa Tanfield
<b>Description</b>	<p>Create and deliver a service plan for the next 2-3 years that runs concurrently to the review of our approach to maintaining our streets and green spaces (set out on the next page), to realign the service for any possible agreed changes, whilst also ensuring that during that period the service:</p> <ul style="list-style-type: none"> <li>• Delivers within the financial envelope – ensure all street care and safety initiatives and services are executed within the allocated financial resources. This could mean reducing operating costs by reducing service standard, removing Council assets that need to be maintained, changes to contracted work, and staffing reductions, as well as improving commercial income.</li> <li>• Proactiveness – Proactively address street care issues before they escalate, promoting a cleaner and safer environment. This means identifying efficiencies and could mean prioritising cyclical and urgent work over non-urgent tasks.</li> <li>• Partnerships – collaborate with various stakeholders to enhance the efficiency and effectiveness of street care services. This could extend to private sector partnerships, such as that already in place with Waste Investigations Support and Enforcement (WISE).</li> <li>• Communities – foster a sense of community pride and engagement through clean and safe public spaces. This could mean greater focus on increasing volunteer activities, e.g. our existing Litter Warrior scheme.</li> <li>• Environmental impact – minimise the environmental footprint of street care operations and contribute to sustainability goals. This could mean looking a route optimisation, electrification of fleet and equipment, and reducing landfill for example.</li> </ul>		
<b>Planned Activity</b>	<p>Staff consultation currently underway with Sweeper drivers on 1 full time equivalent staffing reduction, and agreement already given to reducing 1.4 full time equivalent Operative roles.</p>		
<b>Key Milestones</b>	<p>Review what we currently do, who and how we do it, and benchmarking against others in winter/spring 2024; talk to our stakeholders in spring 2024; launch spring/summer 2024; Subject to any changes to job descriptions and staffing numbers or consultation required, this will launch spring/summer 2024</p>		
<b>Staff Impact</b>	<p>Circa 60 staff are employed by CCC; Planned activity currently is underway to reduce the overall team by 2.4 full time equivalents. Further exploration and plans for service delivery could consider contracting works and/or reducing service standards, requiring less directly employed staff over the 2-3 year period, as well as seasonal only contracted staff. Staff impact cannot be fully determined until finalisation of the plan.</p>		
<b>Investment Requirement</b>	<p>Investment requirement cannot be determined until the final service plan has been agreed.</p>		
<b>Risks and Mitigation</b>	<p>All risks will be measured through the exploration of the service plan and will be presented in detail as part of the final proposal, but could include:</p> <ul style="list-style-type: none"> <li>• Changes to how parts of our city will look over the year</li> <li>• Reputational risk from the public regarding public spaces and how they are managed and maintained</li> <li>• Potential redundancy costs</li> </ul>	<p>Mitigation could include</p> <ul style="list-style-type: none"> <li>• A contingency plan will be developed to address unforeseen challenges, including a phased implementation approach to minimize disruptions.</li> <li>• Communication and behaviour change activity will be key to success.</li> <li>• Training and redeployment options will be explored</li> <li>• Seek advice from experts to minimise spend and risk</li> </ul>	
<b>Financial Outcomes</b>	<p>Aim for £100K net revenue <b>decrease</b> 2024/25 Aim for £150K net revenue <b>decrease</b> 2025/26</p>	<b>What does this mean?</b>	<p>We expect to see some redesign of staff structure and roles including a possible reduction, an increase in some income generation, and changes to our contracted spend.</p>

# Environment Stream: Greening & Street Care Programme

SRO: Mel Rundle & Rosa Tanfield

Project	Service Options Appraisal		Mel Rundle/Rosa Tanfield
<b>Description</b>	Reviewing what we do and how, to determine the skills required to take a new approach to maintaining our streets and green spaces. Instead of having resource in CCC, contractors, and CBH the intent is to have multi-skilled operatives and align service delivery across the whole city in the most efficient way. This could be a variety of models, which could include a community-enabling approach in some areas and will ensure a more sustainable service that is fit for the future. This may impact how parts of our city will look over the seasons, with longer periods between grass cuts for example but we will continue to work hard to ensure the city looks welcoming for residents and visitors.		
<b>Planned Activity</b>	Review what we currently do and who does it in spring 2024; different service delivery options exploration in spring/summer 2024; talking to our stakeholders in summer/autumn 2024		
<b>Key Milestones</b>	Options appraisal: Committee review and recommendations to Cabinet – Sep/Oct 2024 Detailed proposal: Cabinet and council sign-off – by December 2024 Implementation plan: Implementation plan with phased timelines – delivered by October 2026		
<b>Staff Impact</b>	Circa 40 staff employed by the contractor (TUPE implications), circa 60 staff at CCC but ultimately the staff impact cannot be determined until the final service option decision has been reached.		
<b>Investment Requirement</b>	Investment requirement cannot be determined until the final service option decision has been reached however some capital investment for tools and machinery will be required for any in-house service as well as investment in some CCC owned sites to ensure they are fit for purpose.		
<b>Risks and Mitigation</b>	All risks will be measured through the exploration of the service options and will be presented in detail as part of the final proposal, but could include: <ul style="list-style-type: none"> <li>• Changes to how parts of our city will look over the seasons</li> <li>• Reputational risk from the public regarding public open spaces and how they are managed and maintained</li> <li>• TUPE implications as well as potential redundancy costs</li> <li>• Potential significant capital investment, subject to the final service option decision</li> </ul>	Mitigation could include <ul style="list-style-type: none"> <li>• A contingency plan will be developed to address unforeseen challenges, including a phased implementation approach to minimize disruptions.</li> <li>• Communication and behaviour change activity will be key to success.</li> <li>• Training and redeployment options will be explored</li> <li>• Seek advice from experts to minimise spend and risk</li> </ul>	
<b>Financial Outcomes</b>	Aim for £750K net budget <b>decrease</b> 2026/27	<b>What does this mean?</b>	We expect to see a reduction in contract spend, a redesign of staff structure and roles including a possible reduction and income generation opportunities

# Culture & Heritage Programme

	24-25	25-26	26-27
Income Target	£100K	TBC	TBC
Savings Target	£120K	TBC	TBC
Investment	TBC	TBC	TBC

**Owner: Frank Hargrave**

**Description:** Provide a more efficient and entrepreneurial museum service

	Project Manager	2023-24	2024-25	2025-26	2026-27
<b>Delivery Model Review</b>	Frank Hargrave	Options analysis/ consultation to reach agreement by Oct-24 or accept cultural exemption			
<b>Hollytrees</b>	Frank Hargrave		Options analysis		
<b>Natural History Museum</b>	Frank Hargrave	Options analysis and consultation	NLHF application – May '24	Development phase to RIBA 4 (if NLHF successful)	NLHF Round 2 app and delivery

- Museum service delivery model options (e.g. Charitable Trust) are being considered to achieve the savings target; however, these may have other implications and costs in terms of legal fees/ VAT advice and additional staffing.
- Other options such as Cultural Exemption on admissions at the castle may achieve similar savings more swiftly and without investment/significant risk
- Charging for admission at Hollytrees - estimated £100k income based on 20k visitors initially at £5 per head, (estimating an initial 50% drop) as well as joint ticketing with the Castle and an extension to the Castle's residents annual pass scheme.
- NLHF funding application being made in May 2024 with the aim of delivering a c.£5m redevelopment of the Natural History Museum.

# Leisure & Economy Stream: Culture & Heritage Programme

SRO: Frank Hargrave

<b>Project</b>	<b>Museums Delivery Model Review</b>	<b>Frank Hargrave</b>
<b>Description</b>	Review exploring a new independent organisation, Charitable Trust/CIC or similar. Savings need to be balanced with new and additional governance and accounting requirements of a Trust. The new Trust would require time and investment to setup however it would provide further opportunities for fundraising and greater flexibility.	
<b>Planned Activity</b>	Production of a delivery model options appraisal including cultural exemption. Consultation with key stakeholders including Ipswich Council for finalisation of delivery model proposal.	
<b>Key Milestones</b>	Complete options appraisal Decision on delivery model Consultation with Ipswich Museums Staff consultation Cabinet Oct-2024	
<b>Staff Impact</b>	There are 65 FTE across Colchester and Ipswich museums. No change in staffing levels for museum service is expected but possible TUPE to new Trust as well as a review of skills and training needed.	
<b>Investment Requirement</b>	Investment requirement cannot be determined until the final service option decision has been reached	
<b>Risks and Mitigation</b>	<b>Risk:</b> <ul style="list-style-type: none"> <li>Reputational damage, miscalculation of finances, break up of partnership with IBC and loss of ACE funding</li> </ul>	<b>Mitigation:</b> <ul style="list-style-type: none"> <li>Due planning and engagement of appropriate specialists. Consultation with partners/funders</li> </ul>
<b>Financial Outcomes</b>	£120K savings in 2025/26, if cultural exemption not taken up in 24/25	<b>What does this mean?</b> It is not anticipated that the model of museum delivery will impact the service

**Additional activity under this programme includes PwC being commissioned for:**

- Assessment of the viability of cultural exemption on Castle admissions. This would bring savings of ~£120K but would lower the VAT exempt threshold of the Council from c.£1.4m p.a. to c.£800,000 p.a. so has wider implications that need to be considered.
- Challenge HMRC on Non-Business Supplies, as was done for Leisure World. May take several years to complete but PwC estimate a potential rebate of more than £500K and future VAT savings.

# Leisure & Economy Stream: Culture & Heritage Programme

SRO: Frank Hargrave

Project	Hollytrees Admission Charging		Frank Hargrave
Description	Charging for admission to the Hollytrees Museum.		
Planned Activity	Pricing structure developed following benchmarking. Admission will start at £5 for an adult with family offers and joint ticketing options with the castle		
Key Milestones	Delivery by Apr-24		
Staff Impact	None		
Investment Requirement	Under review – c.£10k		
Risks and Mitigation	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>- Reduction of visitors to the museum following introduction of charges.</li> <li>- Reputational damage</li> </ul>	<p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>- An estimation of income of between £80,000 to £100,000 p.a. (in part dependent on VAT exemption) is based upon the halving of visitor numbers from 40,000 p.a. to 20,000. Learning from the wider sector implies the impact to visitor numbers is the same irrespective of the charge so low entry charges would be inadvisable. In mitigation the team is improving signage and adding trails, dress-up activities etc to help improve the visitor offer.</li> </ul>	
Financial Outcomes	£100K revenue 2024/25	<b>What does this mean?</b>	Hollytrees Museum will no longer be a free resource for our communities.

# Leisure & Economy Stream: Culture & Heritage Programme

SRO: Frank Hargrave

Project	Natural History Museum	Frank Hargrave
Description	Capital redevelopment of Natural History Museum	
Planned Activity	Securing external funding from NLHF and developing a scheme to conserve the Grade II listed church and redevelop the museum displays	
Key Milestones	Application to NLHF made May 24 NLHF Round one award, including development funding c. Sep 24 Development of designs to RIBA stage 4 Round 2 Application to NLHF c.Oct 25 Round 2 Award and grant from NLHF Spring 26 Project Delivery and Museum reopening c. Autumn 27	
Staff Impact	Limited	
Investment Requirement	£100,000 (£50,000 capital in 24/25 and £50,000 in 25/26 TBC on successful Round 2 application	
Risks and Mitigation	<b>Risk:</b> <ul style="list-style-type: none"> <li>- Use of Council funding at a time of stretched resources</li> <li>- Failure to secure NLHF funding</li> <li>- Failure to develop a scheme that meets public expectation</li> </ul>	<b>Mitigation:</b> <ul style="list-style-type: none"> <li>- The church needs significant restoration works. This project could lever in external funds to secure some of this investment as well as redevelop the museum itself.</li> <li>- Significant public consultation already completed</li> </ul>
Financial Outcomes	Capital investment from Council to match external funds	<b>What does this mean?</b> The church needs conservation works whilst the museum itself is tired and out of date. This project offers multimillion return to the council's investment

# Active and Wellbeing Programme

	24-25	25-26	26-27
Income Target	TBC	TBC	£515k
Savings Target	£26K	TBC	£210k
Investment	-	£500k capital	-

**Owner: Rory Doyle**

**Description:** To transform the public sector sport and leisure model so that is financially sustainable and contributes to reduction in health inequalities and supports integrated working with system partners in relation to estate and service delivery.

	Project Manager	2023-24	2024-25	2025-26	2026-27
<b>Service Model Redesign</b>	Rory Doyle		Discovery to Sep-24	1-year Planning phase	Delivery phase
<b>Interim Transition</b>	Rory Doyle			Medium term transition	
<b>Gladstone</b>	Adam Britton		£20K savings 24-25		
<b>Digi Ticket</b>	Adam Britton		£6K savings 24-25		

- £26k of savings relate to contract negotiations for systems in use within the service with no service impact.
- A staffing restructure currently underway will provide the foundations for community health and wellbeing being at the heart of sports and leisure service delivery.
- The delivery of our new service model is a long-term multi-year programme. We will collaborate with communities to change how our services and teams serve our people, be less dependent on formal offers, and tackle health inequalities to ensure that active wellbeing becomes an integral and valued contributor to the wider health and care system.



# Leisure & Economy Stream: Active & Wellbeing Programme

SRO: Rory Doyle

Project	Sport and Leisure Service Review		Adam Britton
Description	As part of our ongoing development of sports and leisure services, we are implementing changes to our team structure to ensure the service is fit for future users and provide opportunity for additional income streams. These changes set the foundations for delivering a new service model to put community health and wellbeing at the heart of the vision and delivery of our sport and leisure service. This new approach increases our presence in the community, participation levels for all user groups in Colchester, greater partnership working with national governing bodies, community groups and schools. In addition, contract negotiations for systems currently in use within the service will deliver £26k savings with no service impact		
Planned Activity	Staff consultation currently underway.		
Key Milestones	Implementation of new service structure, and recruitment to new roles – from April 2024 Procurement of new equipment – by April 2025 Installation of new equipment - 2025		
Staff Impact	The structure being implemented by April 2024 will largely provide the new roles anticipated for the next three years, however the new ways of working are likely to result in greater effectiveness and efficiencies. Services also may need to be reviewed and refined in response to customer need.		
Investment Requirement	There is a required capital investment in 25/26 of £500k, in addition to other grant monies already being pursued.		
Risks and Mitigation	<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- Successful recruitment to team structure</li> <li>- Fluctuating energy and supplier costs</li> <li>- Not achieving income levels needed on memberships</li> </ul>	<p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>- Upskilling where appropriate, use of agency workers</li> <li>- Use different suppliers where we can, aim for lower energy use</li> <li>- A specialist consultant has completed an income analysis with reasonable assumptions has been taken and confidence levels are high.</li> </ul>	
Financial Outcomes	£725k target net budget reduction for 26/27 (£515k income growth, £100k Premises savings from energy efficiencies, £60k employees, £50k between supplies/grants)	<b>What does this mean?</b>	We expect to see a reduction in system spend, a staff restructure which brings efficiencies and increase in income generation. This new health and wellbeing approach will help to tackle health inequalities in our city and mean we are a valued contributor to the wider health and care system.

# Economic Growth Programme

**Owner: Matt Sterling**

**Description:** Working with partners through the North Essex Economic Board to scope and agree a combined approach to promoting economic growth.

	24-25	25-26	26-27
Income Target	TBC	TBC	TBC
Savings Target	TBC	TBC	TBC
Investment	TBC	TBC	TBC

	Project Manager	2023-24	2024-25	2025-26	2026-27
Participation in Essex CEOs Forum	Pam Donnelly	Government Autumn Statement	Local party votes		

- This programme builds on several years of joint working through the NEEB and more recently the collaboration through North Essex Councils to produce the Greater Essex Devolution proposal
- It also uses the links that have been built through Team Colchester and One Colchester
- Exploring new ways of working together and sharing resources to increase our impact and resilience

# Housing Stream: HRA Review Programme

SRO: Lindsay Barker

Efficiency	Cuts	Income	Investment
✓			

Project	Housing Revenue Account Assessment	Lindsay Barker
Description	Review of our Housing offer and delivery model (to be planned in stages over 3 years)	
Planned Activity	Development of a long-term plan to ensure efficiency, effectiveness and the future sustainability of our housing offer, beginning with an assessment and reset of the future use of our Housing Revenue Account.	
Key Milestones	Strategic assessment of the HRA to be planned and commissioned by April 2024 to underpin future plan (timescales for completion TBD)	
Staff Impact (FTE)	No direct impact from the review, although there may be impacts arising from the review	
Investment Requirement	TBC	
Risks and Mitigation	Risk: That the HRA business plan is unsustainable	Mitigation: The review will identify mitigating actions
Financial Outcomes	The aim of the review is to result in a financially viable business plan for the management of our housing stock.	

# Housing Stream: Housing Provision Programme

SRO: Philip Sullivan

Project	Homelessness Prevention		Philip Sullivan
Description	Development of a long-term plan to ensure efficiency, effectiveness and the future sustainability of our housing offer, beginning with an assessment and reset of the future use of our Housing Revenue Account.		
Planned Activity	This is an emerging programme of transformation work with activity at various stages of development. The new Housing Board already established and chaired by Rory Doyle connects the Health and Well Being Alliance and will provide better governance and partnership working opportunities. The Housing Delivery Plan will generate additional projects that will be assessed by the new Board arrangements.		
Key Milestones	New approach to strategic oversight of housing functions determined from late Dec-23		
Staff Impact (FTE)	Staff impact currently being scoped as this involves staff across CBH and CCC		
Investment Requirement	TBC		
Risks and Mitigation	Risk: Further increased in homelessness	Mitigation: The review will identify solutions to further increases in homelessness	
Financial Outcomes	£200K savings 2026/27		

# Assets Programme

	24-25	25-26	26-27
Income Target	N/A	TBC	TBC
Savings Target	£300K	TBC	TBC
Investment	N/A	TBC	TBC

**Owner: Patricia Barry**

**Description:** Develop an Assets strategy aligned to strategic plan and business goals, ensuring property is maintained effectively and that regeneration, climate change and place-making objectives are realised, and commercial and income generation opportunities are promoted. Develop an asset strategy, policy and delivery model that ensure we make the most of our assets.

	Project Manager	2023-24	2024-25	2025-26	2026-27
<b>Asset Management Framework</b>	Patricia Barry		Cabinet decision	Delivery	
<b>Corporate Landlord Model</b>	Patricia Barry		TUPE	Service redesign	

There are 2 main focuses of this programme

1. Implementing a Corporate Landlord Model for the planning, creating and operation of assets
2. Creating an Asset Management Framework that includes policy, strategy and a clear plan that enables Colchester to understand and leverage the value of the whole estate, making sound financial and risk-based decisions, in partnership with other organisations

# Assets Programme

## Savings or income breakdown and detail

- 2024/25 - £300k saving from the design of our Corporate Landlord service.
- Work with services (as part of other programmes within FFF) to identify savings or income generation relating to assets under those programmes according to the gap identified and in line with strategic approach.
- Plan for future years impact – work to begin immediately to understand discovery data and the following opportunities;
  - **Cut spend** – unlikely that this will be in relation to works due to annual under-investment, however:
    - Potential reduction in costs of borrowing if disposals of surplus/cost inefficient properties identified and capital receipt used for reinvestment rather than using capital borrowings
    - Efficiency programme for building usage to reduce/control running costs
    - Review vacant properties and strategic hold assets – there will be costs associated with security etc
    - Strategic investment in properties identified for long term retention to enable use of capital rather than use of revenue in 'ad-hoc' approach to spend
  - **Stop income loss:** investment in stock, particularly those that are generating income is essential. Also review marketing of vacant commercial portfolio
  - **Increase income (immediate and future opportunities):** review the use of access to capital in relation to the investment strategy e.g. opportunities for secure income stream from provision of facilities that support health provision – primary care, intermediate housing, community located health provision
  - **Use of capital:** does capital expenditure always support economic growth or lead to reduction in revenue?

# Assets Programme

## People - current and projected

- Complete picture of property-related staffing numbers is unknown, but a forensic cost analysis of the ledger will identify all resources, including staff numbers, that are involved in estate matters
- The Corporate Landlord structure is in development

## Estimating Confidence levels

- High

## Key Risks

- The organisation does not consider the current and future risk and cost of the estate through the lens of the financial sustainability of the council (once the relevant data has been gathered and analysed)
- Competing political and operational drivers for capital investment or property related decisions
- Investment is not forthcoming to develop business cases for projects that are specifically linked to revenue reduction or income generation projects e.g. New Crematorium, Energy production - Heat Networks/Solar Farm, Town Hall
- Continuing volatility of the property market will affect assumptions around time, cost, and open market valuations for business cases therefore contingency will need to be included in all cases
- Speed of deterioration of the estate continues to impact on income, unexpected cost and reputational damage

# Assets Programme

Next Steps	Status
Implement Corporate Landlord – already approved at Cabinet	In progress
New governance structure to be established to ensure member engagement, transparency of decision making, strategic understanding and planning of the Estate	Implementation from April
Service and organisational engagement regarding culture change that the Corporate Landlord will deliver	Ongoing
Forensic cost analysis of the ledger to provide accurate visibility of costs of the estate	Completion mid-Mar
Commercial estate analysis – risk and identification of opportunities	Completion mid-Mar
Detailed stock condition survey to include 15–20-year life cycle costings to support financial planning beyond the current MTFF	Complete end-Apr
3-year action plan for the estate (developed under delegated authority due to timing of receipt of stock condition data)	Complete mid-May
Any new capital project that negatively impacts the financial liability of CCC, until approval of the Strategic Estate Plan must be exceptional, new gateway process following capital review must be strictly adhered to and wider strategic impact considered as part of the business plan	Ongoing
As per CIPFA recommendations, Estate Plan (Strategy/Policy) drafted, with submission to Scrutiny in February and Cabinet in March	COMPLETE
Develop business cases where there are revenue reduction implications or income generation opportunities only	In progress
Further discussion with Health Care Alliance regarding use of council capital to support projects for secure revenue returns	Ongoing
Integrated working with Amphora events team in relation to the Estate Plan	In progress
Strategic review of all Heritage Assets to be undertaken following receipt of condition surveys	March start



# Corporate Stream: Shared Services

SRO: Richard Block

Efficiency	Cuts	Income	Investment
✓			✓

Building the resilience of our organisation through shared services. A joint Shared Services Executive Board has been established and a programme director is in place leading the work to fully maximise the benefits we know shared service working can bring. The programme has a clear vision to share 'back office' services across the three councils, including:

- HR
- Revs and Bens
- Finance
- ICT
- PMO (Project Management Office)



**shared  
services**

Braintree . Colchester . Epping



**Organisational resilience** – We all carry numerous vacant posts and find it difficult to recruit the right staff for the future. Working in partnership we can be more resilient by sharing services, sharing key posts, attracting the right people.



**Improving capacity and agility** – Specialists posts can be shared rather than a reliance upon agency staff and Suppliers. Peaks and troughs in workload can be dealt with through improved capacity and sharing of common processes and policies.



**Staff retention and development** – There is the opportunity to develop some bigger/challenging roles across the partnership that will underpin our ability to retain key staff. Investing in staff development will be a key part of service design.



**Aligning and developing best practice** – The co-design of services will enable us to build upon strengths, significantly improve common pain points and lead to a one-off change in delivery through the alignment towards shared service best practice.



**Service efficiency** – We will co-design more efficient services by designing out pain points whilst at the same time dealing with frustrations of staff with existing service delivery models.



**Shaping our own future in Essex** – Three strategically aligned partners who can move quickly enough to co-design shared services now. This way we are in control of service delivery models.



**Improve the customer journey** – This programme presents us with a step-change (one-off) opportunity to co-design services around Customer needs.

# Corporate Stream: Shared Services

Efficiency	Cuts	Income	Investment
	✓		✓

Additional to the main programme

SRO: Richard Block

Project	Building Control		Andrew Tyrrell
Description	<p>Proposal for a shared management structure with one or more local authorities. Key enabler is to have a high-quality Team Leader beneath a shared Service Manager, freeing the manager to align service operations and best practices, customer relationships, income, budgets, workforce planning, training and development. The right Team Leader could reduce the degree of geographical dependency for this role as they would be engaged daily, locally. Shared management would benefit from shared policies, pricing, systems, and practices and be a key role to take best practices from each local authority and encourage a unified team.</p>		
Planned Activity	Team Leader role currently being advertised for Colchester		
Key Milestones	Recruitment of local Team Leader post		
Staff Impact (FTE)	0.5 FTE Service Manager post		
Risks and Challenges	<p>Risks:</p> <p>Success of shared service management is dependent on ability to recruit a sufficiently experienced Team Leader.</p> <p>Progression timeline dependent on Team Leader recruitment.</p> <p>The arrangement would make people highly desirable to other recruiters</p>	<p>Challenges:</p> <p>Market conditions are uncertain at present, affected by 1-Apr-24 Building Safety Regulator “Registration” requirements</p> <p>IT systems in place at participating authorities, whether cost, lifespan, functionality</p>	
Financial Outcome	£43K savings 2024/25		

# Corporate Stream: Future Workforce Programme

SRO: Jess Douglas

Our workforce will be critical to the delivery of the Fit for Future transformation portfolio. Our workforce will need/to be:

- Ready for significant change
- Lean but sustainable
- Inclusive leadership
- Diverse and inclusive
- Agile and resilient
- Highly skilled
- Model our core values and demonstrate personal leadership
- Embrace system working and shared services
- Digitally and data enabled



# Future Workforce Programme

SRO: Jess Douglas

Efficiency	Cuts	Income	Investment
✓			✓

**What this means:**

**Approach:**

**Sustainable**

Establishment is affordable within the council’s budget; work is achievable, fulfilling, and long hours are not the norm.  
 Core workforce, with ability to bring in additional interim capacity and expertise.  
 Staff are fulfilled, quality of work life is positive, and needs are being met.

- FFF Change Management Policy Review
- Change Management Leadership Programme
- Service workforce/organisational development plans

**Agile and Resilient**

Workforce will be supported to adapt and thrive in a constantly changing environment, by focusing on people’s wellbeing, physical and mental health  
 Utilising skills and sharing knowledge across the council, systems and partnerships.

- Wellbeing strategy
- Enabling more movement across the council to re-deploy staff where needed and support career aspiration
- Formal mentoring and buddying system

**Inclusive**

Increased diversity and good representation across the council against each protected characteristic.  
 Workforce reflective of our communities  
 EDI embedded in every workforce activity

- New EDI Strategy linked to LGA equalities framework
- Reverse mentoring
- EDI KPIs and monitoring

**Future Skills**

What changes are happening through the Fit for the Future programme to make sure we are living within our means and impact to services

- Skills taskforce to identify future skills
- Skills audit and gap analysis
- L&D plans linked to priorities
- Career pathways
- Digital skills

# Future Workforce Programme

SRO: Jess Douglas

## What this means:

Leadership

Lead transformation positively and collaboratively understanding and managing the impact of change on people  
Continually model the council's core values  
Be committed to leading a diverse workforce and promoting inclusion

System working /shared service opportunities

Build on existing and forge new partnerships, work collaboratively to realise the opportunities that shared services can bring; resilience, improving capacity, building relationships, retaining staff, service efficiencies and improved customer journey.

## Approach:

- Leadership development programme aligned to strategic priorities, core values and transformation
- Future leaders' talent management programme
- New leaders' induction programme

- Introduce a framework to support the delivery of future shared services:
- Business case development, models of delivery, culture development, change process, staff involvement and engagement plan.

# Corporate Stream: Digital Customer Programme

Efficiency	Cuts	Income	Investment
✓			✓

SRO: Mel Kemp-Salt

Project	Website Replacement Project		
Description	Replace existing extranet, intranet, and microsite platforms at Colchester City and Epping Forest District Council and deliver a platform that is readily usable and adoptable by further partners. Transform website content to provide clear, concise information and simple, consistent self-service options.		
Planned Activity	Project brief is with key stakeholders for contribution		
Key Milestones	<p>Project timeline assessment is expected to deliver the project over 24 months. The expected path to a phased service by service implementation is:</p> <p>03/2024 - Go out to procurement framework (budget/resources agreed)</p> <p>05/2024 - Sign-off procurement and secure delivery partner</p> <p>06/2024 - Develop project requirements and Statement of Works</p> <p>07/2024 - Commence project deliverables</p>		
Staff Impact (FTE)	No expected staff reduction however there may be efficiencies realised in related services.		
Investment Requirement	To be determined through project planning and procurement frameworks		
Risks and Mitigation	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>• Not able to provide a platform that underpins modern customer expectations</li> <li>• If services are unable to engage with the new site redesign and content review then there will be delays in the project completion</li> </ul>	<p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>• Market research indicates this is low risk</li> <li>• Early engagement, agreed web standards in line with, workshopping content, re-use of best practice content</li> </ul>	
Financial Outcome:	<ul style="list-style-type: none"> <li>• Capital investment will be required to fund the project</li> </ul>	<b>What does this mean?</b>	Increased web accessibility, better navigation

# Corporate Stream: Digital Customer Programme

SRO: Mel Kemp-Salt

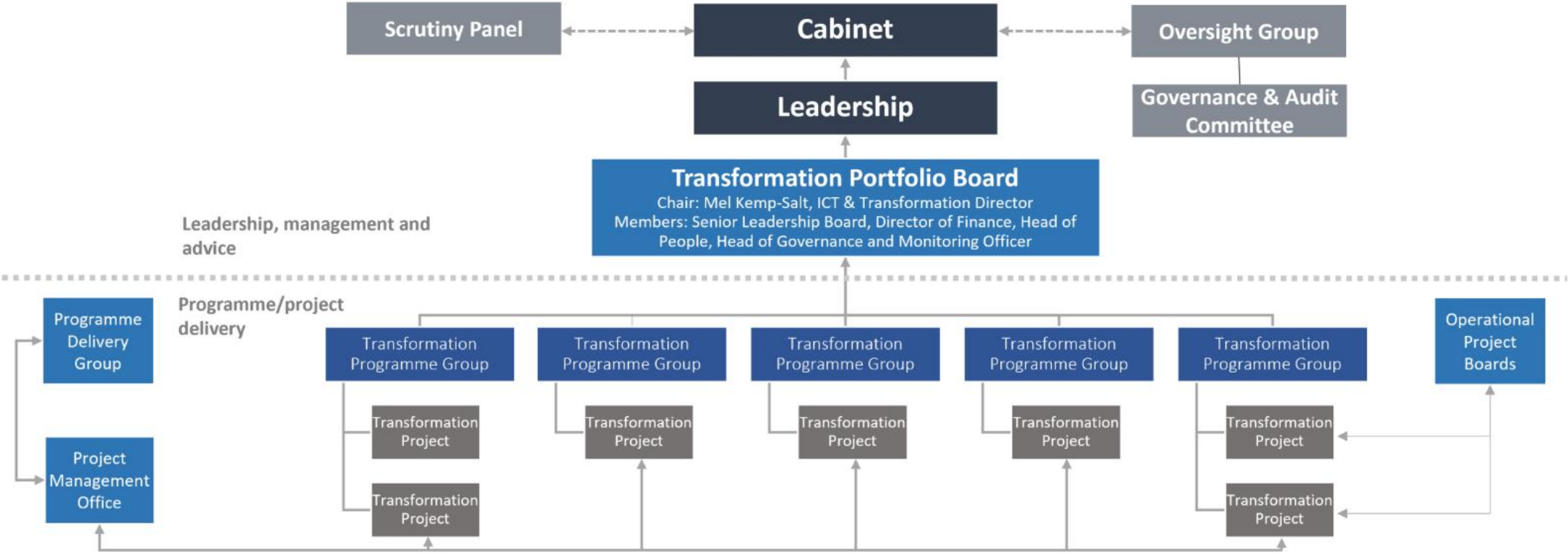
Efficiency	Cuts	Income	Investment
✓			✓

Project	Channel Experience with Contact Centre	Sam Preston
Description	Reviewing what we do and how we do it to adapt our service to make sure we're fit for the future and meet our customers' needs. This includes reviewing customer journeys to maximise channel shift, which would result in requiring less staff resource and create budget savings in 24/25. This may impact how customers perceive our contact service, with longer response times on the phone however we will work hard to provide better experiences across other digital channels. Future years' service improvement will be dependent on delivery of digital systems.	
Planned Activity	Iterative changes to rebalance the level of service provision across all channels in a test and learn approach, reducing telephony hours to allow better email and self-serve response times and service experience; exploring use of other more efficient digital contact channels; refocus performance indicators and targets away from time taken to first contact resolution; improved use of telephone messaging to direct customers to self-serve options; establish a relationship with Epping customer services to explore options/solutions together.	
Key Milestones	Iterative service adaptations – from January '24 Customer self-serve platforms in place - TBC Web improvements (delivered by the Website Replacement Project) - TBC Redesign the customer service delivery model and optimise alternative contact channels - TBC	
Staff Impact (FTE)	32.58 FTE currently, we expect a reduction of 3-4 FTE that will be achieved through natural attrition and end of fixed term contracts	
Investment Requirement	No specific investment expected, however there will be some dependency on wider projects within digital customer which will require investment	
Risks and Mitigation	<b>Risk:</b> <ul style="list-style-type: none"> <li>• Reduced customer satisfaction</li> <li>• Longer telephony wait times</li> <li>• Urgent contacts unable to get through</li> <li>• Inability to flex to unexpected demands</li> </ul>	<b>Mitigation:</b> <ul style="list-style-type: none"> <li>• Adapt the changes being made based on customer feedback</li> <li>• Reviewing call routing to prioritise more urgent contacts</li> <li>• Service design will protect urgent service lines</li> <li>• Re-prioritisation of call queues, customer comms as needed</li> </ul>
Financial Outcomes	£100K net budget reductions 2024/25 achieved through salary savings	<b>What does this mean?</b> Focusing resources where needed, and improving the experience of our residents interacting with our digital services



# Fit for the Future Governance Framework

The proposed governance structure is intended to ensure good governance, with decisions at the lowest level possible and with oversight from Members and Officers at the highest level. In addition to local governance, some programmes will report to other groups, e.g. North Essex Councils.



# Transformation Governance Bodies

Governance Body	Chair/Attendees	Purpose	Frequency
Leadership	Leader & Deputy Leader Portfolio Holders Senior Leadership Board	To oversee the delivery of the transformation portfolio and the achievement of its deliverables. Approve the initial portfolio and any additions (or deletions) from it.	As required
Oversight Group	All Group leaders, PfH Economy, Transformation and Performance, Chair Governance & Audit Committee, Senior Leadership Board	To build cross-party discourse, understanding and consensus on the portfolio of transformation programmes including management of risk. To be supported by the Director of ICT & Transformation.	TBC
Transformation Portfolio Board	Chair: Mel Kemp-Salt Vice Chair: Andrew Small, Jess Douglas Senior Leadership Board Andrew Weavers Programme SROs	To review progress on the portfolio and ensure issues and risks are addressed, to hold individual projects to account, provide support and guidance to programme project SROs, to recommend the addition and removal of initiatives from the transformation portfolio, and to ensure that the Council's transformation objectives are met. Also, to provide upward reporting to Members Committees and Groups. Streams/programmes/projects can be reviewed by exception however the Transformation Board may wish to review specific areas of concern or interest as needed.	Monthly
Transformation Programme Groups	Programme SRO Project Manager(s) Relevant Officers	Programme-level groups to identify and define potential transformation projects for further consideration and development.	As required
Transformation Projects	Project Manager Project leads HR & Finance Business Partners	Set up following the identification of transformation opportunities to develop proposals and deliver projects. To be comprised of nominated project manager and leads for the project, along with HR and Finance Business Partners and support from the Project Management Office. To assess the viability of potential transformation projects with a view to establishing business cases and Project Initiation Documents for consideration by the Programme Delivery Board.	Weekly

# Transformation Governance Q1 2024

## Informal Officer Governance

### Senior Leadership Board

Monthly oversight of portfolio

## Informal Member Governance

### Leadership

### Oversight Group

All Group Leaders, PFH for Economy, Transformation and Performance, Chair of Scrutiny Panel, Chair of Governance and Audit Committee

## Formal Member Governance

Budget **Scrutiny** 23/01/24

Budget **Cabinet** 24/01/24

FFF **Scrutiny Panel** 13/02/24

Budget **Full Council** 21/02/24

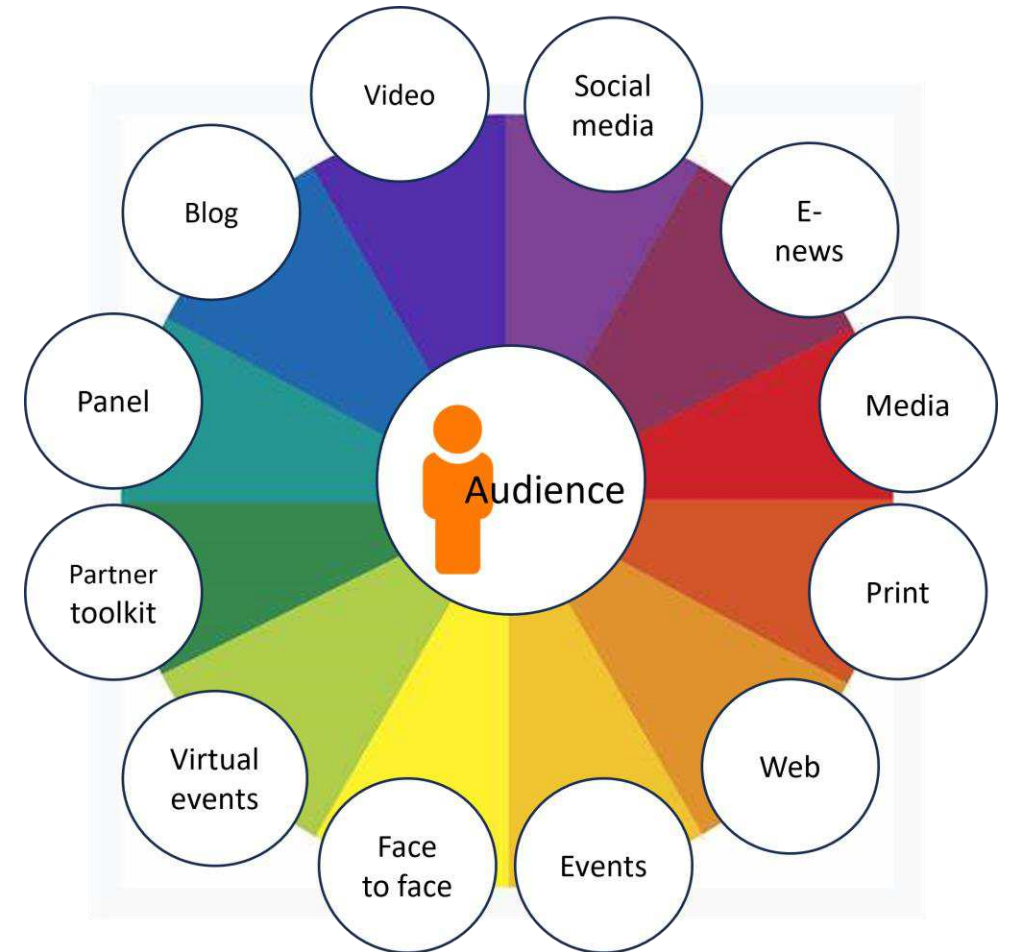
FFF **Scrutiny Panel** 26/02/24

FFF **Cabinet** 13/03/24

# Fit for the Future: Integrated Communications Strategy

Integrated communications will ensure we deliver consistent message across channels and to residents, staff, members and stakeholders to support the programme objectives, take people on the Fit for the Future journey with us and build trust and loyalty.

It includes who we are talking to, why we are talking to them, how and when we will talk to them, what form of communication the content should take and what channels we should use to share it.



# Fit for the Future: Integrated Communications Strategy

	Key Messages	Approach
External	The budget situation of the organisation, how we are acting through the Fit for the Future programme to make sure we are living within our means and make sure our services are fit for the future.	<ul style="list-style-type: none"> <li>• Full communications plan.</li> <li>• Mix of channels appropriate to message, including media, social media, e-news, website and residents’ panel.</li> </ul>
Internal	What changes are happening through the Fit for the Future programme to make sure we are living within our means, impact to services and staff, ensuring up to date / timely messages with the ability to ask questions and feed into the process and support for staff.	<ul style="list-style-type: none"> <li>• Full communications plan with monthly focus on work streams.</li> <li>• Mix of channels appropriate to audience e.g. desk based/frontline.</li> <li>• Clear feedback routes.</li> </ul>
Members	What changes are happening through the Fit for the Future programme to make sure we are living within our means, impact to services and residents, ensuring up to date and timely messages.	<ul style="list-style-type: none"> <li>• Mix of channels appropriate to audience, including networking events, new member induction, regular updates from CEO and Leader and toolkits.</li> </ul>
Stakeholders	What changes are happening through the Fit for the Future programme to make sure we are living within our means and impact to services.	<ul style="list-style-type: none"> <li>• In person stakeholder briefings for key partners to the council by SLB/SLT/Cabinet</li> <li>• Regular meetings already attended by SLB/SLT/Cabinet.</li> </ul>

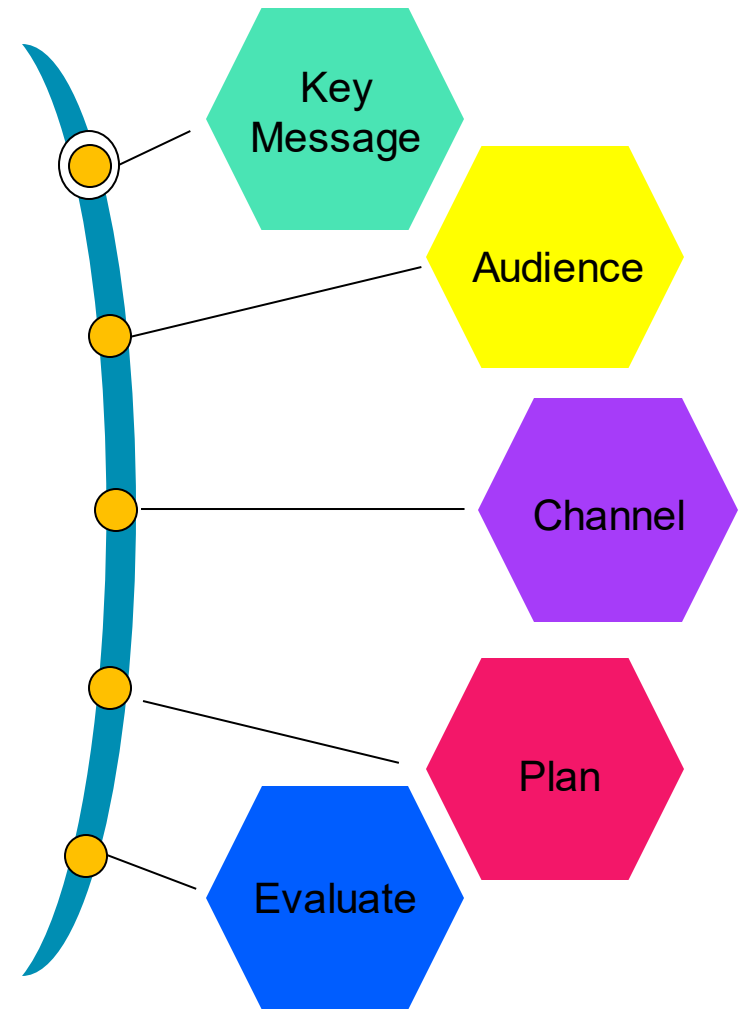




# Fit for the Future Integrated Communications Approach

# Purpose

Integrated communications will ensure we deliver consistent message across channels and to residents, staff, members and stakeholders to support the programme objectives, take people on the Fit for the Future journey with us and build trust and loyalty.





# Key Messages

- The cost-of-living crisis, alongside the recovery from the Covid-19 pandemic and rising energy costs have placed significant pressure (of around £6.262 million over the next three years) on the council's budget.
- Our response to this financial challenge must be radical; to close the budget gap and future proof our organisation, we will need to reduce our operating costs by 25 percent over the next three years.
- Colchester City Council has a strong track record of financial management, having saved nearly £16million since 2018, from its net budget of £26million.
- Colchester is not alone in dealing with these pressures. Most councils are facing the same problems. We are in a better position than some, but (like most other councils) we have a substantial structural deficit in our revenue budget.
- Continuing as we are, is not an option. We are working to reset and transform the council to become a leaner, more efficient organisation, doing everything we can to find ways to improve the way we work and deliver services to ensure a stable and secure financial future. This work is called 'Fit for the Future'.

# Full list of important messages

- The scale of the financial challenge we face is huge (around £6.262 million over the next three years). The cost-of-living crisis, alongside the recovery from the Covid-19 pandemic and rising energy costs have placed significant pressure on our budgets and we simply cannot continue to operate as we are.
- Colchester City Council has a strong track record of financial management, having saved nearly £16million since 2018, from its net budget of £26million.
- Colchester is not alone in dealing with these pressures. Most councils are facing the same problems.
- Colchester is in a better position than some, but (like most other councils) we have a substantial structural deficit in our revenue budget. This is why the transformation programme is so important. It will see us reduce our spend, size and scope, making sure we are not overspending.
- Our response to this financial challenge must be radical; to close the budget gap and future proof our organisation, we will need to reduce our operating costs by 25 percent over the next three years.
- To achieve this, we are working to reset and transform the Council to become a leaner, more efficient organisation, doing everything we can to find ways to improve the way we work and deliver services to ensure a stable and secure financial future. The 'Fit for the Future' programme will make sure that we are exactly that; fit for the future of our city, of our organisation and of our communities.
- Whilst this work will help to align us with the Medium-Term Financial Forecast and ensure we are closing the budget gap identified, it will also prepare us for the longer-term financial challenges that lie ahead.
- The programme of work will involve a significant change to many of our residents, communities and partners. The changes we make will have a very visible impact across the city, and we will work to support our residents and businesses through the changes.
- As is our duty, and at the heart of what we do as a local authority, we will continue to do all we can to protect those residents who are the most vulnerable and do what we can to mitigate the impact changes may have on them.
- We will do all that can to support our people through this change, ensuring we live and breathe our core values.

# Narrative

## Colchester City Council budget pressures explained

We are working to transform our services to ensure we can continue to deliver high-quality services for the people of Colchester.

Like every resident and business in the UK, the cost-of-living crisis, alongside the recovery from the Covid-19 pandemic, rising energy costs, and the current economic climate, is placing an unprecedented pressure on local authority budgets, and Colchester is no exception.

### **We are experiencing pressures on our budgets, more than normal**

Colchester is not alone in dealing with these pressures. Most councils are facing the same problems. We have a strong track record of financial management, having saved nearly £16million since 2018, from its net budget of £26million.

We have had to identify £5.26million in savings this financial year, with a further estimated £6.262million in savings to over the next three years to ensure our budgets are met. This is something we are legally required to do.

### **What are the numbers?**

The cost-of-living crisis, alongside the recovery from the Covid-19 pandemic and rising energy costs have placed significant pressure (of around £6.262million) on the council's budget.

These pressures are on top of limited government support and the rise in inflation (peaking at around 11% in 2023) and recent increases to the National Living Wage.

We have had to identify £5.26 million in savings this financial year (2023-24), with a further estimated £6.262million in savings to over the next three years.

Finance officers will continue to review the updated position, and this is a figure that could grow. Cont...

## **What is the consequence?**

Colchester is in a better position than some local authorities, but (like most other councils) we have a substantial structural deficit in our revenue budget.

The scale of the pressures we are facing cannot be met by reducing costs, making efficiencies or raising council tax, like we have in the past. Continuing as we are, is not an option. We need to make some big changes to ensure we can balance the budget. We must transform the way we work.

If we don't transform our organisation, to make sure we are spending within our means, we may, in future, be in a similar position to Thurrock and Birmingham councils and may have to issue a S114 Notice, to let the Government know we will be unable to balance our budget. The issuing of a S114 notice bans all new spending with the exception of protecting vulnerable people and statutory services and pre-existing commitments.

We hope not to get anywhere near that point.

## **Transformation is our long-term plan**

We have already begun to reduce non-essential spending and are working hard to reduce the councils overspend and begin to put the council on the right track for the future.

We have some money in our reserves (like a savings account) that will help us in the short term, but the most important thing is that we are proactively working to ensure we live within our means moving forward.

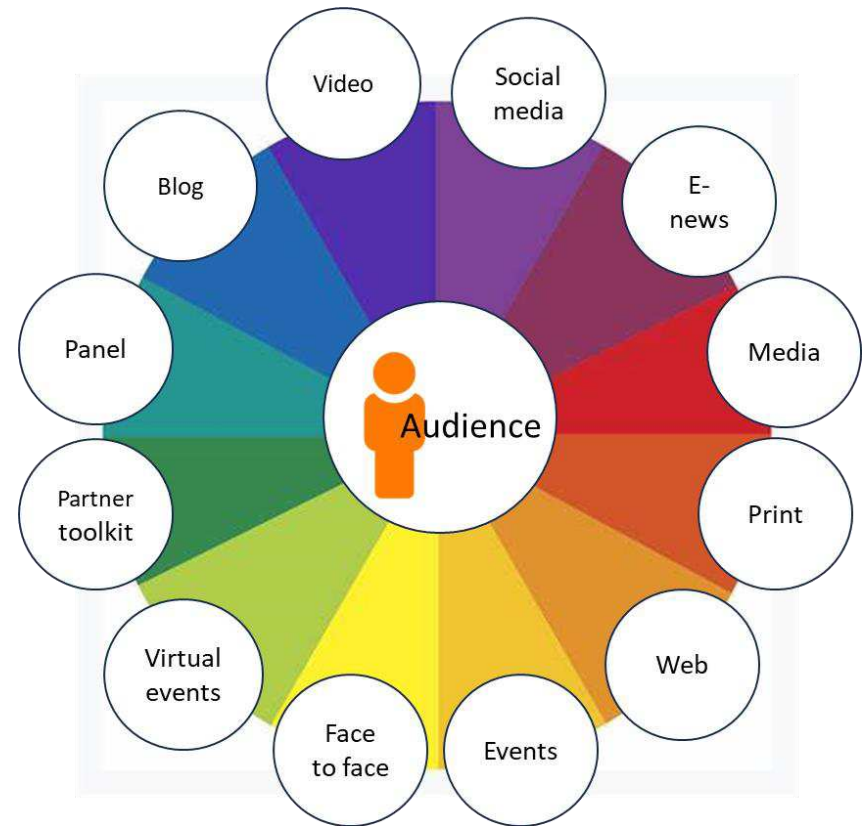
To achieve this, we are working to reset and transform the Council to become a leaner, more efficient organisation, doing everything we can to find ways to improve the way we work and deliver services to ensure a stable and secure financial future. The 'Fit for the Future' programme will make sure that we are exactly that; fit for the future of our city, of our organisation and of our communities.

The plans for how we are going to do this is set out in the Fit for the Future proposals report that is due to be discussed at Cabinet in February 2024.

# Approach

This integrated comms approach for Fit for the Future shows you:

- who we are talking to
- why we are talking to them
- how and when we will talk to them
- what form of communication the content should take
- what channels we should use to share it



# Audience

## Key Messages

## Approach

### External

The budget situation of the organisation, how we are acting through the Fit for the Future programme to make sure we are living within our means and make sure our services are fit for the future.

- Full communications plan.
- Mix of channels appropriate to message, including media, social media, e-news, website and residents' panel.

### Internal

What changes are happening through the Fit for the Future programme to make sure we are living within our means, impact to services and staff, ensuring up to date / timely messages with the ability to ask questions and feed into the process and support for staff.

- Full communications plan with monthly focus on work streams.
- Mix of channels appropriate to audience e.g. desk based/frontline.
- Clear feedback routes.

### Members

What changes are happening through the Fit for the Future programme to make sure we are living within our means, impact to services and residents, ensuring up to date and timely messages.

- Mix of channels appropriate to audience, including networking events, new member induction, regular updates from CEO and Leader and toolkits.

### Stakeholders

What changes are happening through the Fit for the Future programme to make sure we are living within our means and impact to services.

- In person stakeholder briefings for key partners to the council by SLB/SLT/Cabinet
- Regular meetings already attended by SLB/SLT/Cabinet.

Communication Goal	Communication Method	Audience	Frequency	Owner
Narrative and positioning	<ul style="list-style-type: none"> <li>• Website</li> <li>• PR / Open Letters</li> <li>• Gazette Cabinet interview</li> <li>• Homepage banner</li> <li>• Infographics</li> <li>• Residents Panel</li> <li>• Members toolkit key messages</li> <li>• Annual Report, with Council Tax main billing</li> <li>• Local radio and TV, ensuring they are aware we are keen to talk about budget situation</li> <li>• Webinars</li> </ul>	<p>Residents Stakeholders Members Staff</p> <p>Residents Members Staff</p> <p>Local radio journalists / Residents</p> <p>Members</p>	<p>One off update, with review every 3 months. Gazette Cabinet meeting – quarterly.</p> <p>Annual report is annual.</p> <p>As needed</p>	<p>Comms, supported by SLT, Leader and Finance.</p> <p>Comms, supported by organisation.</p> <p>Comms</p> <p>SLB, Transformation leads</p>
<p>Regular and timely focused budget updates</p> <p>Raising awareness of budget gap and seps to close it</p>	<ul style="list-style-type: none"> <li>• Website</li> <li>• Press release</li> <li>• E-news</li> <li>• Social media (where appropriate)</li> <li>• Local Government publications</li> <li>• Residents Panel</li> </ul>	<p>Residents Members Staff</p>	<p>As arise. Then planned approach to PR once information is available.</p>	<p>Comms, supported by Finance and transformation theme leads.</p>

Communication Goal	Communication Method	Audience	Frequency	Owner
<p>Repetition of key messages</p> <p>Transformation streams as timelines get confirmed</p>	<ul style="list-style-type: none"> <li>• Press release (non-budget focused) where appropriate.</li> <li>• Leaders Column in Gazette</li> <li>• Community events / face to face. Tagging into events already happening. Providing toolkit to staff or CEO / Leader to join.</li> <li>• Actual Radio/BBC Essex ask if there is an appetite for a regular budget chat</li> <li>• Cllr King updates to Members</li> </ul>	<p>Residents Members Staff</p> <p>Readers of the Gazette and its website</p> <p>Residents</p> <p>Residents</p> <p>Members</p>	<p>As arise</p> <p>TBC (fortnightly)</p> <p>As arise</p> <p>As needed</p>	<p>Comms</p> <p>Leader</p> <p>Organisation, CEO, Leader</p> <p>Comms</p> <p>Leader</p>
<p>Promote sign up to City News</p>	<ul style="list-style-type: none"> <li>• Homepage banner</li> <li>• Other e-newsletters</li> <li>• Process forms</li> <li>• Social media</li> <li>• Mentions in press releases</li> <li>• Residents Panel</li> <li>• Members / T&amp;P Council</li> </ul>	<p>Residents Businesses</p>	<p>Regularly</p>	<p>Comms</p>



Communication Goal	Communication Method	Audience	Frequency	Owner
Promotion of Residents Panel	<ul style="list-style-type: none"> <li>• Homepage banners</li> <li>• City News</li> <li>• Mention in press releases</li> <li>• Members / T&amp;P Councils</li> <li>• Video</li> </ul>	Residents	Regularly	Comms & Research Team
<p>Monthly FFF focus topic</p> <p>(determined by FFF timeline)</p>	<ul style="list-style-type: none"> <li>• COLIN content</li> <li>• Webinars</li> <li>• Guest blog once a month</li> <li>• Listen, Learn, Lead topic lead</li> <li>• Regular short videos from SLB and topic leads</li> <li>• SUN meetings</li> <li>• Frontline service roadshows</li> <li>• Manager engagement toolkit</li> <li>• Publish a quarterly financial update against key milestones</li> <li>• Support Wellbeing <ul style="list-style-type: none"> <li>- Work with People team to promote benefits of working for the council</li> </ul> </li> <li>• Continue to embed and embrace company values</li> <li>• Full visual calendar of planned comms</li> </ul>	<p>Staff</p> <p>Some content can be used for Members too</p>	Regularly	Comms team, SLB, Heads of Service and HR

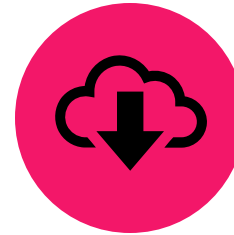
Communication Goal	Communication Method	Audience	Frequency	Owner
Fit for the Future drop-in session/innovation festivals	<ul style="list-style-type: none"> <li>In person at Rowan House, invite to all staff and Members</li> </ul>	Staff Members	<p>Twice a year</p> <p>Further event can be planned at critical points in the timeline as needed</p>	Heads of Service with support from Comms
Essex wide approach	<ul style="list-style-type: none"> <li>TBC</li> </ul>	Essex residents	TBC	ECC, supported by CCC comms
<p>Reinforcement of how we are we doing well</p> <p>e.g. city centre doing well, new business in Colchester</p>	<ul style="list-style-type: none"> <li>Press release</li> <li>Social media</li> <li>Partnership working BID and others</li> </ul>	Residents Members Staff	As arise, will be listed on the forward plan	Comms, supported by organisation
<p>Myth busting, Guerrilla marketing</p> <p>Idea needs forming depending on FFF content</p>	<ul style="list-style-type: none"> <li>Social media</li> </ul>	Residents		Comms, supported by organisation

# Insight and Evaluation

Evaluation enables us to measure the impact of our work and provides the evidence and insight to show what works and what doesn't, so enabling us to improve and shape the strategy and delivery of future activity under the Fit for the Future programme.

The Future of Colchester survey report and other key research and insight will be used to shape message and approach.

Insight from a recent Internal Comms Survey has been used to shape the communications approach for staff. Continuing to gain insight and adapting our approach is key to ensuring staff engagement.



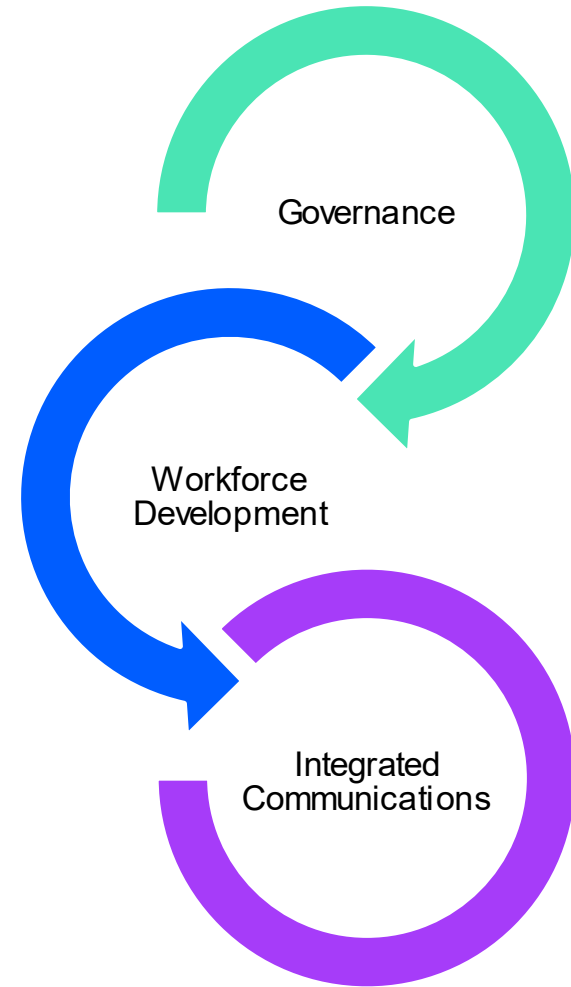
# Evaluation and insight tools and techniques

	External	Internal	Members	Stakeholders
<b>Qualitative</b>	<ul style="list-style-type: none"> <li>• Social media listening</li> <li>• Residents' Panel discussion and feedback</li> <li>• Customer Services feedback</li> <li>• Public meetings 'have your say'</li> <li>• Feedback from staff and partners</li> </ul>	<ul style="list-style-type: none"> <li>• Speak Up Now group insight</li> <li>• Live pulse check ins through webinars</li> <li>• Listen, Learn, Lead insight (Leadership and Managers)</li> <li>• SLB to attend team meetings</li> <li>• Anonymous feedback and question form on COLIN</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion at internal meetings</li> <li>• Discussion at public meetings</li> <li>• Discussion between members and the Leader and CEO</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion at meetings</li> <li>• Feedback to SLB and HoS.</li> </ul>
<b>Quantitative</b>	<ul style="list-style-type: none"> <li>• Media coverage</li> <li>• Social media engagement/reach</li> <li>• Website page views</li> <li>• Subscribers and open rate for City News e-newsletter</li> <li>• Number of Resident Panel members</li> </ul>	<ul style="list-style-type: none"> <li>• Webinar attendance</li> <li>• Event attendance</li> <li>• COLIN page views</li> <li>• Listen, learn, lead take up</li> <li>• Video views</li> </ul>		

# Delivery

The Communications Plan will work in harmony with the Workforce Development Strategy and Governance programme.

Internal and External Communication Plans have been created and will continue to be live documents that will continue to grow and be shaped as the Fit for the Future programme progresses.





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# Colchester City Council

## Future Workforce Plan

Enabling Transformation through our People



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# 1 Introduction

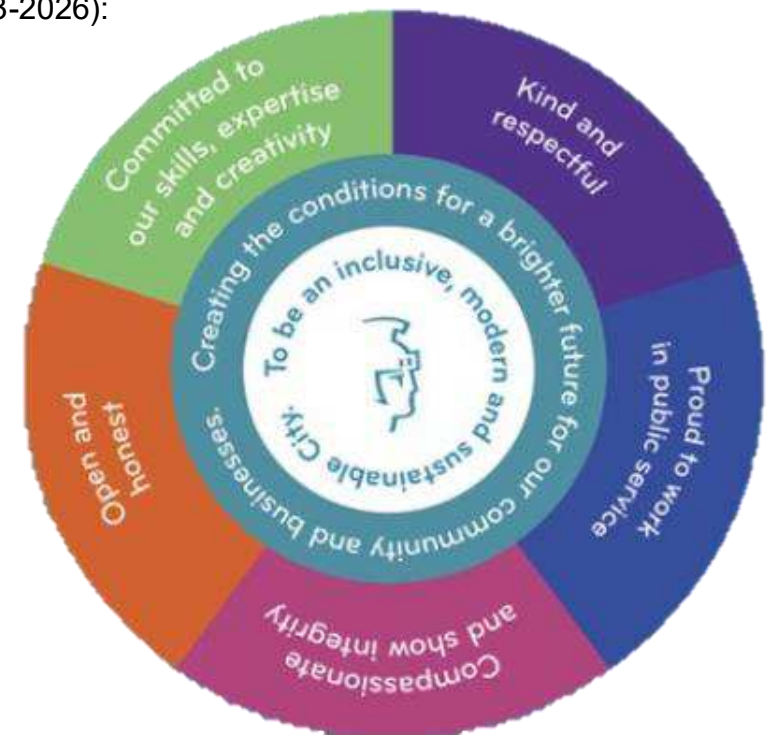
To be a modern council and to ensure we are fit for the future needs of our residents, our aim is to have a workforce that reflects the lived experience of the people it serves. We want to be an employer of choice for Colchester residents, with a high-performing, agile and diverse workforce, capable of delivering innovative services which enable our city to grow and ensure every community and place matters.

The Council's Strategic Plan 'A City Fit for the Future' sets out a clear vision for the outcomes the council wants to deliver for the city of Colchester over the next three years, alongside the actions we will take to get there. The Workforce Strategy describes the way we plan to develop our current and future workforce to ensure they have the right skills, environment and values to enable the council to deliver its Strategic Plan.

Our Strategic Plan sets out the six priorities for the council over the next three years (2023-2026):

- Respond to the climate emergency.
- Deliver modern services for a modern city.
- Improve health, wellbeing and happiness.
- Deliver homes for those in need.
- Grow our economy so everyone benefits.
- Celebrate our city, heritage and culture.

To reflect the six strategic priorities, the council has created a new vision, purpose and core values which define and shape our workplace culture. They reflect who we are and what matters to us as council employees.



## 2 Drivers for change

As we work to turn the vision and priorities into reality, we must also continue to live within our means.

We have a diverse and committed workforce focused on delivering services to our residents.

However, cuts to our core funding, on-going financial pressures coupled with ambitious plans for our city means that we will need to operate very differently to deliver on our vision and purpose and be a sustainable council that can live within its means.

Our response to this financial challenge must be radical; to close the budget gap and future proof our organisation, we will need to reduce our operating costs by 25% over the next 3 years.

To achieve this, we have developed a transformation programme encompassing a portfolio of work to reimagine what we do as a Council and how we deliver it. The 'Fit for the Future' portfolio will make sure that we are exactly that; fit for the future of our city, of our organisation and of our people.

Our workforce will be critical to the delivery of the Fit for Future transformation portfolio. To enable the level of change we will need an engaged workforce, investment in technology and skills, inclusive leadership and people policies and processes that will enable and sustainable, agile and resilient workforce that is fit for the future. At an organisational level, we will need a great understanding of our workforce in terms of their values, career aspirations and why they choose to work for the council so we can retain their skills.

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Senior Leadership Board				
Environment	Leisure & Economy	Housing	Assets	Corporate
Waste Services	Culture & Heritage	HRA Review	Asset Management	Shared Services
Rosa Tanfield	Frank Hargrave	Lindsay Barker	Mandy Jones	Richard Block
Greening & Street Care	Active and Wellbeing	Housing Provision		Future Workforce
Rosa Tanfield Mel Rundle	Rory Doyle	Philip Sullivan		Jess Douglas
	Economic Growth			Digital Customer
	Matt Sterling			Mel Kemp-Salt

[Fit for the Future transformation programme overview]

### 3 Where are we now

Our Strategic Plan, alongside our Vision, Purpose and Core Values forms the basis of organisational transformation.

We will establish a clear link between our strategic priorities and our talent needs. A leaner and agile organisation will require a core workforce with the ability to add interim capacity and expertise as and when required.

We will support our people through this change, ensuring we live and breathe our core values. Showing integrity and kindness, being open and honest, demonstrating commitment to our skills, expertise and creativity, and ultimately being proud to work in public service has never been more important.

Our workforce is our most valuable asset. Providing critical services to residents, it needs to be skilled, engaged, motivated and responsive to the changing environment. Our vision as an employer is to invest in our people to build a skilled, agile and sustainable workforce that can fully utilise its potential.

The Covid-19 pandemic and world events have impacted our economy, government response and therefore our city and communities. The ability to lead in a volatile, complex and uncertain environment has become the norm and our leaders will need to acknowledge that reality and develop the skills to respond positively, with clarity and clear direction. Many of our leaders are having to manage a disparate and hybrid workforce and how they manage may require a re-set as the council transforms and staff engagement becomes ever more important.

We have embraced system working alongside Anchor organisations on shared strategic priorities and sharing a senior post with the Integrated Care Board with potentially more shared role opportunities to come. We are also progressing with sharing our back-office services with Braintree and Epping Forest District Councils. There will be a great deal of change for our staff which will require clear communication and engagement on the vision and direction of travel and enabling staff to work across boundaries.

The Future Workforce plan sets out what we will do in the next 1-2 years to achieve our vision to build a sustainable workforce that can deliver on the council's ambitious agenda.

## 4 Our current workforce profile

Since the economic crisis in 2010, the council has undertaken a series of fundamental service reviews which has transformed the way we work and delivered significant efficiencies and financial savings.

There is a policy framework in place that supports our workforce development and change processes:

- Change Management and Redundancy Policy
- Wellbeing Strategy
- Flexible and Agile Working Policies
- Equality, Diversity and Inclusion Policy
- Equality Impact Assessment guidance
- Officer Pay Policy
- Organisational Development Action Plan – add link
- Staff recognition policy

<p><b>We employ</b> – 879 staff</p> <p><b>FTE</b> is: 761.5 staff</p> <p>Casual staff – 239 workers</p> <p>Agency workers -£ 1.1 million 2022/23</p>	<p><b>Gender split</b></p> <p>Female – 45%</p> <p>Male -54%</p> <p>Re-assigned -1%</p>	<p><b>Gender pay gap</b></p> <p>1.9% in favour of</p>	<p><b>Disability (declared) -</b> 5.12%</p>
<p><b>Full time staff</b> - 647/74%</p> <p><b>Part time staff</b> - 232/26%</p>	<p><b>Across our family:</b></p> <p><b>CBH – 241 headcount – 222.5 FTE</b></p> <p><b>CCH Ltd and Amphora – 49 HC – 41 FTE</b></p>	<p><b>Ethnic minority staff</b> (declared) - 6.74%women</p>	<p><b>Staff turnover</b> 14.3%</p>
		<p><b>Total employees CCC + CBH CCH Ltd and Amphora:</b></p> <p><b>1169 Headcount</b></p> <p><b>1025 - FTE</b></p>	

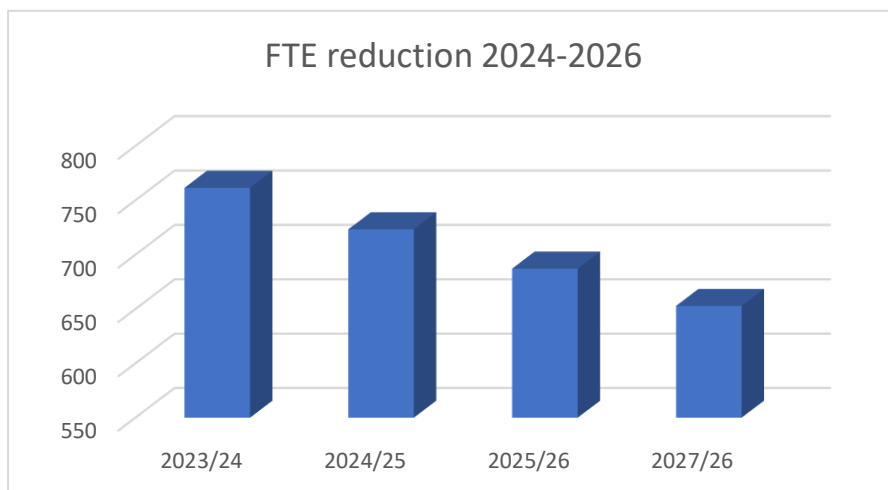
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## 5 Where do we need to be

This future workforce plan seeks to future proof the organisation, by ensuring the council has the resources, skills and capacity to deliver services in a changing economic and local government landscape. Understanding the current and predicting the future workforce landscape is vital to ensuring the council can attract and retain staff and provide different work experiences that reflect the needs of our diverse workforce. The following external challenges may impact on our workforce ambitions, but through effective workforce planning and understanding and engaging with staff, we aim to minimise the impact of these external factors:

- Demand for skilled staff is outpacing the labour market and the council must constantly review its employment offer to recruit and retain staff.
- Competitive pay and reward are an issue for some staff and therefore the council must look at the wider benefits it can offer, particularly professional development and career choice.
- The expectations of our workforce at different points of their working lives are different and the council needs to understand these differences and be flexible in its employment offer.

To deliver the budget, we will need to reduce our operating costs by 25%. We aim to achieve this through a combination of income generation opportunities, efficiencies generated through shared services, different models of delivery and some natural attrition. With an annual turnover rate of around 15%. With an annual turnover rate of around 15%, we assume an annual reduction of staff (full time equivalents) of 5%.



## 6 How we will achieve it

To deliver the council's strategic priorities, alongside the Transformation Portfolio and address our financial challenges our future workforce we have developed eight 'Levers for Change'.

<p><b>Sustainable</b></p>	<p>Establishment is affordable within the council's budget, but work is achievable, fulfilling, and long hours are not the norm.                  Core workforce, with ability to bring in additional interim capacity and expertise to drive through council priorities.                  Staff are fulfilled, quality of work life is positive, and needs are being met.                  Strengthened culture and internal processes to develop and upskill staff internally rather than externally recruit or use temporary staff to cover posts.                  Emphasis on wellbeing at work so everyone can thrive at work; Healthy body, healthy mind, healthy workplace.</p>
<p><b>Agile</b></p>	<p>The need for an adaptable workforce, with an increase in demand for our services, technological advancements and different models of delivery will need a responsive workforce that is enabled to respond, adapt, learn new skills and gain knowledge.                  We will utilise our existing skills and share knowledge across the council, systems and partnership.                  In return the council will invest in its people to learn new skills, embrace new opportunities to do different work and be open to change.</p>
<p><b>Resilient</b></p>	<p>Together we will need to be clear on the direction of the council and resilient to meet the challenges.                  Our people will be supported to adapt and thrive in a constantly changing environment, by focusing on people's wellbeing, physical and mental health.                  We will build a resilient, high performing workforce by supporting staff holistically by adopting a biopsychosocial approach.</p>
<p><b>Inclusive</b></p>	<p>Leaders demonstrate a strong commitment to EDI and are involved in activities to promote inclusion.                  Colleagues are respectful of each other and working proactively to create an inclusive environment free of discrimination and harassment where difference is celebrated.                  Increased diversity and good representation across the council against each protected characteristic                  More diversity within senior leadership team.                  Workforce reflective of our communities                  EDI embedded in every workforce activity</p>
<p><b>Ready to develop skills for the future</b></p>	<p>Investment in skills development linked to council priorities and transformation                  Opportunities for our workforce to learn, grow and develop new skills                  Generous to share learning and knowledge, to develop and empower others</p>

<b>Engaged</b>	Working together to achieve the council’s vision and purpose underpinned by our core values; Showing integrity and kindness, being open and honest, demonstrating commitment to our skills, expertise and creativity, and being proud to work in public service. Working diligently together with residents to deliver results.
<b>Embracing system working and shared service opportunities</b>	Building on existing and forging new partnerships, work collaboratively to realise the opportunities that shared services can bring; resilience, improving capacity, building relationships, retaining staff, service efficiencies and improved customer journey.
<b>Digital and data enabled</b>	Investment in skills, to enable technological innovations and to support transformation, building digital services to enable customers and deliver services efficiently. Using data to support evidence-based workforce planning and to measure impact.

The council is going through unprecedented transformation; inspirational leadership is vital to shaping the direction, supporting staff to perform their best and ensuring everyone is able to achieve great results.

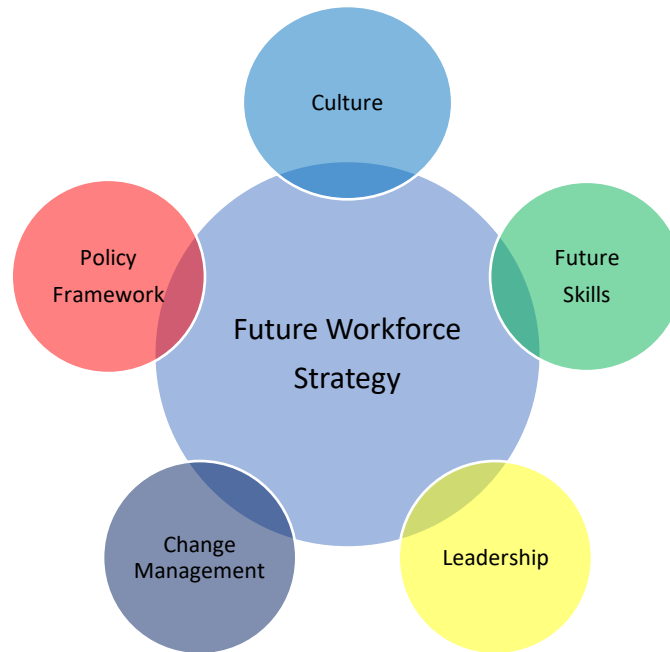
To build the workforce of the future our leaders will need to be people focused:

1. Continually model the council’s core values
2. Be committed to leading a diverse workforce and promoting inclusion
3. Take time to listen without judgement, communicate purpose openly and regularly, offering feedback opportunities
4. Be able to lead transformation positively and collaboratively understanding and managing the impact of change on people
5. Have an open mindset, a desire to listen, understand alternative viewpoints and tolerance of ambiguity and build resilience.
6. Be curious and open to learning and development of new skills
7. Collaborative, empowering individuals and harnessing input from diverse groups
8. Enable staff to do their best work, be engaged, motivated and proud to work for the council
9. Focused and supporting the wellbeing of colleagues
10. Be ambitious for the council and lead by our leadership pledge:
  - Share a common purpose, vision, and endeavour;
  - To commit to the values of public life;
  - Be accountable for our behaviour and the impacts we have on those we lead;
  - Model exemplary behaviour and uphold the highest standards in our leadership roles;
  - Empower and enable colleagues and to collaborate to deliver the best outcomes for our communities;
  - Be open and supportive of change when it is in the best overall interest of the Council family and its residents
  - Lead with integrity, honesty, and kindness



### Our workforce strategy has many independencies:

- To be sustainable and deliver excellent services will require agility, skills, new technology and staff engagement.
- Embedding our vision, purpose and core values will require inspirational leaders, communication, modelling and recognising behaviours that reflect our core values.
- Our change management policies and processes need to enable change, be fair and transparent and trusted by staff.
- New technology will enable different ways of working and will need to be supported by investment in new skills.
- To become an inclusive council, we must have a clear EDI strategy in place for our people and communities.
- To be resilient we will need to work with system partners to deliver strategic priorities and adopt a shared service approach where opportunities arise.
- We will respond to the competitive external recruitment challenges, by drawing on public sector recruitment campaigns and collaborating with partners to address capacity and skills challenges.



### How will we know achieved our workforce priorities

- The council is sustainable and lives within its means – staffing budget is balanced
- Strategic plan action plan is delivered, KPIs are achieved
- Reduction in the use and cost of agency and interim temporary workers for core roles
- Staff tell us that their wellbeing is prioritised by the council
- Sickness absence due to mental health and physical work factors is reduced – annual sickness absence target is achieved
- Investment in skills provides a return on investment, i.e. improved performance, career progression, staff retention
- The rate of staff re-deployed through the change process is higher than the turnover rate.
- Examples of internal movement and progression increase
- Staff satisfaction and engagement improves over the next 3 years
- Workforce reflects Colchester City's population as per the census.
- Senior Leadership Team is diverse and more inclusive
- Council achieves excellence standard against the LGA equalities framework
- Apprenticeship levy is spent in full, either through new apprenticeship recruitment or professional development of existing staff
- Clear examples of partnership working delivers strategic priorities and builds capacity and resilience.
- Staff increasingly working across systems and collaborating successfully across services and partners.

## 7 Our workforce priorities and action plan

Sustainable - Key elements	We will	How will we know if we succeed	Target date
<p><b>Sustainable</b>                      Leaner council – 25% reduction in operating costs will impact size of workforce                      Coherent strategic approach to workforce planning, to define, attract and grow our workforce and future leaders                      Identification of pinch points and priorities over the next few years to address shortages /surpluses informed by knowledge of our skill levels across our workforce.                      Significant change and new models of delivery                      Leaders who can communicate and engage staff                      HR Change Management Policy and process                      Opportunities for staff to shape the programme, provide feedback and ideas                      Effective internal communications                      Acknowledging that the size of our workforce needs to reduce, manage this partially through natural turnover, internal recruitment first, re-skilling to minimise redundancies.                      Use data to support evidence-based workforce planning and to measure impact.</p>	<p><b>Review Change Management Policy</b></p> <ul style="list-style-type: none"> <li>• Focus of the policy to change to re-deployment first not necessarily exit to retain skills and minimise costs</li> <li>• Review job matching threshold of 80% to allow more flexibility to amend roles</li> <li>• Career support: personal skills development plans, re-deployment opportunities discussions using existing coaches trained to be internal career coaches.</li> <li>• Everyone in the redeployment pool assigned a career coach</li> </ul>	<p>Most vacant posts are filled through internal re-deployment.</p> <p>Highly effective career coaches in place and staff retention remains stable.</p>	<p>February 2024</p>
	<p><b>Change Management skills programme to include:</b></p> <ul style="list-style-type: none"> <li>• Understanding our Transformation and Future Workforce Programme</li> <li>• Developing options for change</li> <li>• Facilitation and coaching skills</li> <li>• Change management Process – how to implement</li> <li>• The importance of involving, communicating and consulting teams through change</li> <li>• Managing redundancy conversations positively</li> <li>• Career and talent management</li> </ul>	<p>Managers effectively managing change process through their teams.</p> <p>Staff tell us through surveys that they understand, feel engaged and supported through the change process.</p> <p>Employee relations issues are managed well.</p>	<p>March/April 2024</p>
	<p><b>Operational / Service Workforce and Organisational Development Plans</b></p> <ul style="list-style-type: none"> <li>• Create workforce and OD plans bespoke to each service aligned to service plan, long term and short-term workforce needs, embedding core values, change, transformation portfolio, skills development</li> <li>• Train Heads of Service in workforce planning to understand how to plan staff resources and use workforce planning tools to reflect future service needs. Work force plans to include skills development, succession planning, use of apprenticeships, attraction and retention, recruitment, management development</li> </ul>	<p>Workforce/OD Plans in place for each service and teams have the capacity and skills to deliver the strategic and service priorities.</p>	<p>HoS Training Feb 2024</p> <p>Plans – April 2024</p>

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Skills for Future - Key elements	We will	How will we know if we succeed	Target date
<p>Understanding our workforce skills through council wide <u>Skills Audit</u> Identifying the skills needed through the future? Skill gap analysis- based on skills audit, self-assessment and appraisal outcomes Costed Future Skills Plan in place Increased investment in skills development – capacity, focus and budget</p>	<p>Work with partners to establish a skills taskforce to identify the skills needed by the council for the future. Use the outputs of service plans and workforce plans, horizon scanning and research on the future of work.</p>	<p>Skills development programme investment – increase in internal appointments to vacant posts</p>	<p>April 2024</p>
	<p>Conduct a whole council skills audit exercise and gap analysis and develop a learning and development strategy and plan.</p>	<p>L&amp;D plan in place aligned to strategic priorities and future workforce needs.</p>	<p>June/July 2024</p>
	<p>Develop career pathways and development plans for each service to support progression and retention and support our future workforce and leaders.</p>	<p>Staff retention and internal movement increases</p>	<p>Sept 2024</p>
	<p>Transforming our Digital Offer Understand the skills needed to support digital innovation and build efficiencies. Investment in skills, to enable technological and digital innovation to support transformation, building digital services to enable customers and deliver services efficiently. Leaders to be digitally upskilled to inspire others.</p>	<p>All staff are digitally enabled and can effectively use the work systems they need.</p>	<p>TBC</p>
	<p>Promote and build on our apprenticeship programme and aim to take an apprenticeship first approach for internal professional development and recruitment of entry level roles.</p>	<p>Apprenticeship levy is fully spent. Where appropriate apprenticeships offered for professional development.</p>	<p>Relaunch Apprenticeship Week March 2024</p>
	<p>Train workforce on data use to support better evidence-based decision making and performance monitoring.</p>	<p>Use of data increases, decision making enhanced.</p>	<p>Sept 2024</p>

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Leadership - Key elements	We will	How will we know if we succeed	Target date
<p>Leadership framework Coaching/mentoring of future leaders Leadership development programme to support transformation.</p>	<p>Deliver a programme of development for senior leadership team to effectively lead transformation. Team Coaching, performance coaching, Colchester Leadership programme.</p>	<p>Senior Leadership Team effectively leading the organisation and transformation</p>	<p>Started and on-going</p>
	<p>Launch a CCC leaders' skills and competency framework</p>	<p>All managers have a personal development plan linked to framework. Leaders are highly competent.</p>	<p>April 2024</p>
	<p>Deliver a focused leadership programme based on the new leadership skills and competency framework and support leaders to lead in a complex environment; manage hybrid and remote teams and across organisations i.e. shared services.</p>	<p>Leaders competent to lead teams through transformation.</p>	<p>From June 2024</p>
	<p>Re launch Future Leaders talent management programme Offer ILM level 5 &amp; 7 qualifications through the apprenticeship levy Coaching and mentoring support, Secondment opportunities Shadowing, Political awareness and governance course</p>	<p>Pipeline of future leaders in place ready to move into leadership roles.</p>	<p>From Sept 2024</p>
	<p>Launch coaching and mentoring strategy to embed inclusive leadership and coaching culture.</p>	<p>Coaching and inclusive leadership embedded.</p>	<p>Dec 2024</p>
	<p>Create and launch new leaders Induction Programme.</p>	<p>New leaders are ready to fulfil roles.</p>	<p>June 2024</p>
	<p>Integrate core values and leadership pledge in all leadership roles</p>	<p>All leaders model the core values.</p>	<p>March 2024</p>
	<p>Support agile leadership by enabling job shadowing and swaps.</p>	<p>Agile leaders able to fill critical roles.</p>	<p>On-going</p>

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Agile and Resilient - Key elements	We will	How will we know if we succeed	Target date
<p>Effective wellbeing strategy and plans with clear outcomes</p> <p>New occupational health service provider focused on biopsychosocial approach.</p> <p>Empowered staff who understand and share the council's vision, purpose and core values.</p>	Train managers in wellbeing awareness, their responsibilities, where to signpost and how to support staff in crisis.	Mental health sickness absence is reduced.	June 2024
	Wellbeing champions to review and re-focus wellbeing strategy and plans to enhance staff resilience through transformation.	New wellbeing strategy and plans aligned to Fit for Future programme.	Sept 2024
	Work with health partners to identify and provide health interventions to improve wellbeing and attendance.	Sickness absence target achieved.	Jan 2025
	Develop a network of mentors and implement a formal buddying system to support new staff through their probation period.	New staff can deliver their roles quickly. Staff retained after probation period.	Sept 2024
	Introduce more flexible Job Accountability Statements and roles and start to embed the principle in our recruitment that we work in a fluid and agile environment and roles may change as the organisation transforms.	Staff movement encouraged across CCC. Staff understand the need for flexibility.	Sept 2024
	Launch a new occupational health provider with an innovative biopsychosocial approach. Focus will shift from addressing the physical and mental health issue by taking a more holistic approach, with specialist support offered.	New OH provider supports staff to return to work after absence.	May 2024

Inclusive - Key elements	We will	How will we know if we succeed	Target date
<p>EDI objectives embedded into workforce planning and</p> <p>Targets and plans to address under representation</p> <p>EDI group and champions collaborating and steering EDI plan and activity</p> <p>Work towards Excellence against the LGA Equalities framework</p> <p>Enabling an open and happy workforce</p>	<p>Roll out an EDI learning and development plan. EDI workshop for SLT</p> <ul style="list-style-type: none"> <li>• Creating bespoke accessible content and EDI learning opportunities for front line and operational staff</li> <li>• Annual Programme of EDI lunch and learn sessions -open to all</li> <li>• Development and roll out of EDI workshops for staff to supplement e-learning</li> <li>• Refreshed EDI induction model</li> <li>•</li> </ul>	Managers and staff to understand their responsibilities under the Public Sector Equality Duty.	From Feb 2024
	Introduce a Reverse Mentoring programme	Staff empowered.	January 2025

		Diversity promoted and stereotypes broken down. Staff develop business skills	
	Development of an EDI Strategy that demonstrates our inclusion ambition and commitment to diversity and inclusion aligned to the LGA Equalities framework.	Achieve the excellence standard within 3 years.	June 2025
	Raise awareness of different EDI issues through a calendar of events and activities	CCC is an inclusive organisation.	On-going
	Conduct accessibility audits in corporate buildings to support our aim to be an inclusive workplace.	Buildings are accessible to all.	In line with Asset Strategy plan
	Measure and monitor the impact of our EDI work through objectives and KPIs	KPIs in place and delivered.	Sept 2024
	Providing tailored and targeted EDI initiatives based on the needs of each service.	EDI employee relations issues reduce.	On-going
	Introduce a young person network to support younger staff in the workforce and provide a social hub, to help them to connect in the hybrid environment.	Younger workforce thrive and stay.	May 2024

Engaged - Key elements	We will	How will we know if we succeed	Target date
New Fit for Future communication and engagement plan Measurement and monitoring engagement through staff surveys. Use of diverse forums to gather workforce insight and feedback. Autonomous staff enabled to innovate and implement new ideas	Communicate, Engage, Consult Refresh our internal and staff engagement plan, aligned to the transformation programme. Be open and honest with staff, using existing communications tools and forums to increase trust and confidence in the change process.	Staff feel informed, understand the rationale for change and have opportunities to shape the future.	In line with FFF internal comms plan
	Review and enhancement of COLIN (intranet) to develop a more interactive and inclusive communications portal.		
	Deliver an annual all-staff conference to support staff engagement and inclusion.		
	Enable front line staff, to receive communications through investment in ICT equipment and training in remote locations to improve engagement and sense of belonging.	Front line staff are fully informed and engaged.	March 2025

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	Launch a digital ideas portal so staff to support innovation and implementation of new ideas to improve services.	New innovations and service improvements encouraged.	Sept 2024
	Celebrating success - Review staff recognition scheme to make it more agile and inclusive, e.g. employee of week, team of the month etc.	Staff are recognised for their contribution towards the transformation programme.	Sept 2024
	Measure and monitor staff engagement through staff survey, pulse surveys and develop follow up action plans to address issues and enhance engagement.	Staff survey analysed and action in place to address issues.	All staff survey June 2024

<b>System working/shared services Key Elements</b>	<b>We will</b>	<b>How will we know if we succeed</b>	<b>Target date</b>
Shared services across council family and North Essex LAs Shared roles with system partners Collaboration with alliance, anchor partners, public sector, to provide capacity, resilience and shared learning and delivery.	Work with Epping Forest and Braintree District Council to deliver the vision for back office shared services across the 3 local authorities.	Shared back office shared service in place and drivers delivered.	September 2025
	Develop a framework to support the delivery of future shared services: Share our knowledge with other partners and North Essex Councils.	Business case delivers shared service - staff are engaged and work in shared service positively.	Sept 2024
	Ensure staff earmarked to be in the shared service are given opportunities to engage and shape the shared service to ensure buy in.		On-going



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**To deliver this plan we will need:**

Extra capacity to deliver/co-ordinate the workforce strategy

Skills development plan plus budget to deliver

Leadership development programme focused on transformation

Buy-in and engagement of members, SLT, all staff, partners



# Fit for the Future Governance (Proposed)

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## Transformation Governance – Structure and Groups

The scale of the financial challenge we face is such that our response must be radical. To achieve the change needed to close the budget gap over the next three years and future proof our organisation, a fundamental portfolio of transformation activity is needed to reimagine what we do as a council and ensure we are 'Fit for the Future'.

Effective governance of the portfolio is key to ensuring appropriate oversight and decision making from senior officers and councillors.

The proposed governance structure is intended to ensure good governance, with decisions at the lowest level possible and with oversight from Members and Officers at the highest level. In addition to local governance, some programmes will report to other groups, e.g. North Essex Councils.

### Informal Member Governance

The bodies that will support decision makers, but that have no decision-making powers of their own, include:

#### Leadership

The Leadership group consists of Cabinet members and the Senior Leadership Board. The role of Leadership is to hold the Transformation Portfolio Board accountable for delivery.

#### Oversight Group

Purpose: To build cross-party discourse, understanding and consensus on the portfolio of transformation programmes and to test ideas for future transformation activity.

Members: Group Leaders, Portfolio Holder for Economy, Transformation and Performance, Chair of Governance & Audit Committee, Senior Leadership Board

#### Scrutiny Panel

Purpose: Portfolio and programme level scrutiny of decisions

#### Governance & Audit Committee

Purpose: High level oversight of the portfolio governance and risk issues

### Informal Officer Governance

#### Transformation Portfolio Board

Recognising that there is change and transformation work happening across the council, the Transformation Portfolio Board will be responsible for providing central oversight of the delivery of programmes and projects within Fit for the Future against milestones and plans, managing risks and issues, and progress against key performance indicators and savings and revenue targets.

The Board gives top level officer consideration of transformation and will provide upward reporting to Members to allow active management and advice of the portfolio to take place.

## 1. Frequency

Monthly

## 2. Purpose

To review progress on the transformation portfolio at Colchester City Council, as informed and advised by Senior Responsible Officers (SROs), and to ensure that issues and risks are addressed. Group responsibilities are to:

- Hold individual projects to account, providing support and guidance to SROs as needed.
- Add or remove initiatives from the transformation portfolio over time as required, to ensure that the Council's transformation objectives are met.
- Manage the overarching resourcing, cost and risk positions of the transformation programmes within the context of the Fit for the Future portfolio
- Provide upward reporting and information to Member Committees and Groups.

## 3. Membership

The Transformation Portfolio Board will comprise:

- Chair: Mel Kemp-Salt, Director of ICT & Transformation
- Vice Chair: Andrew Small, Director of Finance, Jess Douglas, Head of People
- Colchester City Council Senior Leadership Board
- Philip Sullivan, Chief Executive Colchester Borough Homes
- Andrew Weavers, Head of Governance and Monitoring Officer
- Laura Hardisty, Strategic Communications and Marketing Manager
- SROs for each Programme (as required)

## 4. Roles and Responsibilities

- Coordinating the delivery of a blueprint for the future of the organisation
- Approving overall strategic direction of the portfolio and programmes within it
- Confirming and communicating information about the portfolio to staff, members, and stakeholder groups
- Prioritisation of transformation activities
- Ensure resources are available to deliver a transformation programme
- Appointing a Programme's Senior Responsible Officer
- Ensure Portfolio benefits are delivered

## 5. Administration

The Project Management Office (PMO) will provide agenda and papers in advance of the meeting.

A record of minutes and actions will be kept and a copy of the minutes, once approved by the Chair, will be provided to Board members.

## Transformation Programme Groups

Programmes within the Portfolio will be led by the Senior Responsible Officer(s) accountable for successful delivery of transformation activity and achieving outcomes and benefits.

### 1. Purpose

To identify and define potential transformation projects for further consideration and development.

### 2. Roles and Responsibilities

- Accountability for delivery of programme outcomes and associated benefits
- Maintains alignment of the programme with the Fit for the Future portfolio
- Manages the relationship with stakeholders, ensuring ongoing support for the programme
- Owns the programme vision and provides strategic direction
- Appoints and authorises project managers to manage projects within the programme
- Reviews progress of projects within the programme and where possible resolves risks and issues

## Transformation Project Groups

Programmes are comprised of project groups that are set up following the identification of transformation opportunities and are tasked with developing proposals further. To be comprised of nominated project manager and leads for the project, along with HR and Finance Business Partners and support from the Project Management Office where appropriate.

### 1. Purpose

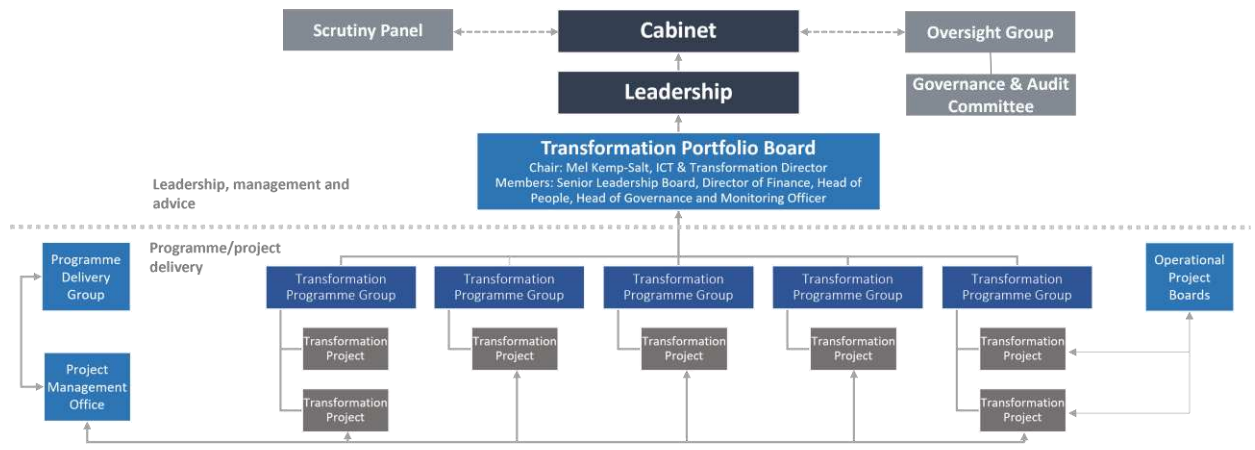
To assess the viability of transformation projects with a view to establishing business cases and Project Initiation Documents for consideration by Programme Delivery Board.

### 2. Roles and Responsibilities

- Assist the project manager to deliver project objectives
- Carry out relevant elements of the project that they are tasked with (within their technical expertise)
- Advise the project manager of any risks that are likely to affect delivery of the project and be a part of the risk management process
- Provide information for project documentation
- Submission of project progress reports
- Produce project products as defined in project business case/Project Initiation Documents (PID)

See the Figure 1 for the structure of the proposed governance framework.

Figure 1







**Fit for the Future Transformation Portfolio**

**Recommendation from the Scrutiny Panel from its meeting on 26 February 2024**

*RECOMMENDED* to CABINET that Cabinet commissions and receives a report on the impact on reserves that the Fit For the Future Programme is expected to have, and what reserves would be available to cover possible future deficit spending.





## Cabinet

Item  
**7(ii)**

13 March 2024

<b>Report of</b>	<b>Managing Director (Interim) Colchester Commercial (Holdings) Ltd (CCHL)</b>	<b>Author</b>	<b>Richard Carr ☎ 282421</b>
<b>Title</b>	<b>Hibernation of Colchester Amphora Homes Ltd (CAHL)</b>		
<b>Wards affected</b>	All wards		

### 1. Executive Summary

- 1.1 In line with the approved Future Strategy for Amphora and following a review of the company's assets and agreements with third parties, to propose the formal hibernation of Colchester Amphora Homes Ltd (CAHL), including the treatment of its assets and agreements.
- 1.2 The proposals set out in this report have been approved through Amphora's governance (by both the Board of CAHL and its holding company Colchester Commercial Holdings Ltd (CCHL) and is being considered by the Governance and Audit Committee from a shareholder perspective on 5th March. The Cabinet will be updated on the conclusions of the Governance and Audit Committee.

### 2. Recommended Decision

- 2.1 That the Cabinet approves the resolutions contained in Appendix 3 of this report as the shareholder of Colchester Commercial Holdings Ltd (CCHL), to enable Colchester Amphora Homes Ltd to be hibernated.

### 3. Reason for Recommended Decision

- 3.1 In approving the Future Strategy for Amphora towards the end of last year, the City Council approved the principle of hibernating CAHL. Appropriate due diligence has now been completed on this intention and it is now necessary to consider the formal resolutions that are required to bring about that hibernation, with a view to completing this process by 31<sup>st</sup> March 2024.

### 4. Alternative Options

- 4.1 Theoretically, CAHL could continue to remain in operation. However, for this to happen, the City Council would need to agree to continue to underwrite the costs of CAHL, in the knowledge that there is no realistic prospect of an offsetting income in the foreseeable future. Therefore, the costs of underwriting the losses incurred by the company would likely rise.
- 4.2 Another option would be to disband the company altogether. In practice, the steps required to disband the company altogether are essentially the same as for hibernation, but 'dormancy' leaves open the option of re-activating the company if there was a significant change in circumstances and it proved to be in the City Council's interests to do so. Hibernation or dormancy was the option recommended by CIPFA as part of their

review, as explained in the Future Strategy for Amphora approved by the Cabinet last November.

## **5. Background Information**

- 5.1 The Future Strategy for Amphora was approved through both Amphora's and the City Council's formal governance processes towards the end of 2023. The Strategy included the hibernation of CAHL, as a result of the change in the City Council's ability to accommodate risk due to the more challenging financial circumstances faced by all authorities and in line with the recommendations made by CIPFA as part of their review earlier.
- 5.2 Before formal resolutions to bring about the hibernation of CAHL could be presented to the Boards of CAHL and CCHL and, thereafter, the City Council's Governance and Audit Committee and Cabinet, it was appropriate to review CAHL's assets and agreements with third parties, to determine the appropriate way forward for each of these. This has now been completed with the support of Anthony Collins, who have been advising both Amphora and the City Council on this issue. A report which has now been considered by both the CAHL Board and the Board of Colchester Commercial Holdings Ltd (CCHL), CAHL's holding company, is set out at Annexe A and summarises the outcome of the due diligence process.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 The hibernation of CAHL does not impact on the City Council's obligations covering equality, diversity and human rights.

## **7. Strategic Plan References**

- 7.1 The hibernation of CAHL flows from the agreed Future Strategy for Amphora. That Strategy describes the links to the Council's Strategic Plan and objectives.

## **8. Consultation**

- 8.1 Appropriate consultation has taken place with the two staff who are currently employed by CAHL.

## **9. Publicity Considerations**

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

## **10. Financial implications**

- 10.1 The full costs of hibernating CAHL cannot be established until the end of the financial year and the City Council is commissioning technical advice to ensure that the necessary financial transaction is implemented in a way which protects the interests of both the City Council and Amphora. In the meantime, the Council's S151 Officer has set out the likely range within which the costs of hibernating both CAHL and the Colchester Amphora Energy Ltd company (CAEL) are anticipated to fall and the implications of this in his Section 25 Report as part of the City Council.

## **11. Health, Wellbeing and Community Safety Implications**

11.1 The hibernation of CAHL has no particular health, wellbeing and safety implications.

## **12. Health and Safety Implications**

12.1 There are no specific health and safety implications associated the proposed hibernation.

## **13. Risk Management Implications**

13.1 Given the understandings reached with the City Council, the hibernation of CAHL effectively extinguishes the principal risks to the company, including those flowing from the delays with the Northern Gateway which has impacted on CAHL's ability to bring forward the housing development in the way anticipated.

13.2 The residual risks stem from a failure of the arrangements with the City Council to be fully completed. However, given the discussions that have taken place with the City Council, this risk is considered manageable although it will need careful monitoring and management.

## **Environmental and Sustainability Implications**

14.1 There are no specific implications to highlight flowing from the proposed hibernation of CAHL.

## **Appendices**

Annexe A	Proposed Hibernation of Colchester Amphora Homes Ltd Board Report
Appendix 1	Report to Colchester City Council – Amphora Governance and Decision Making
Appendix 2	CAHL Documents Review 2024
Appendices 3	CAHL Shareholder Resolutions CCHL Board Resolutions CCHL Shareholder Resolution



## **Annexe A**

### **PROPOSED HIBERNATION OF COLCHESTER AMPHORA HOMES LTD**

**To:** Boards of

Colchester Amphora Homes Ltd

Colchester Commercial Holdings Ltd

**Date:** 13 February 2024

**From:** Interim Managing Director, Colchester Commercial Holdings Ltd

#### **1. PURPOSE**

1.1 In line with the approved Future Strategy for Amphora and following a review of the company's assets and agreements with third parties, to propose the resolutions required to enable the hibernation of Colchester Amphora Homes Ltd (CAHL), including the treatment of its assets and agreements.

#### **2. BACKGROUND**

2.1 The Future Strategy for Amphora was approved through both Amphora's and the City Council's formal governance processes towards the end of 2023. The Strategy included the hibernation of CAHL, as a result of the change in the City Council's ability to accommodate risk, due to the more challenging financial circumstances faced by all authorities and in line with the recommendations made by CIPFA in 2022 as part of their review earlier.

2.2 The general considerations involved in the hibernation of CAHL are essentially the same as those set out for CAEL when similar resolutions were considered towards the end of last year. For ease of reference, the report setting out those considerations covering CAEL are attached for ease of reference at Appendix 1.

2.3 As for CAEL, before formal resolutions to bring about the hibernation of CAHL could be presented to the Boards of CAHL and CCHL and, thereafter, the City Council's Governance and Audit Committee and Cabinet, it has been necessary to review CAHL's assets and agreements with third parties, to determine the appropriate way forward for each of these. This has now been completed with the support of Anthony Collins, who have been advising both Amphora and the City Council on this issue.

#### **3. DOCUMENT REVIEW**

3.1 CAHL's assets are confined to a property at Creffield Road. The proposed approach to it and the limited number of agreements CAHL has with third parties is set out in Anthony Collins' advice note entitled 'Document Review dated 25 January 2024' and included at Appendix 2.

3.2 As far as Creffield is concerned, on the assumption that the sale of one remaining flat cannot be completed by 31<sup>st</sup> March, the proposal is to transfer this to CCHL, given that local authorities do not have the legal powers to act commercially, which is what holding open market 'for sale' housing would be. An offer has now been received for the property and if the prospective sale could be completed before 31<sup>st</sup> March, this would negate the need for the proposed intercompany transfer. However, realistically, the sale is unlikely to be completed until after the financial year end, not least as the prospective purchaser has still to sell their own property. As Creffield is a site of six flats, the freehold of the common parts will also need to transfer to CCHL.

3.3 Anthony Collins' advice note emphasises the need to establish whether there are any tax implications associated with this proposed inter-company transfer, although even if there were, given that the asset cannot be owned by the City Council, these would not detract from the recommended transfer. However, advice secured from Amphora's external auditors Scrutton Bland has now been received. This confirms that there are no detrimental tax implications arising from the proposed inter-company transfer of the Creffield property if, as seems likely, this proves necessary due to its sale not being completed before 31<sup>st</sup> March.

3.4 Anthony Collins have confirmed that the Creffield property could be held by CCHL without any adjustment required to the holding company's Articles of Association. In due course, the business plan and group governance agreement will need to be refreshed to reflect the holding.

3.5 The associated rights and liabilities arising from CAHL having redeveloped the Creffield site will also transfer to CCHL, in accordance with the advice from Anthony Collins.

#### **4. FINANCIAL & STAFFING IMPLICATIONS**

4.1 Before the proposed resolutions for the hibernation of CAHL could be implemented, it will be necessary to reach agreement with the City Council over the treatment of the losses incurred by Amphora Homes in a way that protects the interests of both the City Council and Amphora, including CCHL. This is the same position as for CAEL. This includes agreeing the most appropriate approach to the impairment of CCHL's interest in CAHL. This is being pursued with the City Council's S151 Officer.

4.2 CAHL has two employees. The Future Strategy for Amphora envisages that both will take up roles elsewhere within the Colchester family. One is transferring to Colchester Borough Homes under TUPE and the other is engaged in a recruitment process for a new role within the City, the outcome of which should be known shortly. If the approach to staffing anticipated in the Future Strategy did not materialise, the implications of this would need to form part of the discussions with the City Council described in paragraph 4.1.

#### **5. CONCLUSION**

5.1 The principle of hibernating CAHL has been agreed by both Amphora and the City Council, as part of the Future Strategy for Amphora.

5.2 Following the review work carried out with support from Anthony Collins, the way is now clear for the Board to consider and approve the formal resolutions to enable the hibernation to be implemented. These are appended at Appendix 3 and include the approach to CAHL's



solitary asset and its agreements with third parties. To be clear, the implementation of the resolutions would be contingent upon a satisfactory conclusion of the matters set out in paragraph 4 as is the case with the hibernation of the agreed resolutions to hibernate CAEL.

## **6. RECOMMENDATION**

6.1 The Board is recommended to approve the resolutions set out in Appendix 3.

## **APPENDICES**

Appendix 1 – Report to Colchester City Council – Amphora Governance and Decision Making

Appendix 2 – CAHL Documents Review 2024

Appendices 3 – CAHL Shareholder Resolutions

CCHL Board Resolutions

CCHL Shareholder Resolutions



## 1. INTRODUCTION

- 1.1 We are instructed by Mr Julian Wilkins, the Legal Services Manager of Colchester City Council (the “Council”) We are asked to advise on the governance and decision-making arrangements on the potential winding-up or ‘hibernating’ (of Colchester Amphora Energy Ltd (“CAEL”).
- 1.2 We understand that in due course the Council may commission wider advice on options for the treatment of CAEL. As such this report is not concerned with the merits of either winding-up (dissolving the company) or hibernating it (placing the company into a state of dormancy), or the means by which the either course of action may be effected and what is involved. We understand the Council may require advice on such matters in due course which we would be happy to provide, however, they are beyond the scope of our immediate instructions.
- 1.3 CAEL is a subsidiary of Colchester Commercial (Holdings) Ltd (“CCHL”). CCHL is sole shareholder of CAEL. CCHL is wholly owned by the Council and as such the Council is the ultimate shareholder of CAEL.
- 1.4 In preparing this report we have reviewed and considered the following documents:
- 1.4.1 CAEL – Articles of Association and Companies House record;
  - 1.4.2 CCHL – Articles of Association and Companies House record;
  - 1.4.3 Group Governance Agreement dated 28 November 2017;
  - 1.4.4 The Council’s Constitution (dated November 2022):
    - Part 3 A, Responsibility for Functions;
    - Part 3 C, Scheme of Delegation to Cabinet Members;
    - Part 3 D, Scheme of Delegation to Officers;
    - Part 4 G, Governance and Audit Committee Procedure Rules.

## 2. CAEL

- 2.1 CAEL is a private limited company limited by shares and was incorporated under the Companies Act 2006 (the “CA2006”) on 1 June 2017. Pursuant to a special resolution of the shareholder (CCHL) the company adopted new Articles of Association (the “CAEL Articles”) on 17 October 2017. CAEL is a subsidiary of CCHL..

- 2.2 On 28 November 2017 CAEL entered into a Group Governance Agreement (the “Governance Agreement”) with Colchester Borough Council, CCHL, Colchester Amphora Trading Ltd and Colchester Amphora Homes Ltd. The Governance Agreement takes precedence where there is any inconsistency between its provisions and the CAEL Articles.
- 2.3 Subject to the CAEL Articles and the Governance Agreement, the CAEL Directors are responsible for the management of the company’s business, for the purpose of which they may exercise all the powers of the company. Under the CAEL Articles, CCHL has a reserve power pursuant to which, by way of a special resolution, CCHL may direct the CAEL directors to take or refrain from taking a specified action.
- 2.4 Decisions of the CAEL Board are determined by a majority decision of the CAEL Directors at a meeting of the CAEL Board, or a unanimous decision where the decision is in the form of a written resolution.
- 2.5 The CAEL Articles provide that shareholder decisions are determined by a show of hands on a resolution put to the vote at a general meeting (unless a poll vote is demanded). The CAEL Articles make no reference to written shareholder resolutions, however, they are provided for under the CA2006. An ordinary shareholder resolution is determined by a simple majority; a special shareholder resolution must be approved by not less than 75% of the shareholders entitled to vote on it.
- 2.6 Companies House records the board of directors of CAEL (the “CAEL Board”) as comprising two directors (the “CAEL Directors”).

### **3. THE CURRENT STATUS OF THE MATTER**

- 3.1 We understand that discussions and considerations for the future treatment of CAEL are in the initial stages and follow a review undertaken by CIPFA and recommendations made in light thereof. We understand that in due course the Council may require substantive advice on options for the company which are likely to include it being wound-up or prepared for dormancy.

### **4. CCHL**

- 4.1 CCHL is a private limited company limited by shares and was incorporated under the Companies Act 2006 (the “CA2006”) on 1 June 2017. Pursuant to a special resolution of the shareholder (the Council) the company adopted new Articles of Association (the “CCHL Articles”) on 17 October 2017. CCHL is the holding company of CAEL and CAEL’s shareholder.
- 4.2 On 28 November 2017 CCHL entered into the Governance Agreement with Colchester Borough Council, CAEL, Colchester Amphora Trading Ltd and Colchester Amphora Homes Ltd. The Governance Agreement takes precedence where there is any inconsistency between its provisions and the CCHL Articles.

- 4.3 Subject to the CCHL Articles and the Governance Agreement, the CCHL Directors are responsible for the management of the company's business, for the purpose of which they may exercise all the powers of the company. Under the CCHL Articles, the Council (as shareholder) has a reserve power pursuant to which, by way of a special resolution, the Council (as shareholder) may direct the CCHL directors to take or refrain from taking a specified action.
- 4.4 Decisions of the CCHL Board are determined by a majority decision of the CCHL Directors at a meeting of the CCHL Board, or a unanimous decision where the decision is in the form of a written resolution.
- 4.5 The CCHL Articles provide that shareholder decisions are determined by a show of hands on a resolution put to the vote at a general meeting (unless a poll vote is demanded). The CCHL Articles make no reference to written shareholder resolutions, however, they are provided for under the CA2006. An ordinary shareholder resolution is determined by a simple majority; a special shareholder resolution must be approved by not less than 75% of the shareholders entitled to vote on it.
- 4.6 Companies House records the board of directors of CCHL (the "CCHL Board") as comprising four directors (the "CCHL Directors").

## **5. THE GOVERNANCE AGREEMENT AND DELEGATIONS SCHEDULE**

- 5.1 The Governance Agreement provides for an advisory "Shareholder Committee" the purpose of which in respect of CAEL (and the other CCHL subsidiary companies) is to:
- 5.1.1 *(6.1.1) Receive, review and comment on or recommend any amendments to the CCHL business plan;*
  - 5.1.2 *(6.1.2) Review the financial performance of the group;*
  - 5.1.3 *(6.1.3) Make recommendations to the Council on how it should exercise the function flowing from its ownership of shares.*
- 5.2 The Shareholder Committee has no power to make decisions on behalf of the Council or CCHL – its remit is to advise CCHL and the Council in its capacity as the shareholder of the companies.
- 5.3 The Governance Agreement provides that until otherwise resolved by the Council, the Council's "Trading Board" shall fulfil the role of the Shareholder Committee.
- 5.4 We understand that Shareholder Committee function is now performed by the Council's Governance and Audit Committee. The procedure rules for the Audit and Governance Committee set out at Part 4, Section G of the Council's Constitution include its terms of reference as the Shareholder Committee for Colchester Commercial (Holdings) Ltd, as set out below at paragraph 6.2.4.
- 5.5 In accordance with the Governance Agreement, the CCHL Board reports to the Shareholder Committee or the Council both as the board of CCHL, and in the CCHL Board's capacity as the 'first instance' shareholder of CAEL and the other subsidiary companies. In exercising the Council's shareholder function in respect of the subsidiary

companies the CCHL Board determines those matters delegated to it for the purpose set out in schedule 1 of the Governance Agreement.

- 5.6 Schedule 1 to the Governance Agreement is a “Delegations Schedule” which details particular matters for the determination of the Council or the delegation of their determination to CCHL or CAEL. The Delegations Schedule provides that the following matter is for the determination of the Council:

*Making any petition or passing any resolution to wind up the relevant party or making any application for an administration or winding up order or any order having similar effect or giving notice of intention to appoint an administrator or file a notice of appointment of an administrator.*

As such, a decision to wind up CAEL is to be made by the Council in its capacity as the company’s ultimate shareholder.

- 5.7 Additionally, the Delegations Schedule includes various matters categorised as “corporate”, “operational” or “finance” which may also be required in the winding up of the company or in preparing for it to become dormant. Under the Delegations Schedule, decisions on such matters may be reserved to the Council or delegated to CCHL or CAEL.
- 5.8 Once the future of CAEL has been determined it will be possible to identify all the matters which need to be determined to effect the company’s winding up or dormancy and whether, under the Governance Agreement, decisions on such matters are also to be made by the Council, or if they have been delegated to CCHL or CAEL.
- 5.9 Those matters which fall for the Council’s determination (along with the decision to wind up the company or prepare it for dormancy) could be included in a single set of shareholder resolutions (with conditions or limits if necessary) which once approved by the Council would negate or reduce the need for further resolutions. Alternatively, provided sufficient information was available to the Council for the purpose, the Council may resolve to approve the given course of action (winding up or dormancy etc) and delegate to CCHL / CAEL overarching authority to take such steps as necessary to effect the given course of action (again with conditions or limits if necessary). Either way, it will be necessary to check whether any of the matters falling for the determination of the Council are required to be resolved as special resolutions under the CA2006.
- 5.10 The operational winding up of CAEL or its preparation for dormancy will be the responsibility of the CAEL Board.

## **6. COUNCIL DECISION-MAKING AS SHAREHOLDER**

- 6.1 The Council operates an ‘executive arrangement’ model of governance and as such the Council’s role and decision-making as shareholder of its companies is an executive function. This is reflected in the arrangements for the Council’s exercise of its shareholder function and shareholder decision-making provided for in the Council’s Constitution.

6.2 The Council's Constitution provides that:

6.2.1 **Part 3, Section C: Functions Retained by the Leader of the Council and Portfolio Holder for Strategy:**

(16) *Client role for Colchester Commercial (Holdings) Ltd*

6.2.2 **Part 3, Section C: Delegation to Deputy Leader of the Council and Portfolio Holder for Local Economy and Transformation:**

(9) *To review and monitor the performance of Colchester Commercial (Holdings) Ltd and its subsidiaries: Colchester Amphora Housing Ltd, Colchester Amphora Trading and Colchester Amphora Energy Ltd together with the commercial aspects of Sports and Leisure.*

6.2.3 **Part 3, Section D: Scheme of Delegation to Officers**

Delegated to All Strategic Directors:

1. *Authority to act as client officer for the Council in relation to matters related to Colchester Commercial (Holdings) Limited and its subsidiary companies.*

2. *Authority to act as the Council's shareholder representative in relation to Colchester Commercial (Holdings) Limited and to cast the Council's vote at any relevant Board or shareholder meeting.*

6.2.4 **Part 4, Section G: Audit and Governance Committee – Rules of Procedure**

Terms of Reference as Shareholder Committee for Colchester Commercial (Holdings) Ltd:

6.2.4.1 (8) *Consider and review the activities and financial performance of Colchester Commercial (Holdings) Limited and its subsidiary companies i.e. Colchester Amphora Housing, Colchester Amphora Energy and Colchester Amphora Trading.*

6.2.4.2 (9) *Receive, review and recommend to Cabinet Colchester Commercial (Holdings) Limited's business plans (including its subsidiary companies) annually and to review performance including delivery of the dividend.*

6.2.4.3 (10) *Monitor, challenge and make recommendations to Cabinet regarding Colchester Commercial (Holdings) Limited and its subsidiary companies.*

6.2.4.4 (11) *Make recommendations to Cabinet on how it should exercise the functions flowing from its ownership of shares in Colchester Commercial (Holdings) Limited and its subsidiary companies.*

6.3 We note that pursuant to its terms of reference the Audit and Governance Committee, in its capacity as the Shareholder Committee, makes recommendations to the Cabinet

as to the Cabinet's execution of the shareholder function in respect of CCHL and the subsidiary companies. The terms of reference make no mention of the Strategic Directors to whom the shareholder function has been delegated as detailed above at paragraph 6.2.3. However, in our view this does not put the Shareholder Committee terms of reference at odds with the scheme of delegation to officers which is still operable but may not in fact be the current arrangement.

- 6.4 The Cabinet is the Council's ultimate shareholder body and may retain and / or delegate the shareholder function and shareholder decision-making as deemed appropriate. As such, it would be expected that the terms of reference provide for the Shareholder Committee's reporting to the Cabinet as the ultimate shareholder body. As seemingly the Cabinet has delegated the shareholder function to each Strategic Director, a Strategic Director would be advised and assisted by the Shareholder Committee in the same way the Cabinet would be.

## **7. DECISION-MAKING AND THE DECISION-MAKING PROCESS**

- 7.1 As detailed above, a decision to wind up CAEL falls to be made by the Council in its capacity as the company's ultimate shareholder, and whilst not expressly provided for in the Delegations Schedule, in our view so too would be a decision to effect the dormancy of the company given that such a course of action is likely to be outside of the company's current business plan, and involve matters which must be determined by the Council pursuant to the Delegations Schedule.
- 7.2 The exercise of the Council's shareholder function as regards CCHL and as the ultimate shareholder of CAEL and the other subsidiary companies is currently delegated to each of the Council's Strategic Directors. In making the Council's shareholder decisions a Strategic Director should be advised by the Shareholder Committee.
- 7.3 The delegation to the Strategic Directors is permissible under the Local Government Act 2000, pursuant to which the delegation of executive functions, and as such the delegation of the shareholder function and shareholder decision-making is within the gift of the Leader of the Council. The Leader's retention or delegation of executive functions is set out in the Constitution at Part 3 Section 3 and Section 4 as detailed above under paragraph 6.2. The Leader may require that a given shareholder decision is made by themselves, an individual Cabinet Member, another officer or committee of the Cabinet, or the Cabinet collectively. However, given that the Leader has retained the exercise of the 'client role' for CCHL (as detailed above at paragraph 6.2.1) which we take to mean the Council's commissioning function in respect of CCH, the Leader would likely be conflicted if also exercising the shareholder function in respect of CCHL or the subsidiary companies. As such, in our view it would be preferable for the Leader to delegate a shareholder decision to a Cabinet Member where the decision is not being made by Cabinet or a Strategic Director – as currently delegated.
- 7.4 Subject to the Council's Constitution, a shareholder decision may also be a key decision and / or subject to 'call-in'. In such an instance the decision will need to be



taken in accordance with the procedure for determining key decisions and if applicable so too the call-in procedure provided for in the Constitution.

- 7.5 Whether it is a Strategic Director, Cabinet Member or Cabinet who, acting in the capacity as CAEL's ultimate shareholder, determines that the company should be wound up or put into dormancy, the decision-making process will start with a resolution of the CAEL Board. To avoid the need to call general meetings to effect shareholder resolutions, we recommend using written shareholder resolutions and the process set out below is based on the same.

### **CAEL**

- 7.6 At a duly convened and quorate meeting of the CAEL Board the CAEL Directors will need to resolve a proposed course of action as regards the company for the approval of the Council as the company's ultimate shareholder. The CAEL Board will need to have the information and any advice required to make an informed decision, and the CAEL Directors will each need to be satisfied that in making the decision s/he is acting in the best interests of the company and in compliance with his/her duties as a director.
- 7.7 Assuming the CAEL Board agrees on a proposed course of action, the CAEL Board will need to approve the form and circulation of a written shareholder resolution to the CCHL Board, with a recommendation that the CCHL Board approves the proposed course of action and circulates to the Council as shareholder a written resolution with a recommendation from the CCHL Board that the Council resolves to approve the written shareholder resolution put by the CAEL Board. The resolution may provide for the approval of specific matters set out within it which fall to be determined by the shareholder under the Delegations Schedule and / or a general authorisation for the CAEL Board to take such steps as necessary to effect the given course of action proposed for CAEL (e.g., winding up or dormancy).

### **CCHL**

- 7.8 At a duly convened and quorate meeting of the CCHL Board the CCHL Directors will need to consider the course of action proposed by CAEL and the written shareholder resolution circulated by the CAEL Board. The CCHL Board will need to have the information and any advice required to make an informed decision in exercising its role as the 'first instance' shareholder of CAEL.
- 7.9 Assuming the CCHL Directors agree with the CAEL Board's proposed course of action, the CCHL Board will need to resolve accordingly and approve the circulation to the Council of the CAEL written shareholder resolution and the CAEL Board's recommendation that the Council approve the resolution. The CCHL Board resolution approving the form and circulation to the Council of the CAEL written shareholder resolution must be circulated to the Council with the original written shareholder resolution and recommendation put by the CAEL Board.

## **The Council as Ultimate Shareholder of CAEL**

- 7.10 The written shareholder resolution put by the CAEL Board, and the CCHL Board resolutions in respect thereof, should be circulated in the first instance to a Strategic Director as they have the standing delegation under the Constitution. The Strategic Directors have each been delegated shareholder decision-making in respect of CAEL where, under the Delegations Schedule, a shareholder decision cannot be made by the CCHL Board acting as the first instance shareholder of CAEL.
- 7.11 If the decision remains with the Strategic Director s/he will determine the written shareholder resolution on behalf of the Council as the ultimate shareholder of CAEL.
- 7.12 The Strategic Director, Cabinet or Cabinet Member Cabinet determining the resolution will need to be satisfied that they have the information and advice required to make an informed decision and have consulted as may be required or appropriate. If the resolution is also a key decision under the Council's Constitution, it will need to be made in compliance with the rules and procedures for determining key decisions as set out in the Constitution, including if applicable, as regards call-in. The shareholder decision-maker would be assisted and advised by the Shareholder Committee.
- 7.13 Once the resolution has been determined the decision may be subject to call-in but then must be notified to the parties concerned with the duly executed written shareholder resolution returned to CAEL and copies retained by the Council and CCHL. Any special shareholder resolution will need to be filed with Companies House. As per paragraph 7.12 above, if the resolution is also a key decision, its determination, recording and publication will need to accord with the relevant rules and procedures of the Council's Constitution.

## **8. CONFLICTS OF INTEREST**

- 8.1 At each stage of the decision-making process care will need to be taken to guard against potential conflicts of interest. Those making decisions on behalf of CAEL or advising them should not also be involved in decision-making on behalf of the shareholder or advising them.

## **9. SUMMARY**

- 9.1 A decision to wind up or place CAEL into dormancy is a matter for the Council as the ultimate shareholder of the company in accordance with the Group Governance Agreement and Delegations Schedule.
- 9.2 The decision will be effected by a (written) shareholder resolution(s) proposed by the CAEL Board and circulated in the first instance to CCHL Board acting as the 'first instance' shareholder of CAEL. In turn, the CCHL Board will circulate the resolution to the relevant Strategic Director (or as may otherwise have been decided) for determination on behalf of the Council as CAEL's ultimate shareholder.

- 9.3 The operational implementation of the resolutions and thereby the winding up of CAEL or preparing it for dormancy will be the responsibility of the CAEL Board. There are procedures to be followed for either course of action in respect of which we would be happy to advise if required.
- 9.4 Effecting the board and shareholder resolutions required to implement the course of action determined for CAEL is not complex as a matter of law but is very much process driven. The requirements for shareholder decision-making are provided for under the CA2006 and the process is somewhat administratively burdensome as well as potentially confusing for those not familiar with it. In addition to the requirements of the CA2006, the decision-making process must give effect to the governance arrangements in place for the Council and its companies in accordance with the Constitution.
- 9.5 The key to effecting the decisions required to implement the course of action determined for CAEL is preparation and ensuring that the operational issues, actions and decisions required at each stage of winding up or preparing the company for dormancy (or any other course of action) and the decision-makers are identified in advance. We would expect that much can be agreed between the parties informally and then provided for in reports and the documents prepared to give effect to the agreed arrangements.
- 9.6 Resolutions can be formulated and 'bundled' where possible and circulated to the decision-maker with the information required to make an informed determination. This should then reduce the number of occasions on which a matter needs to be referred to a given decision-maker.
- 9.7 Potential conflicts of interest arising for decision-makers and those advising them need to be guarded against. It is important that the parties each understand the course of action decided upon for CAEL, what is required at each stage of the process and who needs to make the necessary decisions.

## 10. NEXT STEPS

- 10.1 Once the preferred course of action for CAEL has been decided we would be happy to advise further on the resolutions needed, the resolutions process, and to draft the necessary resolutions and reports if required.
- 10.2 Please do not hesitate to contact us with any queries or if any further information is required.

**Anthony Collins**

**May 2023**

**Ref. MM/068786.0001**

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## DOCUMENTS REVIEW

### 1. BACKGROUND

- 1.1 Colchester Amphora Homes Limited (“CAHL”) is a wholly owned subsidiary of Colchester Commercial (Holdings) Limited (“CCHL”) which in turn is wholly owned by Colchester City Council (“the Council”). It has been decided for CAHL to be made dormant as part of a restructuring.
- 1.2 The objective is for the benefit of CAHL’s assets and existing agreements to be transferred ideally to the Council or possibly to CCHL. The Council has asked for various lease agreements, a building contract and grant agreement to be reviewed and for AC to set out the actions needed to achieve the objective.
- 1.3 There are two legal terms used in this report which describe how arrangements which have previously been made by CAHL may be “transferred” to the CCHL or the Council:
  - 1.3.1 An “assignment” is where the legal benefit is transferred to a party where there are no actions or live obligations to be fulfilled under the contract. The party to whom the benefit has been transferred can then use that benefit – for example a benefit of most contracts is to be able to enforce them if a supplier has not complied with its obligations.
  - 1.3.2 A “novation” is where all the parties must agree (the supplier, CAHL and the Council) to change the “customer” from CAHL to CCHL or the Council. This is to be used where CCHL or the Council needs to continue to order services or goods from the same supplier.
- 1.4 The recommendations for the reviewed agreements are either to assign, novate, or terminate. Each agreement needs dealing with properly to ensure that there are no questions left about CAHL’s obligations or the Council’s rights and responsibilities in future.
- 1.5 This advice does not factor in tax issues, and you have confirmed that the Council and Amphora group of companies will obtain separate advice about progressing the objective in a tax efficient manner. If a tax adviser has any comments on our proposals for each of the agreements, AC will gladly collaborate with them to ensure that the most efficient result is achieved. This is particularly relevant and important in relation to the proposed property transfers where SDLT, capital taxes and potentially VAT will be relevant.

## 2. CREFFIELD ROAD

- 2.1 Documentation has been provided showing that there are six flats at Creffield Road within the Freehold property under title number EX399347. It is understood that of those flats, one is still for sale, three have been privately sold, and two are Council housing.
- 2.2 CAHL could attempt to sell the remaining flat at auction or continue to attempt to sell on the market in the usual manner. Unless auction is actioned very quickly, it is highly unlikely that any sale by private treaty would now be progressed before the target date for making CAHL dormant.
- 2.3 Until such time as a lease is granted of that flat upon its sale, the flat will continue to form part of the freehold title. The Council is unable to hold open market “for sale” housing as this would not be within the Council’s powers.
- 2.4 For this reason and others, it would be best to transfer the freehold title to CCHL for at least the time being, because this would enable the options for disposal of the remaining flat to be considered. In addition, the Council may wish to explore selling the freehold title to a management company which would be owned by the leaseholders. This could not be achieved by the target date for making CAHL dormant, so it would appear to make sense to transfer the land to CCHL to give time for this to be considered.

## 3. CREFFIELD ROAD BUILDING CONTRACT

- 3.1 An unamended JCT ICD 2016 agreement was signed between CAHL and T.J Evers Limited on 13 July 2020 for the “*refurbishment and alteration of existing house into 6 flats and construction of 2 new houses at 60 Creffield Road, Colchester...*” (“the Building Contract”). The Building Contract appears to have been correctly executed via a deed.
- 3.2 The works associated with the Building Contract have all been completed, and therefore we suggest that CAHL assigns the benefit of it to CCHL. This is to preserve the right to be able to make a claim against the Contractor under the Building Contract in the instance(s) that defects are discovered. It is best for the rights to enforce the Building Contract to follow the ownership of the building.
- 3.3 Under clause 7.1 of the building contract, CAHL requires the Contractor’s consent in order to assign the benefit. Whether the Contractor is willing to grant this is difficult to predict, but it will be worth asking. If the Contractor is unwilling, there is a “work around” which would involve granting an indemnity from CAHL to CCHL on transfer of the land. Further advice can be provided about this as necessary in future.
- 3.4 Although we have not had sight of these, if there are any collateral warranties associated with the project from sub-contractors, these should also be assigned to CCHL.

## 4. 10 YEAR BUILDING WARRANTIES

- 4.1 Two sets of 10 year latent defect home insurance policies have been provided for review. An AEDIS policy has an initial certificate to the benefit of CAHL at 60 Creffield Road. An LABC policy documentation lacks such a certificate, but we assume similarly benefits CAHL, and benefits the freehold properties on Inglis Road.
- 4.2 AEDIS and LABC would usually have required CAHL to enter into agreements where CAHL indemnifies AEDIS and LABC in the event that CAHL does not effect repairs to a property, causing a claim against the building warranty by a leaseholder. These indemnities were either not demanded, or cannot be found. Potentially the indemnities could have been novated to CCHL to avoid the risk of having to remove CAHL from dormancy to deal with any claims under the indemnities. However, this is a double edged sword, because a novation would have exposed CCHL to potentially significant claims in the event of a property defect.
- 4.3 On this basis, it is suggested that no further action is taken unless the indemnity documents are found in due course, in which case further advice can be provided in the event of any claim.

## 5. NORTHERN GATEWAY GRANT AGREEMENT

- 5.1 As part of the Northern Gateway scheme, a grant agreement was entered into between the Council and Homes England ("HE"), dated 4 October 2019 which was later varied on 4 March 2020 ("the Grant Agreement").
- 5.2 The Grant Agreement provided £3.56 million for enabling works and £1.94 million for infrastructure to allow CAHL to develop 560 residential units at the Northern Gateway. As CAHL is not a party to the Grant Agreement, there is no need to assign, novate or terminate this agreement and it can be left in place during any dormant period.
- 5.3 Prior to the End Date, under clause 19, the Council must advise HE of any changes to the project. Changing the entity delivering the required number of residential units under the wider project milestones (as specified under Schedule 3) would be caught by this requirement.
- 5.4 As the Grant Agreement named CAHL as the entity to carry out the development work, we would recommend that either a variation is agree with HE or at the very least an update is send to HE to reflect the change in circumstances.

## 6. BLOOM APPOINTMENT

- 6.1 CAHL and Bloom Procurement Services Limited ("Bloom") entered into a call-off contract dated 17 February 2022 for the provision of specialist professional services in relation to the Northern Gateway scheme ("the Bloom Contract").

- 6.2 Bloom had been appointed for the delivery of specialist professional services under a framework agreement by the North East Procurement Organisation. This framework agreement was dated 1 September 2019 with an initial period of four years, with potential extension options.
- 6.3 It appears that CAHL has issued a work order to Bloom to provide initial services under the Bloom Contract.
- 6.4 Clause 22.1 of the Bloom Contract allows for either party to terminate the Bloom Contract without cause by providing one month's written notice. On review of Clauses 22.5 and 22.6, it is unclear whether terminating the Bloom Contract under Clause 22.1 also terminates any work orders.
- 6.5 Clause 14.2 of the Bloom Contract states that neither party shall be liable to the other party *"for indirect special or consequential loss or damage in connection with this Agreement which shall include, without limitation, any loss of or damage to profit, revenue, contracts, anticipated savings, goodwill or business opportunities whether direct or indirect."*
- 6.6 If the work order is terminated by CAHL without CAHL having the right to do this, then Bloom would be unable to claim loss of profit or any other consequential losses against CAHL. However, it might attempt to claim direct losses of terminating the work order. This might include, for example, unproductive time if it cannot redeploy any resources which were assigned to the work order. However, if little or no work is currently being progressing under the Bloom Contract, and little or no work is anticipated as being required in the short to medium term, it may be best to negotiate termination with Bloom. If a clean termination cannot be agreed rapidly, it is likely to be best to ask Bloom to novate the contract to the Council. The Northern Gateway contracts from Colchester Amphora Energy Limited have been or are being novated to the Council so this would work from a consistency perspective.

## 7. OVERVIEW

- 7.1 The table below summarises at high-level the recommendations for each of the agreements reviewed.



## 7.2

AGREEMENT	RECOMMENDATION
CREFFIELD ROAD PROPERTY INTERESTS	Transfer to CCHL then dispose from CCHL.
CREFFIELD ROAD BUILDING CONTRACT	Assign benefit to CCHL
NORTHERN GATEWAY GRANT AGREEMENT	Possible variation with or notification to Homes England
BLOOM APPOINTMENT	Negotiate termination – although if difficult or time consuming, novate to Council

## 8. NEXT STEPS

- 8.1 It is suggested that the implications of the decision to place CAHL into dormancy should now be documented so that all matters can be contained into one report for governance purposes. That report will then be the basis upon which the recommendation will be made.
- 8.2 We would be happy to support the Council and CAHL to implement some or all of the suggested courses of action above once necessary governance is completed. It might be useful to discuss the conclusions and we could attend a brief meeting to check you are in agreement with our advice.
- 8.3 If requested we would be happy to draft the necessary resolutions and cover reports if required from a governance perspective.
- 8.4 Please do not hesitate to contact us with any queries or if any further information is required.

**Anthony Collins Solicitors LLP**

**January 2024**

Richard Brooks, Partner, [richard.brooks@anthonicollins.com](mailto:richard.brooks@anthonicollins.com)



*Colchester Amphora Homes Ltd*

*Company Number: 10799097*

*Written Resolutions of the Shareholder*

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED SHARES**  
**WRITTEN RESOLUTIONS OF THE SHAREHOLDER OF**  
**COLCHESTER AMPHORA HOMES LTD**

**Company No: 10799097**

**("the Company")**

**[insert date of circulation to Shareholder] 2024 ("Circulation Date")**

The undersigned Colchester Commercial (Holdings) Ltd ("CCHL") is the parent company and first instance shareholder ("Shareholder") of the Company ("CAHL"). By signing this document, the signatory confirms their approval of the below written resolutions (Resolutions).

The Shareholder may sign by way of their electronic signature.

The Resolutions are passed as Resolutions with effect from the date that they are signed by the Shareholder. The Shareholder must sign and return the Resolutions within the period of 28 days from the above detailed Circulation Date.

Attached to this document are:

1. The resolutions of the Board of CCHL to:
  - 1.1 Approve the resolutions the Board of CAHL;
  - 1.2 Approve the form of, and circulation to, the Shareholder of the written shareholder resolutions;
  - 1.3 Recommend to the Shareholder that it approves the written shareholder resolutions;
  - 1.4 Approve the form of, and circulation to, Colchester City Council as the shareholder of CCHL and ultimate shareholder of CAHL, the written Colchester City Council shareholder resolutions (subject to Shareholder's prior approval of the written shareholder resolutions);

*Colchester Amphora Homes Ltd*

*Company Number: 10799097*

*Written Resolutions of the Shareholder*

- 1.5 Recommend to Colchester City Council as the shareholder of CCHL and ultimate shareholder of CAHL, that Colchester City Council approves the written shareholder resolutions (subject to the Shareholder's prior approval of the written shareholder resolutions).
2. The resolutions of the Board of CAHL.

<b>Name of Shareholder</b>
Colchester Commercial (Holdings) Ltd

**Agreement**

Please read the notes at the end of this document before signifying your agreement to these Resolutions.

The undersigned, being entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agree to the below Resolutions.

## Resolutions of the Shareholder

### The Shareholder Resolves to:

1. Note the resolutions and recommendations of the Board of CCHL;
2. Note the resolutions and recommendations of the Board of CAHL;
3. Approve that the CAHL is put into a “dormant” state within the meaning of section 1169 of the Companies Act 2006 (subject to the approval of Colchester City Council as the ultimate shareholder of CAHL);
4. Approve the arrangements set out in the below table as regards the treatment of the CAHL assets and agreements in preparation for, and subsequent to, CAHL becoming a dormant company (subject to the approval of Colchester City Council as the ultimate shareholder of CAHL):

<b>Asset / Agreement</b>	<b>Recommendation</b>
Creffield Road Property Interest	Transfer to CCHL, then dispose from CCHL
Creffield Road Building Contract	Assign benefit to CCHL
Northern Gateway Grant Agreement	Possible variation with or notification to Homes England
Bloom Appointment	Negotiate termination – if difficult or time consuming, novate to the Council

5. Approve that the Board of CAHL is authorised to take, and shall so take, all such actions as may be necessary to effect the putting of CAHL into a dormant state, (including without limitation, as regards the effecting of the arrangements set out in the above table pertaining to CAHL’s assets and agreements), and thereafter the company secretary or an officer of CAHL is authorised to take, and shall so take, all such actions as may be necessary to maintain the dormant state of CAHL (subject to the approval of Colchester City Council as the ultimate shareholder of CAHL);

Colchester Amphora Homes Ltd

Company Number: 10799097

Written Resolutions of the Shareholder

6. Approve the form of, and circulation to, Colchester City Council as the shareholder of CCHL and ultimate shareholder of CAHL, the written Colchester City Council shareholder resolutions;
7. Approve that the Board of CCHL recommends to Colchester City Council as the shareholder of CCHL and ultimate shareholder of CAHL, that Colchester City Council approves the written Colchester City Council resolutions.

Name of Shareholder	Authorised Signatory	Date
Colchester Commercial (Holdings) Limited	..... Name..... Position..... Colchester Commercial (Holdings) Limited	

**Notes**

1. If you agree to the Resolutions please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

**By Hand:** delivering the signed copy to Colchester Amphora Homes Ltd, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG

**Post:** returning the signed copy by post to Colchester Amphora Homes Ltd, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG

**E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to [insert name and email address] confirming that the Resolutions proposed are agreed. Please enter 'Shareholder Resolutions: CAHL Dormancy' in the e-mail subject box.

**Electronic Signature**

Electronic signature by the duly authorised signatory is permitted provided that the authentication requirements set out in section 1146 of the Companies Act 2006 are complied with to confirm the identity of the signatory.

Written Resolutions of the Shareholder

**If you are signing using an electronic signature please include in your email returning the signed document:**

*My electronic signature has been affixed to the Resolutions dated [insert date] 2024 attached to this email. I am [insert name] an authorised signatory for Colchester Commercial Holdings Ltd as the sole Shareholder of the Company. This email has been sent from my email account [insert email address].*

2. If you do not agree to the Resolutions you do not need to do anything with regard to the Resolutions with which you disagree: you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolutions you may not revoke your agreement.
4. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions and please ensure that your agreement reaches us within 28 days of the Circulation Date.
5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.





*Colchester Commercial (Holdings) Ltd*

*Company Number: 10798878*

*Resolutions of the Board of Directors*

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**RESOLUTIONS OF THE BOARD OF DIRECTORS OF**  
**COLCHESTER COMMERCIAL (HOLDINGS) LIMITED**

**Company No: 10798878**

**("the Company")**

**[insert date of Board meeting] 2024**

At a meeting of the Board of Directors of the Company, held on the above date, in view of the recommendations and advice pertaining to CAHL, a subsidiary of the Company ("CCHL"), in the following reports:

- Colchester City Council, *Review of the CCHL Companies*, CIPFA January 2023
- Colchester City Council, *Colchester Amphora Energy Ltd, Governance and Decision-Making*, Anthony Collins, May 2023
- Colchester Amphora Homes Limited, *Contracts Review*, Anthony Collins January 2024

on the Chair being satisfied as to the declaration of each Director as to the nature and extent of any interest s/he may have in the transactions proposed as the business of the meeting, and being satisfied as to the quorum of the meeting, having carefully considered the proposed transactions and the resolutions and recommendations of the Board of CAHL and having carefully considered the matters set out in section 172 of the Companies Act 2006,

**THE BOARD RESOLVED TO:**

1. Approve the resolutions and recommendations of the Board of CAHL;
2. Approve the form of, and circulation to, CCHL as the first instance shareholder of CAHL the written CCHL shareholder resolutions;
3. Recommend to CCHL as the first instance shareholder of CAHL that it approve the written CCHL shareholder resolutions;
4. Approve the form of, and circulation to, Colchester City Council as the shareholder of the Company and ultimate shareholder of CAHL, the written Colchester City Council

*Colchester Commercial (Holdings) Ltd*

*Company Number: 10798878*

*Resolutions of the Board of Directors*

shareholder resolutions (subject to the prior approval of the written CCHL resolutions by CCHL as the first instance shareholder of CAHL);

5. Recommend to Colchester City Council as the shareholder of the Company and ultimate shareholder of CAHL, that Colchester City Council approve the written Colchester City Council shareholder resolutions (subject to the prior approval of the written CCHL resolutions by CCHL as the first instance shareholder of CAHL);

.....

Chair of Colchester Commercial (Holdings) Ltd

Dated.....

*Colchester Commercial (Holdings) Ltd*

*Company Number: 10898878*

*Written Resolutions of the Shareholder*

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BYSHARES**  
**WRITTEN RESOLUTIONS OF THE SHAREHOLDER OF**  
**COLCHESTER COMMERCIAL (HOLDINGS) LTD**

**Company No: 10898878**

**("the Company")**

**[insert date of circulation to Shareholder] 2024 ("Circulation Date")**

The undersigned Colchester City Council is the sole shareholder of the Company ("Shareholder"). The Company being the parent company and first instance shareholder of Colchester Amphora Homes Ltd ("CAHL") the Shareholder is the ultimate shareholder of CAHL. By signing this document, the signatory confirms their approval of the below written shareholder resolutions ("Resolutions").

The Shareholder may sign by way of their electronic signature.

The Resolutions are passed as Resolutions with effect from the date that they are signed by the Shareholder. The Shareholder must sign and return the Resolutions within the period of 28 days from the above detailed Circulation Date.

Attached to this document are:

1. The resolutions of the Board of the Company;
2. The resolutions of the Company (as the first instance shareholder of CAHL);
3. The resolutions of the Board of CAHL;

<b>Name of Shareholder</b>
Colchester City Council

*Colchester Commercial (Holdings) Ltd*

*Company Number: 10898878*

*Written Resolutions of the Shareholder*

**Agreement**

Please read the notes at the end of this document before signifying your agreement to these Resolutions.

The undersigned, being entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agree to the below Resolutions.

## Resolutions of the Shareholder

### The Shareholder Resolves to:

1. Note the resolutions and recommendations of the Board of the Company;
2. Note the resolutions and recommendations of the Company (as the first instance shareholder of CAHL);
3. Note the resolutions and recommendations of the Board of CAHL;
4. Approve that CAHL is put into a “dormant” state within the meaning of section 1169 of the Companies Act 2006;
5. Approve the arrangements set out in the below table as regards the treatment of the CAHL’s agreements in preparation for, and subsequent to, CAHL becoming a dormant company:

<b>Asset / Agreement</b>	<b>Recommendation</b>
Creffield Road Property Interest	Transfer to CCHL, then dispose from CCHL
Creffield Road Building Contract	Assign benefit to CCHL
Northern Gateway Grant Agreement	Possible variation with or notification to Homes England
Bloom Appointment	Negotiate termination – if difficult or time consuming, novate to the Council

6. Approve that the Board of CAHL is authorised to take, and shall so take, all such actions as may be necessary to effect the putting of CAHL into a dormant state, (including without limitation, as regards the effecting of the arrangements set out in the above table pertaining to CAHL’s assets and agreements), and thereafter the company secretary or an officer of the CAHL is authorised to take, and shall so take, all such actions as may be necessary to maintain the dormant state CAHL.

*Colchester Commercial (Holdings) Ltd*

*Company Number: 10898878*

*Written Resolutions of the Shareholder*

<b>Name of Shareholder</b>	<b>Authorised Signatory</b>	<b>Date</b>
Colchester City Council	..... Name..... Position..... Colchester City Council	

## Notes

1. If you agree to the Resolutions please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

**By Hand:** delivering the signed copy to Colchester Commercial (Holdings) Ltd, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG

**Post:** returning the signed copy by post to Colchester Commercial (Holdings) Ltd, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG

**E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to **[insert name and email address]** confirming that the Resolutions proposed are agreed. Please enter 'Council Shareholder Resolutions: CAHL Dormancy' in the e-mail subject box.

### Electronic Signature

Electronic signature by the duly authorised signatory is permitted provided that the authentication requirements set out in section 1146 of the Companies Act 2006 are complied with to confirm the identity of the signatory.

**If you are signing using an electronic signature please include in your email returning the signed document:**

*My electronic signature has been affixed to the Resolutions dated **[insert date]** 2024 attached to this email. I am **[insert name]** an authorised signatory for Colchester City Council as the sole Shareholder of the Company and the ultimate shareholder of Colchester Amphora Homes Ltd. This email has been sent from my email account **[insert email address]**.*

2. If you do not agree to the Resolutions you do not need to do anything with regard to the Resolutions with which you disagree: you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolutions you may not revoke your agreement.
4. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions

*Colchester Commercial (Holdings) Ltd*

*Company Number: 10898878*

*Written Resolutions of the Shareholder*

and please ensure that your agreement reaches us within 28 days of the Circulation Date.

5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.





## Cabinet

Item  
**8(i)**

13 March 2024

<b>Report of</b>	<b>Strategic Director</b>	<b>Author</b>	<b>Mandy Jones / Patricia Barry</b>
<b>Title</b>	<b>The Estate Plan</b>		<b>☎ 282501</b>
<b>Wards affected</b>	All		

### 1. Executive Summary

- 1.1 Public sector estates across the UK have suffered from decades of under investment and have generally become more of a liability than an asset and a drain on diminishing resources. Colchester City Council (the Council) have taken the brave decision to tackle this issue head on to fully understand the liabilities, risks and opportunities that lie within its estate. In keeping with the organisation's strategic aspiration of 'Fit for the Future', this Estate Plan, will review all assets with the exception of those properties within the Housing Revenue Account (HRA) and is intended to be adopted for the long term. It has been written to be politically agnostic and use best practice principles of asset management to ensure that the estate operates as an advantage to the Council in the longer term delivering a financially sustainable strategy with cross party support.
- 1.2 The Council is no exception to the fact that its estate has grown incrementally rather than in a planned and strategic way. Built assets are usually in place for over 60 years and designed for a single purpose in mind without much flexibility for alternative use or redevelopment. For the Council, this is a significant issue as circa 30% of its 300 properties are either listed or in conservation areas which, on one hand are part of the identity of Colchester, but on the other adds additional strain on finances and potential opportunity. In addition, the Council has responsibility for over 4500 other structures such as weirs, church walls, quaysides, pontoons, river-beds, monuments etc that have been inherited or become our responsibility due to law (closed churchyards) or been given to, or adopted by the City over time, but all come with the responsibility for managing or maintaining them

### 2. Recommended Decision

- 2.1 Cabinet are requested to approve and adopt The Estate Plan (appendix A)
- 2.2 Cabinet are requested to delegated authority to the Strategic Director responsible for Assets and the Portfolio Holder (Resources) to approve the detailed estate action plan to be completed in May 2024 for immediate implementation.

### 3. Reason for Recommended Decision

- 3.1 The recommended decisions identified in '2' above will enable the Council to leverage value from the portfolio, manage risk, contribute to decarbonisation requirements, increase efficiency and ensure the estate supports the long-term financial sustainability of the Council. Implementation of the plan at pace will ensure maximum opportunity to support the fiscal position of the MTFP and the Fit for The Future programme.

#### **4. Alternative Options**

4.1 No alternative options are proposed.

## 5. Background Information

- 5.1 In 2023 CIPFA were commissioned to draft a Property Asset Management Framework identifying best practice principles. The key recommendation to deliver change and improvement was the introduction of a Corporate Landlord Model. This was taken forward and approval was given by Cabinet in November 2023.
- 5.2 Under a Corporate Landlord approach the ownership of the asset and the responsibility of its management, maintenance and funding are centralised.
- 5.3 Whilst some Corporate Landlord models are concerned with land and buildings only, Colchester City Council has reviewed its estate through the lens of risk and liability, this Estate Plan therefore includes other miscellaneous structures that it has responsibility for across Colchester (as outlined above).
- 5.4 In addition to the introduction of a Corporate Landlord, the CIPFA report suggested a three-tier document approach of:
- A high-level Property Asset Management **Policy**
  - A Property Asset Management **Strategy**
  - A working Property Asset Management **Action Plan**
- 5.5 The document at Appendix A focuses on the first two tiers as there are significant discovery works underway (at the time of writing this report) in relation to stock condition, risk, commercial performance which will be completed by mid-May 2024. The Action Plan (tier 3) will then be developed and completed by mid-June 2024 following receipt and analysis of information and data. In summary:

Discovery completed	Mid-May 2024
Analysis	End-May 2024
Plan Development	Mid-June 2024

- 5.6 The Estate Plan is predicated upon the Corporate Landlord managing and controlling all assets directly with the exception of those properties within the HRA. It is structured around the operational, non-operational and investment estate and sets out an approach to guide how assets will be utilised efficiently and effectively to achieve the identified objectives and outputs. Decisions made about property will ensure the Council's corporate ambitions and outcomes are fully considered and a 'one council' approach is adopted through the Corporate Landlord function.

## 6. Equality, Diversity and Human Rights implications

- 6.1 The proposals set out in this report are designed to help the Council achieve its objectives and obligations. Issues of equality and diversity in relation to land and buildings will be considered centrally and part of these obligations included in the relevant section of the report.

## 7. Standard References

- 7.1 There are no references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety or risk management implications.

## 8. Strategic Plan References

8.1 The proposals set out in this report speak to the Policy and Strategy elements of the CIPFA recommended framework for Asset Management. The Action Plan that will be developed following the completion of the discovery phase will include detail in relation to the Council's Strategic Plan Priorities.

## **9. Consultation**

9.1 The implementation of the proposals will entail appropriate staff consultation.

## **10. Publicity Considerations**

10.1 The rationale for the corporate landlord model will help with any public explanation of these proposals and should enhance public confidence in the ability of the Council to manage its current and future assets.

## **11. Financial implications**

11.1 The approach to finance will be proactive and transparent in relation to short-, medium- and long-term planning and management which will include whole-life considerations in decision making in relation to capital investment into existing and new assets. Detailed financial planning will be undertaken following the discovery phase that is currently underway.

## **12. Health, Wellbeing and Community Safety Implications**

12.1 The proposals outlined will help manage assets more effectively and efficiently against all priorities, including those with health, wellbeing and safety implications. These will be considered in any decisions made around the future use and management of Council assets.

## **13. Health and Safety Implications**

13.1 These proposals will allow for a more co-ordinated approach to the maintenance of Council assets and enhanced mitigation of any future associated risks.

## **14. Risk Management Implications**

14.1 The approach to Risk management will be proactive and transparent in relation to short, medium and long-term management and risk mitigation activity.

## **15. Environmental and Sustainability Implications**

15.1 Co-ordination of Assets functions should allow greater oversight of how assets as a whole (and separately) contribute to the Council's Climate Change and Carbon Reduction priorities. This will enable the development of the Council's carbon management plan to be considered alongside other Council priorities, with a more joined up approach and greater emphasis given to environmental and carbon reduction objectives in future Asset management Strategy, Policy and Plans.

## **Appendices**

Appendix A: The Estate Plan

# THE ESTATE PLAN

March 2024

## CONTENTS

- 1 Context**
- 2 Background**
- 3 Estate Policy**
- 4 Estate Strategy**
  - 4.1 The Portfolio
  - 4.2 Asset Review and Rationalisation
  - 4.3 Performance Reporting

## 1 CONTEXT

Public sector estates across the UK have suffered from decades of under investment and have generally become more of a liability than an asset and a drain on diminishing resources. Colchester City Council (the Council) have taken the brave decision to tackle this issue head on to fully understand the liabilities, risks and opportunities that lie within its estate. In keeping with the organisation's strategic aspiration of 'Fit for the Future', this Estate Plan, will review all assets apart from those properties within the Housing Revenue Account (HRA) and is intended to be adopted for the long term. It has been written to be politically agnostic and use best practice principles of asset management to ensure that the estate operates as an advantage to the Council in the longer term delivering a financially sustainable strategy with cross party support.

The Council is no exception to the fact that its estate has grown incrementally rather than in a planned and strategic way. Built assets are usually in place for over 60 years and designed for a single purpose in mind without much flexibility for alternative use or redevelopment. For the Council, this is a significant issue as circa 30% of its 300 properties are either listed or in conservation areas which, on one hand are part of the identity of Colchester, but on the other adds additional strain on finances and potential opportunity. In addition, the Council has responsibility for over 4500 other structures such as weirs, church walls, quaysides, pontoons, river-beds, monuments etc that have been inherited or become our responsibility due to law (closed churchyards) or been given to, or adopted by the City over time, but all come with the responsibility for managing or maintaining them.

## 2 BACKGROUND

In 2023 CIPFA were commissioned to draft a Property Asset Management Framework identifying best practice principles. The key recommendation to deliver change and

improvement was the introduction of a Corporate Landlord Model. This was taken forward and approval was given by Cabinet in November 2023.

Under a Corporate Landlord approach the ownership of the asset and the responsibility of its management, maintenance and funding are centralised. The service departments then make a case for the property they wish to change or use, enabling the Corporate Landlord to properly plan and manage space the Council needs, in the right locations. The service department's priority is therefore to plan and deliver the service, and the Corporate Landlord's function is to ensure the service is suitably accommodated and to maintain and manage the asset. Whilst some Corporate Landlord models are concerned with land and buildings only, Colchester City Council has reviewed its estate through the lens of risk and liability, this Estate Plan therefore includes other miscellaneous structures that it has responsibility for across Colchester (as outlined above).

In addition, the CIPFA report suggested a three-tier document approach of:

- A high-level Property Asset Management **Policy**
- A Property Asset Management **Strategy**
- A working Property Asset Management **Action Plan**

This document focuses on the first two tiers as there are significant discovery works underway (at the time of writing this report) in relation to stock condition, risk, commercial performance which will be completed by mid-April 2024. The Action Plan (tier 3) will then be developed and completed by mid-May 2024 following receipt and analysis of information and data.

### **3 ESTATE POLICY**

As outlined above, the Council has agreed to a different approach to managing and investing in its estate. We are adopting several fundamental policies that should remain in place over the next 20 years, even through changes in leadership as they relate to best practice principles for estate management and are intended to support the long-term financial sustainability of the Council. However, it is anticipated that these principles are reviewed and either ratified or refreshed by Cabinet every 10 years.

Longer term policy principles 2024 - 2044

- All financial planning will be based on a whole life cost approach to investing both capital and revenue in the estate.
- Where financial planning identifies issues of affordability on the general fund, disposal or additional income generation/commercial investment opportunities will be considered to ensure fiscal balance.
- Any additionality to the property estate will have a robust business case in place which requires financial approval in relation to long term affordability.
- The commercial property estate will have its own investment strategy and each new commercial opportunity will have a robust business case in place before any decision is taken.
- Decision making will be data driven and encompass risk and benefit analysis.

- External funding will be used purposefully and deliberately to underpin the goals and aspirations of the city and its residents.
- Where assets are underperforming, investment does not provide value for money or are classified as surplus (i.e. no strategic hold value, not suitable for housing or required for service delivery) they will be disposed.

## **4 ESTATE STRATEGY**

The Estate Plan is predicated upon the Corporate Landlord managing and controlling all assets directly apart from those properties within the HRA. It is structured around the operational, non-operational and investment estate and sets out an approach to guide how assets will be utilised efficiently and effectively to achieve the identified objectives and outputs of the Council and its aspirations for the City of Colchester. Decisions made about property will ensure the Council's corporate ambitions and outcomes are fully considered and a 'one council' approach is adopted through the Corporate Landlord function.

The Estate Plan will be aligned to the Council's Capital Strategy to use capital resources, including capital receipts from property sales, for reduction of borrowing costs, reinvestment into existing stock (both corporate and investment), commercial investment and enable the delivery of the rationalisation of the estate where possible so that the reduced number of buildings can accommodate staff and support front line service delivery to the residents of Colchester.

Decarbonisation and sustainability considerations will be a thread throughout the estate planning and continue through careful selection of materials and components via capital and revenue spend. The action plan will also consider the Carbon Management Plan to ensure continuity of approach.

It will be part of the annual business planning cycle, contributing to the development of savings and spending plans as part of the annual Budget, with the objective that the City Council's property is legislatively compliant, fit for purpose and in appropriate condition to deliver good service outcomes or generate income.

The Strategy will be reviewed and either ratified or refreshed by the Estate Board every 5 years (the Estate Board will be established as part of a new governance structure for the day to day and strategic management of the Estate). However, if there are significant changes resulting from risk assessments or the action plan, then this may need to be addressed at that time.

### **4.1 THE PORTFOLIO**

The Council owns a broad range of assets, with a total value of c£238m (identified in 2023 as the property and land value within the CIPFA report). In addition, there are over 4500 number of structures with little or no value (but need to be appraised). All these assets have been segmented into three categories:

Operational Portfolio	Non-operational Portfolio	Commercial Portfolio
Single use for service delivery e.g. depots	Community centres/voluntary sector buildings  Miscellaneous structures e.g., walls, pontoons, quayside, weirs	This group of assets is specifically intended to produce a revenue income stream. These properties are held directly by the Council.  Used for service delivery and income generation eg the Town Hall, Rowan House, museums, car parks and leisure facilities

a) The Operational Portfolio

*Objective:* Operational assets are vital for delivery of Council services. Building on the successes and improved efficiency of the estate over the last decade, the Corporate Landlord team will work closely with Council service areas to drive out further opportunities where Council and other public service providers can co-locate enabling rationalisation of the operational stock. Assets will be operated efficiently to provide quality service outcomes and address local needs whilst reducing running costs and the Council's carbon footprint.

The Council's operational portfolio needs to meet several criteria to represent an effective use of the organisations and taxpayer's resources:

- Be an enabler of service delivery to residents and visitors.
- Offer a good standard of operational, office and community buildings and as a priority complying with all relevant Health & Safety and regulatory requirements.
- Be of a suitable standard of repair with regular investment to reduce any maintenance backlog.
- Be affordable to operate.
- Have a low environmental impact and follow good practice in sustainability.
- Be an effective use of resource (capital and revenue).
- Must be accessible to be public, both in terms of physical design and location.

*Approach:* Key Principles: -

- Co-location where possible of services and other public sector partners, for example, Health, will be strongly encouraged where possible and where timeframes, decision pathways and funding are aligned.
- Assets of historical significance will be assessed to determine how they can be protected and enhanced whilst taking account of the Council's priorities and resource availability.
- Area Planning to be established to ensure social infrastructure and service delivery is enabled by strategic planning of the estate e.g., working with health around primary care, sport and leisure regarding wellbeing, regeneration regarding economic development etc.
- Service led requirements. It is recognised that each of the individual services have their own property requirements. Working with the service, the Corporate



Landlord Business Partner (CLBP) will produce a 3-year plan detailing the asset need, investment requirement (revenue and capital) and outlining any future changes to the model of service that may have an impact on the asset plan.

b) The Non-Operational Portfolio

The current portfolio contains the community assets which are leased to various community and voluntary organisations and the vast number of miscellaneous structures such as monuments, pontoons, weirs, walls, quaysides etc. Currently, this non-operational portfolio is a direct cost with no return to the Council.

Community Assets

*Objective:* to continue to engage and support communities. The expected growth in the City will also lead to additional social infrastructure requirements.

*Approach:*

- Establish a council policy for the ownership, use, access and management of the community estate.
- Ensure standard approach in working with community and voluntary groups to demonstrate parity, transparency, and equal footing for all those offering to deliver a service to the residents of Colchester.
- Introduce a mechanism for ensuring and measuring social value outcomes from the community organisations to be transparent and identify the value of service delivered against the public subsidy rental agreements eg peppercorn or below market value rents or if Community Asset Transfer becomes policy.

Miscellaneous Structures

*Objective:* to ensure these structures are health and safety compliant and where they are associated with public use, they are accessible where possible.

*Approach:*

- To determine the scale of the liability and challenge ownership/responsibility if possible, with a view to transfer, devolve or dispose where possible.
- Prepare a prioritised plan for health and safety works.
- Manage and invest by exception and prioritisation.
- Review opportunities for external funding to support maintenance costs.
- Strengthen relationships with relevant external stakeholders to review approach to managing these assets in a more strategic, cohesive, and financially sustainable way.

c) The Commercial Portfolio

The Commercial Portfolio consists of assets that have been developed/purchased with a view to pure investment return, and some operational assets that provide revenue income to the general fund.

The current portfolio reflects the City Council's historic accumulation of assets. The Council has a range of opportunities to enter progressive partnerships with developers, investors and occupiers on some of the existing buildings and new

opportunities, for example Colchester Northern Gateway within the investment portfolio.

*Objective:* The objective is to continue to maintain and develop a commercially driven, financially focused 'Commercial Property Portfolio' which can respond promptly to property market cycles to deliver the highest returns - whilst still fulfilling the obligations of a Local Authority:

- Deliver medium term growth in gross income - recognising there will be a reduction during any period of strategic rationalisation if this occurs.
- Deliver a total return annually in line with property market conditions.
- A Commercial Property Strategy will be produced to clearly identify capital investment required for existing premises and a framework for consideration of new opportunities.

*Approach:* Through new Estate governance and a decision-making framework (as part of the Corporate Landlord approach) an efficient process to achieve a sustainable and profitable Commercial Portfolio in a risk-controlled manner will be realised:

- At an asset level the portfolio will need to be pro-actively managed to maintain the income, identify opportunities for rental growth and ultimately maximise value.
- Annual inspections by suitably qualified surveyors will ensure compliance with all aspects of lease obligations (including repair, maintenance and health and safety).
- Property asset plans will highlight repair and maintenance issues, including the requirement for 'non-discretionary' (e.g., health & safety, statutory and energy rating works) and 'discretionary' (e.g., refurbishment, energy efficiency) capital expenditure, including rational for refurbishment which will increase income.
- Business case approvals for new investment opportunities to comply with the CCC gateway process.
- Assets of historical significance will be assessed to determine how they can be protected and enhanced whilst taking account of the Council's priorities and resource availability.
- Structuring partnerships for development or investment which require specialism from a Joint Venture (JV) partner who is capable and motivated to bring forward appropriate development in a structured manner.
- Where operational buildings also offer income generation activity, those assets will also be protected in relation to investment to secure commercial advantage.

To deliver these ambitions and maximise returns, the City Council can utilise the following tools:

- Disposal including freehold sales of properties which do not meet the specified criteria for retention. Freehold release should be balanced with the Council's

need to retain property on long leasehold for investment and borrowing purposes.

- Joint Ventures – leveraging expertise and capital.
- Development opportunities, including change of use.
- Conversion of assets to achieve the best income or capital asset growth.

Business cases should be brought forward to the Estate Board (within the new governance structure) on a case-by-case basis where there are opportunities to enhance the portfolio and the income generated by it.

## **4.2 ASSET REVIEW AND RATIONALISATION**

An annual rolling programme of asset reviews will be introduced for all sites across the 3 portfolios (with the exception of the long-term leases within the Commercial portfolio due to limitations imposed by lease agreements). This is to ensure efficiency of use, identify development potential/housing opportunities or disposal where appropriate of assets that do not add value to the portfolio and maintain momentum in the active management of the estate.

The principle underlying this process should be that the Council retains an asset only if:

- there is an identified service requirement.
- it is identified as having/could have development potential within the local plan, or within a realistic timescale (deliverability)
- It can be relet/intensified for revenue generation.
- the Council wishes to develop the site itself.
- it has strategic value e.g., where a piece of land has value due to access to another area for development known as a ransom strip.
- sites that will unlock a development in future (within a specific timescale).
- provides income generation opportunities (which must be identified through the Gateway and Business Case approach).

The proposal is that the Council should not continue to hold assets that do not meet one of those criteria. Assets that are high cost/low performance or yield should be prioritised through this process to ensure that best value is delivered at all times to residents.

## **4.3 PERFORMANCE REPORTING**

The Council needs robust reporting to ensure that Senior Officers and Members have visibility to enable good decision making and to resolve issues, manage risk, support staff, control costs and maximise opportunities as they arise.

The Estate Board is a senior officer forum that will ensure a consistency of approach in the management of property and investment opportunities and will coordinate decisions being presented to Cabinet or made through use of the scheme of delegations. A Member Steering Group will also be established to set direction, enhance engagement and improve oversight

in Estate related matters. The day to day management of property assets and delivery of the Estate Plan will be conducted by the Estate Management Group (EMG) with various specialist sub-groups reporting in e.g. climate change/sustainability, asset planning. Decision making will fit into the existing organisational governance structure and current delegations as set out in the constitution.

Further to this, the Council needs to develop performance monitoring of the overall estate, to monitor consolidation, rationalisation, and income generation. For the operational asset portfolio this could include a series of tests and benchmarks (although it is recognised that not all assets will suit this method). These include:

- Gross and net property running cost (£ per square foot).
- Maintenance backlog - disinvest in all premises with a backlog greater than £20 per square foot.
- Energy rating – disinvest of all premises with a rating of “E” and below (unless robust commercial business case for investment).
- Utilisation of premises.
- Most effective use of capital – identification of operations (undertaken by the Council and other organisations and groups) that occupy valuable assets and determine if the service can be re-provided elsewhere and the value realised.
- Future finances – whole life cost approach to support financial sustainability of the Council.
- Net present value.
- Open market value.

For the commercial estate, this could include a combination of market derived benchmarks, where available, and absolute returns where appropriate. These could include:

- Gross income return
- Net income return
- Capital expenditure
- Capital return
- Total return
- Income profile
- Void %
- Sector weightings
- Outstanding rent reviews
- Outstanding lease/tenancy renewals
- Rent and service charge collection statistics
- Potential and actual bad debts
- Tenant risk (exposure to a single tenant or type of occupier)

end

**Extract from the minutes of the Scrutiny Panel meeting of 23 January 2024**

**441. Portfolio Holder Briefing [Resources]**

Councillor Cory, Portfolio Holder for Resources, covered the bedding in of new key members of Finance, specifically Andrew Small as Section 151 Officer providing strategic direction, and Chris Hartgrove as Deputy Section 151 Officer and lead officer of the Finance Team. Andrew and Chris were part of the shared services partnership with Epping Forest District Council, where they were also Section 151 Officer and Deputy respectively. These appointments had led to a process of improving presentation of accounting and transactional information.

Local authorities across the UK were at risk of technical bankruptcy. The Council was not in such a position, due to prudent budgeting, its reserves position, and minimising costs whilst increasing income. The past few months had been spent on the Budget process for 2024-25. Apologies were given for the late publication of the Budget report. The consultation process had included a meeting of the Leaders' Alumni Group the previous week, and was an open process including past leaders and current elected members. The capital review had included a members' workshop, which had proved useful and helped to set the corporate landlord strategy. The corporate landlord team was being built, with Patricia Bowie brought in to provide expertise and skills. A business case had been made for the disposal or movement of certain assets.

A briefing was scheduled on the Fit for the Future Programme. This was a necessary part of meeting the expectations of the Medium Term Financial Forecast (MTTF) and the Budget, and was part of the transformation programme which had been worked upon over the current year. The Administration was seeking to talk through the programme with elected members as much as possible. The Local Council Tax Support Scheme had been simplified and banded, with a one-year transfer period during which no claimants would lose out and many would gain improved support. Rowan House was now re-open, with increased rental income from tenant organisations, and improved partnership working. Meanwhile, the pay award showed the Council's investment in its staff.

The Portfolio Holder related that it was frustrating not to have audited accounts available. The Council had worked to ensure that the accounts were as up-to-date as possible, but audit partners handling the public sector had experienced problems, with audit processes slowing.

Chris Hartgrove, Deputy Section 151 Officer, explained that the accounts for 2022-23 were close to publication and a tentative reserves position had been established on the balance sheet. The accounts for 2021-22 had been published in September 2023, and the 2020-21 audit process was active again and in progress. The relevant Minister had indicated that 30 September would be a backstop date, by which local

authorities should have their 2022-23 accounts audited and signed off. This would include where qualified opinions would need to be given in order to meet that deadline.

Praise was given from the Panel for the delivery of a refurbished Rowan House.

Congratulations were given to the Finance Team for the way that the Budget had been presented, with a more transparent and easy-to-understand format which would help a layperson to read them. Presentation was now in terms of services, rather than opaque service areas. A Panel member noted that there must be work carried out alongside those overseeing the resources of the Council's companies. It was asked whether the companies' reduced role in service delivery had caused any problems, with a Panel member positing that such a redistribution of resource would need to be unscrambled and arguing that it was not possible to see a clear overview as to how resources were reassigned back to the Council. The Portfolio Holder explained that complex work was taking place under Richard Carr, Interim Managing Director of Colchester Commercial Holdings [CCHL], as to bringing assets back under direct Council control, working with the Leader of the Council and the Council's Chief Executive. The Interim Managing Director was staying on, in a one-day-per-week capacity to continue this work. Content would be shown in this year's Budget accounts as to how some of the restructuring would be carried out, covering certain asset-based costs. The changes would aim to reduce duplications and complexity.

A Panel member noted that the dormant companies could still hold assets, but that it would not be possible to carry out any transactions to reflect any depreciation in asset value, and asked how the Council would deal with any depreciation in asset value, especially where this was shown on balance sheets. The Deputy Section 151 Officer explained that there could be a write-down of assets, and could be a one-off cost, in six figures, to relate to the 2023-24 financial year.

The Deputy Section 151 Officer was asked about the significant loans made by the Council to Colchester Amphora Energy Limited [CAEL], and to explain their absence from the Budget report. The Deputy Section 151 Officer explained that the implications of the loans were included within the Budget.

A Panel member noted that a list of staff cuts had been provided, but nothing to cover the intention given that the Council would move to do less in the future. It was argued that elected members needed to know what reductions would be made in work carried out, to ensure that staff were not overloaded. The Portfolio Holder explained the approach to 'Fit for the Future', and the necessity of doing less. An example was garden waste collection, which was a non-statutory service that the Council provided, and its move from a free collection to a subscription service. The reduction in team staffing could result in the need to increase turnaround times for work, such as the processing of Housing Benefit claims. Alongside service reductions, increases in income would be necessary. The options presented had included mixtures of reducing service provision and increasing charges and fees. Some non-statutory services might need to be ceased, whilst a slower turnaround times on statutory service delivery could lengthen.

The Portfolio Holder committed to holding more discussions with members in coming months. The Chief Executive outlined the Senior Leadership Board meeting, which would consider the details on 1 February 2024 and flesh these out, including a detailed HR plan, which would cover support for staff. The proposal from the Council's leadership was for a cut in staffing levels of 25%. Further strands of work to be done included how to work with stakeholders and external partners, and how elected members could be involved in setting how 'Fit for the Future' was delivered. A smaller staff would not be expected to maintain the Council's total level of work, and the Chief Executive acknowledged the challenge to explain the need for remaining staff that the Council would need to do less. Assurances were given that the areas where service reduction would be carried out would be shown, and a governance process agreed as to how this would be done.

*RECOMMENDED* to CABINET that the Portfolio Holder for Resources provides further information, to a future Cabinet meeting, on what is done to allocate assets which had previously been held under companies wholly-owned by the Council, where those companies are put into dormancy.







## Cabinet

Item  
**8(iii)**

13 March 2024

<b>Report of</b>	<b>Head of Operational Finance</b>	<b>Author</b> Adam Wood
<b>Title</b>	<b>Business Rates – Discretionary Rate Relief Policy</b>	
<b>Wards affected</b>	All wards	

### 1. Executive Summary

- 1.1 The Council's Business Rates Relief Policy sets out how legislative powers will be used to award both mandatory and Discretionary Business Rate Relief. A new policy has been written for 2024/25 which sets out the criteria for the various reliefs available. This will replace the current policy, which has been in place since 2020.
- 1.2 Discretionary Rates Relief is just one way the Council currently supports local businesses. Other ongoing projects include the £40m scheme for the regeneration of the city centre and the £1.3m funding of the UK Shared Prosperity Fund.
- 1.3 An additional £500k has also been made available via the Rural England Prosperity Fund to provide support to new and existing rural businesses. So far, 11 rural businesses have received funding, totalling nearly £400k in capital support.
- 1.4 The Discretionary Rates Relief Policy, along with the other projects, will continue to ensure local businesses are supported, stay longer, and spend more which will benefit the local business community.

### 2. Recommended Decision

- 2.1 To approve the proposed Business Rates Discretionary Rate Relief policy for adoption from 1 April 2024.
- 2.2 To approve Retail, Hospitality and Leisure Relief for 2024/25 as per paragraph 5.2.
- 2.3 To approve the change to the backdating of Discretionary Rate Relief to the beginning of the financial year from which the decision is made as per paragraph 5.8.

### 3. Reason for Recommended Decision

- 3.1 The policy has been designed to maximise the benefit of any government funded reliefs locally, this will enable the Business Rates Team to proactively award relief if a business meets the minimum criteria as set by government.
- 3.2 The policy provides Discretionary Relief whilst balancing the cost of relief locally against funding needed to support local services.
- 3.3 It is simpler for businesses to understand the period of backdating and a fairer system.

### 4. Alternative Options

- 4.1 To reject the changes and continue with the current policy.
- 4.2 To amend the proposed policy.

## **5. Background Information**

5.1 The Council has various powers to award relief to local businesses which can be split into the following categories:

- Mandatory Relief – 80% relief is available to registered charities or charities exempt from registration and registered amateur sports clubs. The Council has limited discretion and must follow the relevant legislation.
- Discretionary Relief – Mixed funding from Government, Local Authority, and Local Precepts. The Council has local discretion but is sometimes given guidance on overarching criteria or how applications should be assessed.

### **Retail, Hospitality and Leisure Relief for 2024/25**

5.2 In the Autumn statement the Government announced that businesses classed as being within the retail, hospitality and leisure sector would receive a 75% reduction in their Business Rates, up to a maximum of £110,000. This provides support to businesses in this field and is fully funded through a Section 31 grant to the Council. This scheme has already been in place for the past 4 years, Government is now extending this into a fifth year.

### **Changes to Discretionary Rate Relief**

5.3 Under Section 47 of the Local Government Finance Act 1998 rating authorities are given the discretion to award relief to businesses in the following circumstances:

- Registered charities and community and amateur sports clubs (CASCs) are entitled to mandatory relief of 80%, the Council has the discretion to award a further discretionary relief of up to 20%.
- The Council has the discretion to award discretionary relief to rural properties who are not entitled to mandatory rural rate relief, providing the relevant criteria are met.
- The Council has the discretion to award relief of up to 100% to organisations which are established as not for profit and meet the relevant criteria. The amount of discretionary relief awarded is entirely at the discretion of the Council.

5.4 In November 2023 the Non-Domestic Rating Act Regulations 2023 were passed. These regulations revoked the previous rules concerning the application of discretionary relief by Local Authorities.

5.5 The new proposed policy allows for the new legislative changes to be implemented. Although the basic criteria are set out within the policy, the overarching principle is that we will always follow any relevant legislative criteria or that set out within Government guidance.

5.6 Currently, discretionary relief should be backdated (if the business is entitled) to the April of the previous financial year, if the claim is made by the September of the current financial year. Claims made after September are backdated to the beginning of the current financial year.

- 5.7 From 1 April 2024, Local Authorities have the power to decide whether to award backdating of discretionary relief locally. The cost of the scheme reduces the amount of collectable Business Rates for Colchester City Council and is borne by Taxpayers.
- 5.8 Our proposal is to change discretionary relief backdating, so decisions are backdated to the beginning of the financial year from when the decision is made, or to when their liability starts, whichever is the later.

### **Costings**

- 5.9 The table below gives the value of Charitable discretionary relief award over the last 3 years.

<b>Year</b>	<b>Charitable Relief</b>	<b>Community/Amateur Sports Clubs</b>
2020/21	£200k	£11k
2021/22	£231k	£14k
2022/23	£226k	£14k

### **Options Considered**

- 6.0 When considering the options for backdating discretionary rate relief, the cost of the scheme should be considered. The award of relief reduces the amount of non-domestic rates income for Colchester City Council. The cost is borne by the Council Taxpayers.
- 6.1 This option provides the same award of backdating for all applicants. This could be seen as fairer than the current Government scheme.
- 6.2 The Council could continue to follow the current guidelines, backdating to the April of the previous financial year or if the application is made after September from April of the current financial year. This option is more difficult for the rate payers to understand.
- 6.3 The Council could decide to not backdate applications. This option is not recommended because it could cause difficulties for some businesses who may not be aware that they can apply for relief to reduce their business rate charge.

### **Preferred Option and Reason**

- 6.4 The preferred option is to propose decisions are backdated to the beginning of the financial year from when the decision is made, or to when their liability starts, whichever is the later.
- 6.5 This option will mean it is simpler for businesses to understand the period of backdating and a fairer system.

### **7.0 Equality, Diversity and Human Rights implications**

- 7.1 Consideration will be given to equality and diversity issues in respect of changes proposed. This will be done in line with agreed policies and procedures, including the production of Equality Impact Assessments where appropriate.

### **7.2 Standard References**

- 7.3 There are no references.

## **8.0 Strategic Plan References**

8.1 This policy helps support businesses within the City, one of the goals within the Strategic Plan 2020-23.

## **9.0 Consultation**

9.1 No public consultation is required.

## **10.0 Publicity Considerations**

10.1 Information on all reliefs available will be available through the Councils website.

## **11.0 Financial implications**

11.1 The cost of Discretionary Rate Relief reduces the amount of Business Rates collected from businesses. In considering the backdating of this relief, the effect on the Council Taxpayers and the budget should be considered. Although it is expected that these changes will have truly negligible impact on the current finances.

## **12.0 Health, Wellbeing and Community Safety Implications**

12.1 No impact.

## **13.0 Health and Safety Implications**

13.1 No impact.

## **14.0 Risk Management Implications**

14.1 No impact.

## **15.0 Environmental and Sustainability Implications**

15.1 No impact.

## **Appendices**

Discretionary Rate Relief Policy 2024/25





# **Colchester City Council Policy for the granting of Discretionary Non-Domestic Rate Relief**

## Version Control

<i>Version</i>	<i>Version date</i>	<i>Revised by</i>	<i>Description</i>
1	April 2020	LM/DA	Creation of full policy & inclusion of COVID-19 reliefs
2	January 2024	LM/DA	Changes to all reliefs for 2024, including the Non Domestic Rating Act 2023



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## **1.0 Purpose of the Policy**

- 1.1 The purpose of this policy is to determine the level of discretionary relief and related areas to be granted to certain defined ratepayers within the Council's area. The policy includes all changes effective from 1<sup>st</sup> April 2024 and includes all new reliefs due to the revaluation of rateable values in April 2023 and the Non Domestic Rating Act 2023. The Council is keen to support businesses during the crisis, as far as possible.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant mandatory relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for mandatory relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met. In the case of the new reliefs, some guidance has been issued by Central Government outlining actions expected to be taken by local authorities. This policy includes Government guidance where appropriate but also looks to target discretionary relief in line with the Council's priorities.
- 1.5 This document outlines the following areas:
  - Details of the criteria for receiving Discretionary Reliefs for all relevant areas;
  - The Council's policy for the granting of all types of Discretionary Reliefs;
  - Guidance on granting and administering the reliefs and awards; and
  - The Council's Scheme of Delegation.
- 1.6 Where organisations apply for relief they will be granted (or not granted) relief or reductions in line with the following policy.

## 2.0 Mandatory Relief - Legislative Background

### Charity Relief

- 2.1 The powers relating to the granting of mandatory<sup>1</sup> and discretionary relief are given to the Council under the Local Government Finance Act 1988<sup>2</sup>. Charities and Trustees for Charities are only liable to pay one fifth of the Non-Domestic Rates that would otherwise be payable where property is occupied and used wholly or mainly for charitable purposes. This amounts to mandatory relief of 80%. For the purposes of the Act, a charity is an organisation or trust established for charitable purposes, whether or not it is registered with the Charity Commission. The provision has been extended under the Local Government Act 2003 (effective from 1<sup>st</sup> April 2004) to registered Community Amateur Sports Clubs (CASCs). Full details of the mandatory provisions are given later within this policy.
- 2.2 In the case of charity shops, the premises must meet the criteria laid down by section 64 (10) of the Local Government Finance Act 1988 which states that the premises are to be treated as used for charitable purposes at any time it is wholly or mainly used for the sale of goods donated to the charity and the proceeds of goods (after any deductions for expenses) are applied for the purpose of the charity.
- 2.3 The Council has discretion to grant relief of up to a further 20% for these mandatory cases under its discretionary provisions.

### Rural Rate Relief

- 2.4 From 1<sup>st</sup> April 1998, under powers originally granted to the Council by the Local Government and Rating Act 1997<sup>3</sup>, certain types of business in rural settlements, with a population below 3000 may qualify for mandatory rate relief of 100 per cent. Businesses that qualify for this relief are the sole general store and the sole post office in the settlement, provided it has a Rateable Value of up to £8500; any food shop with a Rateable Value of up to £8500; and the sole pub and the sole petrol station in the settlement provided it has a Rateable Value of up to £12500.
- 2.5 Where businesses in rural settlements have a Rateable Value of up to £16,500 **and** are not in receipt of mandatory relief, the Council may decide to give up to 100 per cent discretionary relief if it is satisfied that the business is of benefit to the community and having regard to the interests of its Council Taxpayers.

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<sup>1</sup> S43 & S45 Local Government Finance Act 1988

<sup>2</sup> S47 & S48 Local Government Finance Act 1988

<sup>3</sup> LGFA 1988, s.47, as amended by Sch. 1 to the Local Government and Rating Act 1997

## **3.0 Discretionary Relief – Legislative Background**

### **Introduction**

- 3.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to ‘top’ up cases where ratepayers already receive mandatory relief.
- 3.2 Over recent years and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 3.3 The range of bodies, which are eligible for discretionary rate relief, is wide and not all of the criteria laid down by the legislation will be applicable in each case.
- 3.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information and evidence as required in order to determine whether relief should be awarded.
- 3.5 The Council is obliged to carefully consider every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority’s area. There is no statutory appeal process or Tribunal against any decision made by the Council although, as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.
- 3.6 Granting of the relief falls broadly into the following categories:
- (a) Discretionary Relief – Charities who already receive mandatory relief;
  - (b) Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes of recreation;
  - (c) Discretionary Relief – Rural Rate Relief - premises not receiving mandatory relief but of benefit to the local community and less than £16,500 RV;
  - (d) Discretionary Relief – Granted under the Localism Act 2011 provisions;
  - (e) Local Newspaper Relief (until 1st April 2025);
  - (f) Supporting Small Businesses Relief (from 1st April 2023); and
  - (g) Retail Hospitality & Leisure Relief (from 1st April 2024 for a period of one year).
- 3.7 The decision to grant or not to grant discretionary relief is a matter purely for the Council.

### **The Council’s general approach to granting Discretionary Relief**

- 3.8 In deciding which organisations should receive discretionary rate relief, the Council has considered the following factors and priorities:

- (a) The awarding of relief will be in line with the Council's vision and values. Details can be found at
- (b) That any award should support business, charities, organisations, and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
- (c) It should help and encourage business, charities, organisations, groups, and communities to become self-reliant;
- (d) Awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
- (e) Local organisations will be given priority over national organisations. Where requested, the organisation will need to supply the Council with clear evidence of **all** financial affairs (normally two full years) including, and most importantly, the amounts of monies raised, used, and invested locally. This will be essential where the organisation is national in nature;
- (f) To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which without granting discretionary relief they would be unable to do;
- (g) To assist the Council in delivering services which could not be provided otherwise;
- (h) To enable the Council to determine the level of rate change in comparison with the organisation's financial situation; and
- (i) To ensure that the financial impact of awarding discretionary business rate relief is justified in terms of the local outcomes achieved by the organisation receiving it;

3.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then there will be no requirement to grant Discretionary Rate Relief for that amount.

3.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

### **The Council's approach to granting Government led Discretionary Relief schemes.**

3.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.

## 4.0 Effect on the Council's Finances

- 4.1 The granting of discretionary relief will, in the main, involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 4.2 Any amounts granted prior to 1<sup>st</sup> April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. For any amounts granted for similar cases after 1<sup>st</sup> April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share namely 50% borne by Central Government, 40% by the Council and 10% by Essex County Council. This also applies where mandatory relief is granted.
- 4.3 Where Central Government leads an initiative, grants are often available through section 31 of the Local Government Act 2003. This is not automatic and Central Government will look to the Council to adopt the recommended approach when granting in these areas.
- 4.4 The financial effects of discretionary reliefs covered by this policy are as follows:

Appendix	Relief Type	Granted after 1 <sup>st</sup> April 2024
	<b>Charity Relief</b>	
A	Discretionary relief granted to Mandatory Relief recipients.	40% borne by the Council
B	Non-profit Making Organisations including Sports Clubs and societies.	40% borne by the Council
	<b>Rural Discretionary</b>	
C	Discretionary Relief – Rural Rate Relief - premises not receiving mandatory relief but of benefit to the local community and less than £16,500 RV.	40% borne by the Council
	<b>Localism</b>	
D	Discretionary Relief granted to ratepayers generally and not covered by any other section.	40% borne by the Council
	<b>Local Newspaper Relief</b>	
E	Discretionary Relief granted to local newspapers meeting the criteria (until 31 March 2025).	Section 31 Grant
	<b>Supporting Small Business Relief</b>	
F	Supporting Small Businesses Relief (from 1 April 2023 for a period of up to three years if conditions are met).	Section 31 Grant
	<b>Retail, Hospitality and Leisure Relief</b>	
G	Retail, Hospitality and Leisure Relief Scheme (from 1 April 2024 for a period of one year).	Section 31

## 5.0 Discretionary Relief – Subsidy

- 5.1 Discretionary relief is potentially subject to the Subsidy Control Act 2022. The purpose of the Subsidy Control Act 2022 is to implement a domestic subsidy control regime in the United Kingdom that reflects the UK's strategic interests and particular national circumstances, providing a legal framework within which public authorities make subsidy decisions.
- 5.2 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act 2022 allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2023/24 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted under the £315,000 allowance.
- 5.3 In those cases where it is clear to the Council that the ratepayer is likely to breach the MFA limit then the Council will withhold relief. Otherwise, the Council may include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the Council if they are in breach of the MFA limit.
- 5.4 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

## 6.0 Administration of Discretionary Relief

- 6.1 The following section outlines the procedures followed by officers in granting, amending, or cancelling discretionary relief and reduction.

### Applications and Evidence

- 6.2 All reliefs must be applied for. The relevant application forms available online using the following link:  
<https://www.colchester.gov.uk/business-rates-relief/>
- 6.3 Organisations are required to provide a completed application form plus any such evidence, documents, accounts (normally the last two years), financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.
- 6.4 Applications should initially be made to the Revenues and Benefits Services and will be determined in accordance with this policy.

- 6.5 **The Council will provide this service and provide guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties.**
- 6.6 In all cases, the Council will notify the ratepayer of decisions made.
- 6.7 Where an application is successful, the ratepayer will be notified. Where relief is not granted, then the following information is provided;
- An explanation of the decision within the context of the Council's statutory duty; and
  - An explanation of the appeal rights (see below).
- 6.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made or when liability begins whichever is the later. Where the relief is fully Government funded, relief will be granted as long as the ratepayer is eligible.
- 6.9 A fresh application for discretionary relief may be necessary for each financial year **or** at such time-period as the Council determines.

### **Variation of a decision**

- 6.10 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect on a date determined by the Council.
- 6.11 A decision may be revoked at any time by the Council.

## **7.0 Scheme of Delegation**

### **Granting, Varying, Reviewing and Revocation of Relief**

- 7.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 7.2 The Council's scheme of delegation allows for the Lead Specialist, Service Delivery to award, revise or revoke any discretionary relief applications. However, any application which is considered to be of a significant nature will be subject to consultation with the relevant executive or committee prior to final determination.
- 7.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.



## **Reviews**

- 7.4 The policy for granting relief will be reviewed annually or where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

## **Appeals**

- 7.5 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Customer Business Manager – Customers. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 7.6 Where the ratepayer wishes to appeal the decision of the Customer Business Manager – Customers, the case will be considered by the Section 151 officer, whose decision on behalf of the Council will be final.
- 7.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

## **8.0 Reporting changes in circumstances**

- 8.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief, to be reported as soon as possible. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 8.2 Where a change of circumstances is reported, the relief will, if appropriate, be revised or cancelled as appropriate. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

## **9.0 Fraud**

- 9.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

**Appendix A**  
**Discretionary Relief – Mandatory Relief recipients**

## Discretionary Relief – Mandatory Relief recipients

### General Explanation

- A.1 S43 of the Local Government Finance Act 1988 allows mandatory relief (80%) to be granted on premises if the ratepayer is a charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes. No charge is made in respect of unoccupied premises where it appears that *when next in use* it will be used wholly or mainly for those purposes.
- A.2 The legislation has been amended by the Local Government Act 2003 (effective from 1<sup>st</sup> April 2004) to include registered<sup>4</sup> Community Amateur Sports Clubs (CASC). These organisations can now receive the mandatory (80%) relief.

### Charity registration

- A.3 Charities are defined within the legislation as being an institution<sup>5</sup> or other organisation established for charitable purposes only or by persons administering a trust established for charitable purposes only.
- A.4 The question as to whether an organisation is a charity may be resolved in the majority of cases by reference to the register of charities maintained by the Charity Commissioners under s.4 of the Charities Act 1960. Entry in the register is conclusive evidence. By definition, under the Non-Domestic Rating legislation, there is no actual need for an organisation to be a registered charity to receive the relief and this has been supported by litigation<sup>6</sup>, however in all cases the organisation must fall within the following categories:
- trusts for the relief of poverty;
  - trusts for the advancement of religion;
  - trusts for the advancement of education; and
  - trusts for other purposes beneficial to the community, but not falling under any of the preceding heads.
- A.5 Certain organisations are exempted from registration generally and are not required to make formal application to the Charity Commissioners these are:
- the Church Commissioners and any institution administered by them;
  - any registered society within the meaning of the Friendly Societies Acts of 1896 to 1974;
  - units of the Boy Scouts Association or the Girl Guides Association; and
  - voluntary schools within the meaning of the Education Acts of 1944 to 1980.
- A.6 The Council will consider charitable organisations, registered or not, for mandatory relief.

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<sup>4</sup> Registered with HMRC as a CASC

<sup>5</sup> S67(10) Local Government Finance Act 1988

<sup>6</sup> Income Tax Special Commissioners v Pemsell (1891)

## **Use of Premises – wholly or mainly used.**

- A.7 Irrespective of whether an organisation is registered as a charity or not, the premises **must** be wholly or mainly used for charitable purposes. This is essential if any relief (either mandatory or discretionary) is to be granted. In most cases this can be readily seen by inspection, but on occasions the Council has had to question the actual use to which the premises are to be put. In some cases, it will be necessary for the Council to inspect any premises fully.
- A.8 Guidance from the Department of Communities and Local Government (now MHCLG) has stated that in the case of ‘mainly’, at least 51% must be used for charitable purposes whether of that charity or of that and other charities
- A.9 The following part of this section gives details on typical uses where relief may be given plus additional criteria that have to be satisfied. The list is not exhaustive but gives clear guidance on premises for which mandatory relief can be granted *and therefore* premises which may be equally considered for discretionary rate relief.

## **Offices, administration, and similar premises**

- A.10 Premises used for administration of the Charity include:
- Offices;
  - Meeting Rooms; and
  - Conference Rooms.

## **Charity shops**

- A.11 Charity shops are required to meet additional legislative criteria if they are to receive mandatory relief. Section 64 (10) of the Local Government Finance Act 1988 provides that a property is to be treated as being wholly or mainly used for charitable purposes at any time if, at the time, it is wholly or mainly used for the sale of goods donated to a charity and the proceeds of the sale of the goods (after any deduction of expenses) are applied for the purposes of the charity.
- A.12 In order to ascertain whether an organisation meets these requirements, inspections may be made by an officer of the Council when an application is received

## **Granting of Mandatory Relief - the Council’s Policy**

- A.13 Where the criteria for awarding mandatory relief are met, the rate charges shall be calculated in accordance with the legislation reducing the liability of ratepayers for each day that the criteria are met.

## **Charity Relief – Mandatory Relief recipients, the Council’s Policy for granting discretionary relief.**

- A.14 The Council will consider applications for a discretionary rate relief top up from charities based on their own merits, on a case-by-case basis.

- A.15 In determining the application, the following matters will be taken into consideration:
1. How the charity supports and links into the Council's corporate vision and priorities;
  2. The purpose of the charity and the specific activity carried out within the premises for which the relief is requested; and
  3. Whether the charity operates at a local or national level and where appropriate, the local and national funding streams and financial position of the charity. The Council is keen to ensure that the organisation provides significant benefit to local residents.
- A.16 The Council is keen to support businesses that have a critical role to play in the local economy and to assist the Council in meeting the Corporate aims and values.
- A.17 In the case of registered Community Amateur Sports Clubs, the key criteria in determining the application will be:
1. The ratepayer occupies the whole hereditament;
  2. Relief cannot be granted in respect of premises that are occupied by the Council or precepting authority;
  3. How the CASC supports and links into the Council's corporate vision and priorities;
  4. The membership and fee structure, and whether the CASC is accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
  5. Membership numbers and the number and percentage of these members that are local residents;
  6. Whether facilities are available to the wider community regardless of ability; and
  7. If the CASC runs a bar or food provision: the level of income from this activity and how this money is used; and whether the CASC operates at a local or national level and where appropriate, the local and national funding streams and financial position of the CASC.
- A.18 The Council wishes to support and enable appropriate businesses to start, develop and continue with their operations that deliver outcomes directly related to the Council's aims and vision. In the main, this will be done through other means rather than granting discretionary relief. There may be occasions where applications are made for such relief or where a package of measures, including discretionary relief, are appropriate in supporting businesses. This would need to be in accordance with any limitations in respect of subsidy.

## **Appendix B**

### **Discretionary Relief – Non-Profit Making Organisations including Recreation.**

## Discretionary Relief – Non-Profit Making Organisations including Recreation.

### General explanation

#### Non-Profit

- B.1 The legislation<sup>7</sup> allows the Council to grant discretionary relief where the property is not an *excepted* one and all or part of it is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts.
- B.2 Relief cannot be granted to any premises occupied by the Council, or any town, parish council or major Precepting Authority (*excepted premises*).
- B.3 A number of issues arise from the term 'not established or conducted for profit'. This requires the Council to make enquiries as to the overall purpose of the organisation although if surpluses and such amounts are directed towards the furtherance or achievement of the objects of the organisation then it does not necessarily mean that the organisation was established or conducted for profit.<sup>8</sup>

#### Recreation Clubs

- B.4 Ideally all recreation clubs should be encouraged to apply for Community Amateur sports Club (CASC) status, which would automatically entitle them to 80% relief. The relief granted to CASCs is covered earlier within this policy.
- B.5 Recreation clubs can also apply to the Charity Commissioners for registration as a Charity (thereby falling under the mandatory provisions for 80% relief) where they meet the following conditions:
- a. The promotion of community participation in healthy recreation and by the provision of facilities for the playing of particular sports; and
  - b. The advancement of the physical education of young people not undergoing formal education.
- B.6 Where sports clubs do not meet the CASC requirement, and are not registered charities, discretionary relief can be granted (0-100%) where the property is not an *excepted* one, it is wholly or mainly used for purposes of recreation and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

### Definition of Recreation

- B.7 Recreation is clearly defined by the Sports Council as any of the following

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<sup>7</sup> S47 Local Government Finance Act 1988

Aikido	Croquet	Kabaddi	Real Tennis	Tang Soo Do
American Football	Crossbow	Karate	Roller Hockey	Tenpin Bowling
Angling	Curling	Kendo	Roller Skating	Trampoline
Archery	Cycling	Korfball	Rounders	Triathlon
Arm Wrestling Association	Disability Sport	Lacrosse	Rowing	Tug of War
Football	Dragon Boat Racing	Lawn Tennis	Rugby League	Unihoc
Athletics	Equestrian	Life Saving	Rugby Union	Volleyball
Australian Rules Football	Fencing	Luge	Sailing	Water Skiing
Badminton	Fives	Modern Pentathlon	Sand/Land Yachting	Weightlifting
Ballooning	Flying	Motor Cycling	Shinty	Wrestling
Baseball	Gaelic Football	Motor Sports	Shooting	Yoga
Basketball	Gliding	Mountaineering	Skateboarding	
Baton Twirling	Golf	Movement, Dance, Exercise & Fitness	Skiing	
Biathlon	Gymnastics	Netball	Skipping	
Bicycle Polo	Handball	Orienteering	Snowboarding	
Billiards and Snooker	Hang/Para Gliding	Parachuting	Softball	
Bobsleigh	Highland Games	Petanque	Sombo	
Boccia	Hockey	Polo	Wrestling	
Bowls	Horse Racing	Pony Trekking	Squash	
Boxing	Hovering	Pool	Skater/Street Hockey	
Camogie	Hurling	Quoits	Sub-Aqua	
Canoeing	Ice Hockey	Racketball	Surf Life Saving	
Caving	Ice Skating	Rackets	Surfing	
Chinese Martial Arts	Jet Skiing	Raquetball	Swimming & Diving	
Cricket	Ju Jitsu	Rambling	Table Tennis	
	Judo		Taekwondo	

## Access to clubs

- B.8 Guidance issued by the DCLG (now MHCLG) also requires the Council to consider access to clubs within the community before granting discretionary relief.
- B.9 Membership should be open to all sections of the community. There may be legitimate restrictions placed on membership which relate for example to ability in sport or to the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited, but in general membership should not be exclusive or restrictive.
- B.10 Membership rates should not be set at such a high level as to exclude the general community. However, membership fees may be payable at different rates that distinguish the different classes of membership such as juniors, adults, students, pensioners, players, non-players, employed and unemployed. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.
- B.11 The Council also asks the following question to help establish the level of access 'Does the organisation actively encourage membership from particular groups in the community



e.g. young people, women, older age groups, persons with disability, ethnic minorities’ etc.?’

### **Provision of facilities**

- B.12 Clubs which provide training or education are encouraged, as are those who provide schemes for particular groups to develop their skills e.g. young people, the disabled, retired people.
- B.13 A number of organisations run a bar. The mere existence of a bar will not in itself be a reason for not granting relief. However, the Council focuses on the main purpose of the organisation. The Council is encouraged to examine the balance between playing and non-playing members.
- B.14 Within this area, the Council also considers whether the facilities provided relieve the Council of the need to do so or enhance and supplement those that it does provide.

### **Discretionary Relief - Non-Profit Organisations including Recreation – the Council’s Policy**

- B.15 The Council will consider applications for discretionary rate relief from non-profit making organisations on their own merits on a case-by-case basis. In determining the application, the following matters will be taken into consideration (The list is not exhaustive):
- Membership is open to and affordable to all sections of the local community, or encouraging membership from groups which have protected characteristics;
  - Facilities are available to people other than members;
  - Training or education is provided for members;
  - An organisation that has a bar which is used mainly for bringing together people with similar interests rather than for profit;
  - Where membership is mainly drawn from people resident in Colchester City.
- B.16 The Council may also require additional financial information including:
- If the organisation runs a bar or food provision, the level of income from this activity and how this money is used.; and
  - Whether the organisation operates at a local or national level and where appropriate, the local and national funding streams and financial position of the organisation.

**Appendix C**  
**Discretionary Relief – Premises within Rural Settlements**

## **Discretionary Relief – Premises within Rural Settlements**

- C.1 In addition to having the ability to grant discretionary relief to those in receipt of mandatory relief, the Local Government and Rating Act 1997 allows discretionary relief of up to 100% to be granted where the rateable value is £16500 or less and:
- (a) Property is used for purposes which are of benefit to the local community; and
  - (b) It would be reasonable for the billing authority to award relief, having regards to the Council's Council Taxpayers.
- C.2 As with most discretionary relief, part of the cost, is met by Central Government and the balance from local sources.
- C.3 The main criteria for granting discretionary relief in respect of rural rate relief is that premises are used to benefit the local community.

### **Benefit to the local community**

- C.4 Whilst each application for the relief will be considered on its own merits, there are certain factors which weigh heavily in the decision-making process. It is this Council's belief that the spirit of the legislation is to assist businesses and amenities, which contribute significantly to the quality of life of the people who have their main home in the Rural Settlement.
- C.5 To be successful for consideration, a business must show that its existence is a significant benefit to the local community with the majority of local residents directly benefiting from services or facilities provided by that business

### **Rural Rate Relief – the Council's Policy for granting discretionary relief.**

- C.6 The Council will also consider applications for a discretionary rural rate relief from all ratepayers, not entitled to mandatory relief up to a maximum of 100%.
- C.7 In determining the application the following matters will be taken into consideration:
- The granting of any discretionary relief will be essential in ensuring the viability of any business within the rural settlement;
  - The granting of any discretionary relief is proportionate given the level of any business rates charged compared with the overall turnover of the business;
  - The granting of any discretionary relief will assist the business in continuing to be viable and / or prevent the business from failing;
  - The business is considered by the Council to be essential to the community and that any reduction or withdrawal of the business will have a serious detrimental effect on the rural settlement;
  - The granting of any discretionary relief is reasonable having regard to the effect on taxpayers of the City.

## **Appendix D**

### **Discretionary Relief – Localism Act 2011**

## Discretionary Relief – Localism Act 2011

### General explanation

- D.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988. These provisions allow all Councils to grant discretionary relief in **any** circumstances where it feels fit having regards to the effect on the Council Taxpayers of its area.
- D.2 The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Taxpayers.

### Discretionary Relief – Localism – the Council’s Policy

- D.3 Applications will be considered from any ratepayer who wishes to apply. However, where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then relief can be granted under the existing provisions as laid down by Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council’s discretionary relief policy.
- D.4 Any ratepayer applying for discretionary rate relief under these provisions and who does not meet the criteria for existing relief (charities, non-profit making organisations etc.) must meet **all** of the following criteria and the amount of relief granted will be dependent on the following key factors:
- (a) The ratepayer **must not** be entitled to mandatory rate relief (Charity or Rural Rate Relief);
  - (b) The ratepayer **must not** be entitled to Central Government funded reliefs;
  - (c) The ratepayer **must not** be an organisation that could receive relief as a non-profit making organisation or as a sports club or similar;
  - (d) The ratepayer **must** occupy the premises (no discretionary rate relief will be granted for unoccupied premises);
  - (e) The premises and organisation **must** be of *significant* benefit to residents of the Council’s area;
  - (f) The premises and organisation **must** relieve the Council of providing similar facilities;
  - (g) The ratepayer **must**;
    - (i) Provide facilities to certain priority groups such as elderly, disabled, minority groups, disadvantaged groups; **or**
    - (ii) Provide *significant* employment or employment opportunities to residents of the Council; **or**
    - (iii) Provide the residents of the area with such services, opportunities or facilities that cannot be obtained locally or are not provided locally by another organisation;
  - (h) The ratepayer **must** demonstrate that assistance (provided by the discretionary rate relief) will be for a *short time only* **and** that any business / operation is financially viable in the medium and long term;
  - (i) whether the premises occupied are considered to be reasonable having regard to the size and location of the premises, the size and nature of the organisation, and the use being made of the premises by the organisation; **and**

- (j) The ratepayer **must** show that the activities of the organisation are consistent with the Council's core values and priorities.
- D.5 Where a ratepayer can demonstrate that **all** of the above criteria are met, relief will be considered for initially a short period.
- D.6 A formal application from the ratepayer will be required in each case and any relief will be granted in line with Subsidy requirements as specified within this policy.

**Appendix E**  
**Local Newspaper Relief**

## General Explanation

- E.1 This is a relief that will be awarded until 2025 and the Government is not changing the legislation around the reliefs available to these properties. Central Government will reimburse local authorities that use their discretionary relief powers (under section 47(3)) of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in this guidance.
- E.2 The Council will be compensated by Central Government through a grant under section 31 of the Local Government Act 2003.

## Eligibility criteria

- E.3 The scheme will provide a £1,500 relief for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per hereditament.

## Local Newspapers

- E.4 The relief is to be specifically for local newspapers and by that, the Council means what would be considered a “traditional local newspaper.” The relief will not be available to magazines.

## Office Space

- E.5 The hereditament **must** be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

## Amount of Relief

- E.6 The amount of relief is limited to a maximum of one discount per newspaper title (e.g. per newspaper name) **AND** per hereditament. As with all discretionary rate relief, any grant will be subject to Subsidy limits as defined within this policy.

## Local Newspaper Relief – the Council’s policy for granting discretionary relief.

- E.7 The Council has decided to grant relief strictly in accordance with Central Government guidelines.



**Appendix F**  
**Supporting Small Businesses Relief**

## **General Explanation**

- F.1 For the financial years 2023/24 to 2025/26, the Government will, in line with the eligibility criteria set out below, reimburse the Council if it uses its discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant 2023 Supporting Small Business relief.
- F.2 It will be for the Council, which administers the 2023 Supporting Small Business (2023 SSB) relief, to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
- F.3 Central government will reimburse the Council and major precepting authorities for the actual cost to them under the rates retention scheme of the 2023 Supporting Small Business relief that falls within the definitions in this policy.

## **Who is eligible for the 2023 Supporting Small Business Relief (2023 SSB) and how much relief will be available?**

- F.4 2023 SSBR will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their Small Business, Rural Rate Relief or 2017 SSBR and, as a result, are facing large increases in their bills.
- F.5 Charities and Community Amateur Sports Clubs, who are already entitled to mandatory 80% relief, are not eligible for 2023 SSBR.
- F.6 To support these ratepayers, 2023 SSBR will ensure that the increase in the bills of these ratepayers is limited to a cash value of £600 per year. This cash maximum increase ensures that ratepayers do not face large bill increases in 2023/24 after transitional relief and small business rate relief (as applicable) have been applied. In order to simplify the scheme, the 2023 SSBR will not include minimum percentage bill increases (unlike the 2017 scheme).
- F.7 Those on 2023 SSBR whose 2023 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for 2023 SSBR.
- F.8 The 2017 SSBR scheme was provided to support small and medium ratepayers who had seen large increases in their bills at the 2017 revaluation. They have, therefore, had 6 years of support to allow them to adjust to their full 2017 bills. Therefore, for those ratepayers receiving 2017 SSB relief in 2022/23, any eligibility for 2023 SSBR will end on 31 March 2024.
- F.9 The Council will ensure this eligibility criteria is clear in the scheme approved and that relief for these ratepayers is awarded for one year only so that the relief can then be withdrawn on 31 March 2024 without further notice.
- F.10 A change of ratepayers will not affect eligibility for the Supporting Small Business scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

- F.11 There is no second property test for eligibility for the 2023 SSBR scheme. However, those ratepayers who during 2022/23 lost entitlement to Small Business Rate Relief (because they failed the second property test) but have, under the rules for Small Business Rate Relief, been given a 12 month period of grace before their relief ended - can continue on the 2023 SSBR scheme for the remainder of their 12 month period of grace.

## **Sequence of reliefs**

- F.12 Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for 2023 SSBR. For the avoidance of doubt, small business rate relief or rural rate relief will not be applied to further reduce the bill found under 2023 SSBR (to avoid the double counting of relief).
- F.13 The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties). The presence of a section 44A certificate will not further reduce the bill found under 2023 SSBR.
- F.14 All other discretionary reliefs, including those funded by section 31 grants, will be considered after the application of 2023 SSBR.

## **Subsidy control**

- F.15 The 2023 SSBR is likely to amount to a subsidy. Therefore, any relief provided by the Council under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- F.16 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2023/24 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted under the £315,000 allowance.
- F.17 In those cases where it is clear to the Council that the ratepayer is likely to breach the MFA limit then the Council will withhold the relief. Otherwise, the Council may include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the Council if they are in breach of the MFA limit.
- F.18 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

## **Recalculations of reliefs**

- F.19 As with other reliefs, the amount of SSBR awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the

rateable value or to the hereditament. This change of circumstances could arise during the year in question or during a later year.

- F.20 Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.
- F.21 Therefore, when making an award for SSBR, the Council will ensure the conditions of the award that the relief are subject to the property's continuing eligibility. If the use of the property changes so that it is no longer eligible, the relevant chargeable amount must be recalculated to reflect that fact.
- F.22 The Council will also ensure that the scheme provides that eligibility for those ratepayers previously in the 2017 SSBR scheme in 2022/23 are eligible for one year of relief only and that the relief will then be withdrawn from those ratepayers on 31 March 2024 without further notice.

### **Supporting Small Businesses Relief – the Council's policy for granting discretionary relief.**

- F.23 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

**Appendix G**  
**Retail, Hospitality and Leisure Relief**

## General Explanation

- G.1 The 2024/25 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.

## How will the relief be provided?

- G.2 As this is a temporary measure for 2024/25, Government is not changing the legislation relating to the reliefs available to properties. Instead, Government will, in line with the eligibility criteria set out in this guidance, reimburse the Council if it uses its discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for the Council to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
- G.3 Government will fully reimburse the Council and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in this guidance, using a grant under section 31 of the Local Government Act 2003.
- G.4 The government expects the Council to apply and grant relief to qualifying ratepayers from the start of the 2024/25 billing year.

## Which properties will benefit from relief?

- G.5 Hereditaments which benefit from the relief will be those which for a chargeable day in 2024/25:
- meet the eligibility criteria; and
  - the ratepayer for that chargeable day has not refused the relief for the eligible hereditament.

The ratepayer may refuse the relief for each eligible hereditament anytime up to 30 April 2024. The ratepayer cannot subsequently withdraw their refusal for either all or part of the financial year.

- G.6 The Council has decided that, for the purposes of section 47 of the 1988 Act, hereditaments where the ratepayer has refused the relief are outside of the scheme and outside of the scope of the decision of which hereditaments qualify for the discount and are therefore ineligible for the relief.
- G.7 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, the Council may not grant the discount to themselves or precepting authorities.

## How much relief will be available?

- G.8 Subject to the £110,000 cash cap per business, the total amount of government-funded relief available for each property for 2023/24 under this scheme is for chargeable days from 1 April 2024 to 31 March 2025, 75% of the chargeable amount.
- G.9 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where the Council has used its wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants. However, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable relief etc.) will be applied first in the sequence of discretionary reliefs and, therefore, before Retail, Hospitality and Leisure relief. Authorities may use their discretionary powers to, at cost to themselves, offer further discounts outside this scheme or additional relief to hereditaments within the scheme. However, where the Council applies a locally funded relief under section 47, this will be applied after the Retail, Hospitality and Leisure relief.
- G.10 The ordering **will** be applied in following sequence:
- Transitional Relief
  - Mandatory Reliefs (as determined in legislation)
  - S.47 Discretionary Relief in the following order:
    - (i) 2023 Supporting Small Business (SSB);
    - (ii) Former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable, CASC, rural top up, and not for profit) will be applied first in the sequence of discretionary reliefs, after SSB;
    - (iii) Other discretionary (centrally funded);
    - (iv) 2024/25 Retail Hospitality and Leisure relief scheme; and
    - (v) Other locally funded schemes (such as section 49 hardship).
- G.11 Subject to the cash cap, the eligibility for the discount and the relief itself will be assessed and calculated on a daily basis. The following formula will be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2024/25:
- Amount of relief to be granted =  $V \times 0.75$  where:
  - $V$  is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any certain other discretionary reliefs in line with the above.
- G.12 This will be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
- G.13 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap, per business.

## The Cash Cap and Subsidy Control

- G.14 Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.

- G.15 Where a ratepayer has a qualifying connection with another ratepayer, then those ratepayers will be considered as one ratepayer for the purposes of the cash caps. A ratepayer shall be treated as having a qualifying connection with another:
- (a) where both ratepayers are companies, and
    - (i) one is a subsidiary of the other, or
    - (ii) both are subsidiaries of the same company; or
  - (b) where only one ratepayer is a company, the other ratepayer (the “second ratepayer”) has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.
- G.16 The Retail Hospitality and Leisure Scheme is likely to amount to subsidy. Any relief provided by the Council under this scheme will need to comply with the UK’s domestic and international subsidy control obligations.
- G.17 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2023/24 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of ‘Minimal or SPEI financial assistance’. Expanded Retail Discount granted in 2021/22 does not count towards the £315,000 allowance but BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement will be counted.
- G.18 In those cases, where it is clear to the Council that the ratepayer is likely to breach the cash cap or the MFA limit, then the Council will automatically withhold the relief.
- G.19 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

### **Splits, mergers, and changes to existing hereditaments**

- G.20 The relief will be applied on a day-to-day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, will be considered afresh for the relief on that day.

### **Recalculations of relief**

- G.21 The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.
- G.22 Under regulations made under section 47 of the Local Government Finance Act 1988 the Council must give at least 12 months’ notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, the Council may still make decisions to ensure



the scheme is administered in accordance with the extant rules. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.

## **Eligibility for the Retail, Hospitality and Leisure Relief Scheme**

G.23 The Council uses the following definitions to establish eligibility for the relief:

**Hereditaments that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:**

- they are wholly or mainly being used:
  - (i) as shops, restaurants, cafes, drinking establishments, cinemas, or live music venues,
  - (ii) for assembly and leisure; or
  - (iii) as hotels, guest & boarding premises, or self-catering accommodation

**i. Hereditaments that are being used for the sale of goods to visiting members of the public:**

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

**ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g., for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

**iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:**

- Restaurants

- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bar

**iv. Hereditaments which are being used as cinemas.**

**v. Hereditaments that are being used as live music venues:**

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g., the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g., because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music.

**vi. Hereditaments that are being used for the provision of sport, leisure, and facilities to visiting members of the public (including for the viewing of such activities).**

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

**vii. Hereditaments that are being used for the assembly of visiting members of the public.**

- Public halls
- Clubhouses, clubs, and institutions

**viii. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:**

- Hotels, Guest, and Boarding Houses
- Holiday homes
- Caravan parks and sites

G.24 To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

G.25 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes.

**Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- G.26 The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount. Again, it is for the Council to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them **not** eligible for the discount under their local scheme:
- Financial services (e.g., banks, building societies, cash points, bureaux de change, short-term loan providers, betting shops);
  - Medical services (e.g., vets, dentists, doctors, osteopaths, chiropractors);
  - Professional services (e.g., solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents); and
  - Post office sorting offices.

**Retail Hospitality and Leisure Relief – the Council’s policy for granting discretionary relief.**

G.27 The Council has decided to grant relief strictly in accordance with Central Government guidelines.



<b>Report of</b>	<b>Chief Operating Officer</b>	<b>Author</b>	<b>Martin Norgett 📞 07816 204488</b>
<b>Title</b>	<b>Request for Delegated Authority for the Award of HRA Contracts 2024/25</b>		
<b>Wards affected</b>	All wards		

**1. Executive Summary**

- 1.1 Within the Housing Revenue Account (HRA), the Council owns almost 6,000 affordable homes, benefitting people in need of social housing. The housing stock is managed through an Arm's Length Management Organisation (ALMO), Colchester Borough Homes (CBH). Each year a number of maintenance contracts are managed in accordance with a Housing Investment Programme (HIP) that keeps these homes in a suitable condition, as part of an ongoing planned approach set from the HRA Asset Management Strategy and 30-year HRA Business Plan.
- 1.2 This report sets out the maintenance contracts that are due to expire over the next year, that need new contracts to be procured and awarded for the HIP in 2024/25. These are contracts that are likely to require Cabinet approval due to estimated costs (over £500k for the scope of the contracts, over multiple years) and spanning over more than 2 wards.
- 1.3 The report seeks delegation of powers to the Portfolio Holder for Housing to approve the award of these contracts as they arise, which will make those awards smoother and faster if they arise between meetings scheduled for the next year. A similar decision was taken in the last four years (2020 to 2023) which was concluded successfully over the subsequent delegated contract awards.

**2. Recommended Decision**

- 2.1 To delegate authority to the Portfolio Holder for Housing for the award of the contracts for works within the Housing Investment Programme 2024/25.

**3. Reason for Recommended Decision**

- 3.1 Within the Housing Revenue Account (HRA), the Council owns almost 6,000 affordable homes, benefitting people in need of social housing. The housing stock is managed through an Arm's Length Management Organisation (ALMO), Colchester Borough Homes (CBH) and each year a number of maintenance contracts are managed within an agreed Housing Investment Programme. This keeps these homes in a suitable condition, as part of an ongoing planned approach set from the HRA Asset Management Strategy and 30-year HRA Business Plan.
- 3.2 Contracts that are due to expire over the next year, require new contracts to be procured and awarded for the Housing Investment Programme in 2024/25. These are contracts that are likely to require Cabinet approval due to estimated costs (over £500k for the scope of the contracts, over multiple years) and borough-wide span.
- 3.3 The decision to delegate powers to the Portfolio Holder for Housing to approve the award of these contracts, as they arise, will make those awards smoother and faster if they arise between Cabinet meetings scheduled for the next year, or during the pre-election period. This avoids delays in the delivery of improvements for tenants. A similar decision

was taken in the last four years (2020 to 2023) and has demonstrated the success and benefit of this approach in past/current contract awards.

#### **4. Alternative Options**

- 4.1 Not to delegate the powers requested; but this would then need contracts to be individually reported to Cabinet for each contract award increasing the time and resourcing required, for a procurement process that is already heavily scrutinised and regulated. This would delay the start of contracts, and therefore the improvements to homes for tenants, whilst waiting for a Cabinet meeting to arise. The time/benefit balance would therefore suggest that delegation to the PFH would be more effective and efficient use of Council resources, without introducing risks; demonstrated by recent practices. The Portfolio Holder decisions would remain available for call-in should individual concerns arise.

## **5. Background Information**

- 5.1 The Housing Investment Programme (HIP) is funded by the HRA and is currently an investment of around £15m across the housing stock per year. Simplistically, the HRA receives the social and affordable rents and income from Council housing that is then ring-fenced within the HRA (a separate account to the General Fund) to be invested back into the social housing stock (whether in maintenance of existing stock, or provision of new affordable homes, this then in turn increases the income back into the HRA in future years to pay for itself).
- 5.2 The HIP therefore includes the planned and reactive replacement of building elements, such as electrics, heating, windows, doors, kitchens and bathrooms etc, on a cyclical basis. The HIP is based on the expected notional life of those elements. This is verified by a stock condition survey of identified properties.
- 5.3 Once it has been identified that many properties require similar investment then the necessary budget, part of a 30-year HRA Business Plan to manage the funds and property in the HRA, is approved by Cabinet (in January each year) to fund the investment. This work is then collated into packages of works that can be contracted together to provide value for money and economies of scale, consistency of works across the stock and relationships with contractors familiar with the Council's needs and property etc.
- 5.4 An appropriate procurement route is identified in advance and a contractor is selected to enter into a suitable contract for the delivery of the works. Previously the Council has entered contracts on a variety of terms, whether small or large contracts, and whether for single or multiple years, and this experience informs the basis on which each element of the programme is delivered.
- 5.5 The delegation of the HRA HIP contracts will assist in a timely, smooth, contract renewal or replacement process over the next year, for known contracts that will emerge.
- 5.6 In addition, the Climate Emergency Response Works were agreed by Cabinet in November 2020 as a supplementary package of work to the HIP that further improves homes, continuing to address the climate emergency declaration but also provides additional employment opportunities and economic recovery benefits after the global pandemic. These works will potentially not be delivered through one single supplementary contract, all the elements of the planned works include cladding, insulation, windows, heat and energy sources etc.
- 5.7 The complete package of contracts will be delivered within the approved budget for the HIP in 2024/25 which was approved by Council at its meeting on 21<sup>st</sup> February 2024.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 Implications for Equality, Diversity and Human Right will be considered in all contracts awards. However, it is generally thought that investment in and the appropriate maintenance of the Council's housing stock has overwhelmingly positive implications for tenants and residents of the Borough.
- 6.2 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

6.2 The recommendations will have no disproportionate impact on any protected group. The Equality Impact Assessment for the Council's Housing Investment Programme is [here](#).

## **7. Strategic Plan References**

7.1 The Strategic Plan sets out clearly the Council's priorities. The budget process has been designed to ensure that resources are allocated to meet these priorities.

7.2 The services and projects delivered by the Council and CBH contribute directly to the following Strategic Plan 2023-2026 priority areas:

- **Respond to the climate emergency.**

Reduce our carbon footprint.

Ensure Council homes benefit from increased energy efficiency

- **Deliver Modern Services for a Modern City**

The Colchester Council family of organisations work together to a shared and ambitious vision for the future of our city.

Continue to invest in our homes to deliver quality social homes and services for tenants and leaseholders.

Put communities and their needs at the heart of our vision and support local areas as they help shape and deliver services which are most important to them.

Work closely with partners, charities and organisations to add value.

- **Improve health, well-being, and happiness**

Tackle the causes of inequality and support our most vulnerable people.

Work with residents and partners to address quality of life and issues of happiness.

- **Deliver homes for those most in need**

Increase the number and quality and types of affordable homes.

Meet our duty to prevent or assist those facing homelessness.

## **8. Consultation**

8.1 Tenants of all housing stock have been consulted as part of a review of the Asset Management Strategy. The Asset Management Strategy includes specific reference to a suitable Procurement Strategy for HIP works.

## **9. Publicity Considerations**

9.1 All residents are notified of major contract awards via the Resident Newsletter. Affected tenants are notified well in advance of works taking place and consulted about the specific impact on them and their household.

## **10. Financial implications**

10.1 The budgets for the Housing Investment Programme and Acquisitions Programme were presented to the Council meeting on 21<sup>st</sup> February 2024 and will be within the 30-year HRA Business Plan and approved budget for 2024-25.

10.2 Revenue budgets for repairs maintenance which includes void works were presented to the Council meeting on 21<sup>st</sup> February 2024 and will be within the approved budget for 2024-25.



## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 It is broadly expected that communities where these works will take place will be positively affected by the completion of the works. Improved buildings and estates reduce anti-social behaviour and crime, improve health and associated outcomes for residents and communities. Recent medical reports have identified, more than ever, that the quality of housing has a significant impact on the health of residents within those properties.

## **12. Health and Safety Implications**

- 12.1 Contractors bidding for works are expected to demonstrate a strong track record and high level of competence in managing health and safety through the procurement process. Contractors then manages health and safety on site, managed by CBH, although ultimate responsibility remains with the Council as the contracting authority.

## **13. Risk Management Implications**

- 13.1 None expected. All contracts are managed individually, and risk registers are maintained by CBH.

## **14. Environmental and Sustainability Implications**

- 14.1 As part of the Housing Asset Management Strategy a Housing and Environmental and Sustainability Strategy has been produced. Using a specialist energy efficiency modelling database, we have looked at scenarios for delivering all our homes to EPC Band C by 2030.
- 14.2 CCC has been taking action to improve the energy efficiency of our properties, cold damp houses and inequality in our stock create poorer health outcomes. Energy efficiency works take a fabric first approach to retrofit and include loft and cavity wall insulation, Solar PV, and installing efficient heating from our Capital Programme. This ensures we are tackling fuel poverty and making utility bills cheaper.
- 14.3 Where possible water saving measures and LED lighting are installed.
- 14.5 The Government has a target that all social rented homes will be net zero carbon by 2050. The Council continues to develop an understanding of the technical solutions available and their cost as it continues to seek funding to support delivery and consider the financial viability of properties.





## Cabinet

Item  
**10(i)**

13 March 2024

Report of

Chief Operating Officer

Author

Simon Thorp  
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Title

Corporate Key Performance Indicator Targets for 2024-2025

Wards  
affected

All

### 1. Executive Summary

- 1.1 This report proposes the Corporate Key Performance Indicator (KPI) Targets for 2024-2025.

### 2. Recommended Decision

- 2.1 To set Corporate KPI Targets for 2024-2025 as proposed in the report.

### 3. Reason for Recommended Decision

- 3.1 To ensure there is a robust corporate performance monitoring framework.

### 4. Alternative Options

- 4.1 To consider alternative KPI Targets than those proposed.

## 5. Background Information

5.1 It is proposed that the set of KPI measures in the table below be agreed and set for 2024-2025. The KPIs have been chosen to reflect our financial circumstances and the Strategic Plan for 2023-2026. They are grouped in a financial theme and themes that reflect the Strategic Plan and Office for Local Government (OFLOG) performance indicators. A range of other performance measures will in turn be monitored at Budget and Service level (Enjoy Colchester, Transformation, Insight & Business Improvement, Modern City Services, Place & Prosperity, Housing & Well Being).

5.2 The 2023-2026 Strategic Plan can be found at Appendix A.

Financial theme			
KPI Description	Frequency	Target	Supporting narrative
Council Tax collected	Monthly	97.65%	It is proposed to keep the current target for 2024-2025. Council Tax collection has remained strong during 2023-2024 and is on track to achieve target by Year End.
Business Rates (NNDR) collected	Monthly	98%	It is proposed to keep the current target for 2024-2025. NNDR collection has remained strong during 2023-2024 and is on track to achieve target by Year End.
HRA Rent collected	Monthly	98%	It is proposed to keep the current target for 2024-2025. Despite being below target at the half-year point, figures for Q4 indicate rent collected is on track to achieve target by Year End. The increase in number of tenants in receipt of Universal Credit is a factor.
Garden Waste subscriptions	Quarterly	7053 (Number of active subscribers)	This indicator measures the number of Garden Waste active subscribers for 2024-2025. The scheme went live in January 2024.

Strategic Plan – Respond to climate emergency theme			
KPI Description	Frequency	Target	Supporting narrative
Residual household waste per household	Monthly	354 kg	It is proposed to keep the current target for 2024-2025. Performance is ahead of target at the half-year point 2023-2024.

Household waste reused, recycled, and composted	Monthly	53%	It is proposed to keep the current target for 2024-2025. Performance is tracking slightly below target at the half-year point 2023-2024.
Fly tipping incidents	Quarterly	2,100	This indicator measures the number of fly tipping incidents reported and cleared. The number of incidents at half-year point for 2023-2024 is 529.

### Strategic Plan – Deliver homes for the most in need theme

KPI Description	Frequency	Target	Supporting narrative
Affordable homes delivered (gross)	Quarterly	380 homes over three years (2023-2026)	The target is over a 3 year period 2023-2026 and is a rolling target. A yearly figure for the delivery of affordable homes does not always reflect a true picture taking into account fluctuations in market forces. The target includes the delivery of all affordable housing i.e. Housing Association s106/non s106, Council new housebuilding programme, Acquisitions and First Homes.
Monitoring the number of households in temporary accommodation per 1,000 households.	Monthly	4.0	It is proposed to change the monitoring number to 4.0 households per 1,000 households – this number reflects the demand on the service. Performance at Q3 point in 2023-2024 measured at 4.0. There is rising demand for housing options and homelessness services, cost of living and affordability in the private rented sector is increasing the number of families threatened with homelessness.
Average days to relet Low Cost Rental Accommodation	Monthly	73 days	This is a new measure for relet times which has been introduced to benchmark with a range of organisations and bring into line with new housing regulation. Monitoring of each category will be undertaken and benchmarked accordingly (sheltered, general needs, Council owned temporary accommodation). The measure does not include new stock such as acquisitions or buy-backs. The target is set at the median (Housemark) benchmark position.

Repairs completed within target timescale	Monthly	90%	It is proposed that the current target is revised downwards for 2024-2025. Q3 performance for 2023-2024 is below target at 80.2%. Pressures on in-house and contractor resources remain. Trade supplies and labour continue to be unreliable which has affected the ability to deliver repairs effectively.
Percentage of homes that do not meet the decent homes standard	Annually	0%	It is proposed that the current target is kept for 2024-2025. This indicator reflects the 2023-2026 Strategic Plan <i>Deliver homes for those most in need</i> theme.
Customer satisfaction with the latest repair	Monthly	90%	It is proposed that the current target is revised downwards by half a percent for 2024-2025. Maintaining customer satisfaction will continue to be challenging in the economic environment and economic outlook. Satisfaction with a repair is a key driver to overall satisfaction. Particular emphasis will be placed on repairs during the coming year. This indicator reflects the 2023-2026 Strategic Plan <i>Deliver homes for those most in need</i> theme.

### Strategic Plan – Improve health, well-being, and happiness theme

KPI Description	Frequency	Target	Supporting narrative
Time to process housing benefit and local council tax support new claims and changes	Monthly	HB – 4 days LCTS – 5 days	It is proposed to keep the current targets for 2024-2025. The team continue to exceed targets at the half-year point for both HB and LCTS in 2023-2024.
Sickness rate in working days	Monthly	Rolling 8 days	It is proposed to keep the current target for 2024-2025. Half-year performance for 2023-2024 measured at 7.93 days.
Sickness rate in working days – Waste and Recycling	Monthly	12 days	It is proposed to introduce this new indicator for 2024-2025 in addition to the corporate sickness indicator.
Number of upheld complaints (per 100,000 population)	Quarterly	Target to be confirmed	It is proposed to introduce this new indicator for 2024-2025 in line with current OFLOG indicators.

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Strategic Plan – Grow our economy so everyone benefits theme			
KPI Description	Frequency	Target	Supporting narrative
Additional Homes	Quarterly	920 homes	It is proposed that the current target is kept for 2024-2025. This indicator is linked to the 2023-2026 Strategic Plan <i>Grow our economy so everyone benefits</i> theme.
Social value in procurement	Twice per year	70% of all (non-framework) contracts over £100k awarded to include social value benefits	It is proposed to keep the current target for 2024-2025. It has been added to reflect the 2023-2026 Strategic Plan <i>Grow our economy so everyone benefits</i> theme.

5.3 **CBH KPI Targets.** The following KPI targets have been determined and agreed by Portfolio Holder for Housing and detailed in the Colchester Borough Homes new Medium Term Delivery Plan 2022-27, this was revised and approved at the Principal Liaison Meeting in February 2024, by the CBH Board and PFH for Housing and was also reviewed at Governance and Audit on 5 March 2024.

- HRA Rent Collected
- Monitoring the number of households in temporary accommodation per 1,000 households
- Average days to relet Low Cost Rental Accommodation
- Repairs completed within target timescale
- Percentage of homes that do not meet the decent homes standard
- Customer satisfaction with the latest repair

## 6. Equality, Diversity and Human Rights implications

6.1 Where required, specific Equality Impact Assessments have been conducted for policies and activities rather than for individual performance indicators.

## 7. Strategic Plan References

7.1 Having a robust corporate performance monitoring framework with appropriate KPI's will contribute to the effective delivery of the Strategic Plan 2023-2026.

## 8. Consultation

8.1 There are not any direct implications with regard to consultation.

## 9. Publicity Considerations

9.1 The performance report contains measures for our key performance. Many of these are used to monitor the performance of our services, and as such these may be of public

interest. The performance report and related information is published on the Performance section of the Council's website.

## **10. Financial implications**

10.1 The annual budget setting report considered separately by Cabinet will ensure there are appropriate resources to deliver the KPI targets for 2024-2025.

## **11. Health, Wellbeing and Community Safety Implications**

11.1 Some of the proposed KPI's will ensure effective performance monitoring of key areas which have a positive impact on Health, Wellbeing and Community Safety.

## **12. Health and Safety Implications**

12.1 This report has no direct implications with regard to Health and Safety.

## **13. Risk Management Implications**

13.1 There are no specific risk management implications associated with this decision.

## **14. Environmental and Sustainability Implications**

14.1 The KPI targets proposed for recycling and residual waste are examples of indicators of performance at tackling Environment and Sustainability issues. However, as work progresses in responding to the Climate Emergency Declaration, Cabinet may wish to consider if any additional corporate KPI's in this area are required.

## **Appendices**

Appendix A. [2023-2026 Strategic Plan](#)

## **Background Papers**

Not applicable.





## Cabinet

Item  
**10(ii)**

13 March 2024

<b>Report of</b>	<b>Democratic Services Manager</b>	<b>Author</b>	<b>Richard Clifford</b> ☎ 507832
<b>Title</b>	<b>Amendment to Councillor Development Policy: Leadership Academy</b>		
<b>Wards affected</b>	'Not applicable'		

### 1. Executive Summary

1.1 This report proposes a revision to the Councillor Development Policy to clarify the arrangements for the nomination for Councillors to attend the LGA's Leadership Academy.

### 2. Recommended Decision

2.1 To amend the Councillor Development Policy as set out at paragraph 5.7.

### 3. Reason for Recommended Decision

3.1 The aim of the amendment to the policy is to make the process for the nomination for Councillors for the funded place at Leadership Academy more equitable.

### 4. Alternative Options

4.1 Not to amend the Councillor Development Policy.

## 5. Background Information

5.1 Leadership Academy is the LGA's flagship Leadership Development programme. It is a modular leadership development programme with three, two-day residential modules which take place over a three month period.

**Module 1: Personal Leadership.** This module explores how councillors can develop, maintain and use relationships – both internal and external – to provide effective leadership at the political, organisational and wider community levels.

**Module 2: Political Leadership.** This module will develop councillors' ability to lead and manage complex change to improve effectiveness and efficiency and to achieve better outcomes for the community.

**Module 3: Leadership of place.** The focus is on helping councillors to communicate with and provide leadership to their communities and within partnerships to achieve growth and prosperity.

All modules are underpinned by the following principles.

- Grounded in the challenges and opportunities provided by the current local government context.
- Draw on leading edge thinking.
- Sharing of best practice.
- Focus and building on participants' own experiences and challenges.
- Provide time for reflection and self-evaluation.
- Encourage bold and ambitious leadership.

5.2 It is aimed at those in Leadership positions within local authorities, which is defined as the following positions:-

- Council Leaders and Executive Mayors
- Deputy Leaders
- Group Leaders
- Portfolio Holders
- Shadow Portfolio Holders
- Scrutiny Chairs

5.3 The LGA list the benefits of attending as follows:

- Understand your own leadership style and improve your leadership capabilities.
- Understand and implement effective leadership strategies for the current environment.
- Work on your own specific challenges relevant to your Council.
- Develop a leadership toolbox of techniques and strategies for different situations.
- Working with peers from other parties and councils. Feedback we have received from attendees is that this is particularly valuable and attendees gain a valuable network of peers.
- Talking the learning back to Council.
- Registered member of the Institute of Leadership for 1 year with access to their resources.

The Council's commitment to Leadership academy is also useful in terms of securing Member Charter Status in that it demonstrates its commitment to developing those who hold senior positions within the Council.

5.4 A place at Leadership Academy cost a Local Authority £1000 for the first place its books each municipal year. Subsequent places costs £1250. This includes accommodation costs so the only additional costs are travel costs.

5.5 The Council's Councillor Development Policy states that:

*The Council is committed to the development of the leadership of the Council and all members of the Cabinet and Group Leaders are encouraged to attend the LGA's Leadership Academy. The Council will fund one place, at Leadership Academy each year from the core councillor training budget. The place will be allocated by the Leader of the Council.*

5.6 At its meeting in November the Member Development Group considered the arrangements around the Council's commitment to Leadership Academy. The full note of the Group's consideration is attached at Appendix 1.

5.7 The Group recognised the continued value of Leadership Academy but considered that there should be an opportunity for a wider role for the political groups in the process for nominations. It was proposed that whilst the final decision should rest with the Leader of the Council, there should be an opportunity for the political groups to make nominations for the leader to consider. It is therefore recommended that the relevant part of the Councillor Development Policy be amended to read as follows:-

*The Council is committed to the development of the leadership of the Council and all members of the Cabinet and Group Leaders are encouraged to attend the LGA's Leadership Academy. The Council will fund one place at Leadership Academy each year from the core councillor training budget. Initial nominations for a place at Leadership Academy will be made by the Council's Political Group Leaders from within their Groups, and the final decision on the allocation of the place will be made by the Leader of the Council.*

## **6. Equality, Diversity and Human Rights implications**

6.1 An EQIA for the councillor development policy has been prepared and can be accessed via the link below.

<http://www.colchester.gov.uk/CHttpHandler.ashx?id=2290&p=0>

## **7. Strategic Plan References**

7.1 Member development supports all the Strategic Plan priorities by promoting the skills and knowledge members need in order to fulfil their roles effectively.

## **8. Financial Implications**

8.1 There are no direct financial implications. The costs of the place at Leadership Academy would be met from the Councillor Development Budget. The proposal in the report is designed to improve the nomination process rather increase the number of attendees.

## **9. Standard References**

9.1 There are no particular references to consultation or publicity considerations or community safety; health and safety, environmental sustainability or risk management implications.

## Appendix 1

### Extract from the notes of the Member Development Group meeting 15 November 2023

#### 2. Leadership Academy

The Group considered a report providing information about the Local Government Association's (LGA) Leadership Academy and the Council's policy in relation to attendance at Leadership Academy.

Richard Clifford, Democratic Services Manager, attended the meeting to present the report, which was brought before the Group following discussions which had taken place at its previous meeting concerning the financing of attendance at Leadership Academy. The Academy was intended to be a flagship leadership academy for Councillors, and although it had historically been a residential course, remote attendance options had been made available following the Coronavirus pandemic. The Academy consisted of 3 modules which dealt with personal leadership, political leadership and leadership of place, and each as dealt with over the course of a weekend. The offering was aimed mainly at Council Leaders, members of Cabinet, Committee Chairs and Shadow Portfolio Holders. Members who attended described the main benefits being around building a leadership style and building networks among peers to use as a sounding board and to draw on experience from other local authorities.

The Council's Development Policy stated that 1 place a year on the Academy would be funded by the Council from the Member Development budget, at the cost of £1,000 for the first attendee with subsequent attendees costing £1,250 each. It was noted that it had been several years since anyone from the Council had attended, and although the Leader was always asked whether they wished to nominate someone, this had not tended to happen in recent years, and although the Leader had been asked to nominate someone this year, this had not happened. There did not appear to be a clear reason for this, however, it was suggested that to some degree the Coronavirus pandemic may have triggered more of a shift away from external training.

At the previous meeting, there had been some discussion around the way in which candidates were nominated to attend, and this may have some bearing on the lack of attendance, as responsibility for nominating fell solely on the Leader. It may have been the case that had been interested in attend, but were not invited to do so, and the views of the Group were invited on this point; was the Academy still worth pursuing, and how did it feel nominations should be sought? Not enough money was left in the Member Development budget this year to send more than one Councillor, although a single place could be funded.

In discussion, the Group thought that there would be interest in attending the Academy, but that the cost of this was quite significant. In spite of this, it was felt that there was an obligation to ensure that there was opportunity for learning and training as Councillors had a variety of skills and backgrounds, and were being asked to comment and lead in areas in which they may not be expert. This training was therefore considered to be invaluable and the cost was justified by this. It was suggested that the nomination of only a single attendee was quite limiting, and created a pressure to ensure that the right Councillor was selected. All Councillors deserved to have access to the Academy, was there a possibility that online or more local training options were available? The potential costs of travel to the Academy were noted, and the Democratic Services Manager confirmed to the Group that all travel and other expenses associated with attendance would be met by the Council.

When considering the nomination process, the Group wondered how this could be made more equitable. It was noted that there was a high turnover in Cabinet members at the Council, and

new Members would certainly benefit from the support offered by the Academy. Although there was a trend to identify new Councillors for training of this nature, the Group noted that even more experienced Councillors could benefit from this form of development. It was considered that external training was potentially of more benefit than internal training for this purpose, as a fresher perspective could be provided.

The Democratic Services Manager reiterated that a place on the Academy was offered as the result of a nomination from the Leader, however, there was the potential to frame some additional guidance to assist with this. Canvassing the Political Groups at the Council could provide an opportunity for interest to be expressed from within the Groups, and an such interest referred on by the Group Leaders. Any change in the Council's Policy would need to be approved by Cabinet or Council. The Group felt strongly that the nomination process should be the subject of transparent discussion within the Political Groups, who would then nominate potential attendees for approval by the Leader.

It was considered that the policy should be updated and presented to Cabinet with the suggestion that initial nominations were made by Political Group Leaders with the final recommendation being made by the Leader of the Council.

In response to questioning from the Group, the Democratic Services Manager explained that the Policy did not provide for any sort of feedback to be provided explaining the reasoning for nominations made by the Leader. The training was, however, aimed at specific groups of Councillors; those either in, or potentially in, leadership positions and any nomination should fit within these criteria. The Leadership Academy was run by the LGA who were sector leaders and well abreast of relevant developments, theories, and issues facing local government. It would be very difficult to draw up a leadership program within the Council, or locally, which would deliver content of this quality. The Group suggested that in the event of more than one recommendation from the Group Leaders, transparency of the reasoning behind the final nomination would be helpful, and it was considered that transparency at every level of Council decision making was important. Councillors who were nominated but not selected should receive some feedback on the reasons they were not selected.

*RESOLVED* that:

- the Council's Councillor Development Policy be amended to state that initial nominations for a place on the LGA Leadership Academy would be made by the Council's Political Group Leaders, with the final decision on attendance at the Academy being taken by the Leader of the Council.
- The amended Councillor Development Policy be presented to Cabinet for approval.



**PETITIONS, PUBLIC STATEMENTS, QUESTIONS**

**(i) Have Your Say submissions from members of the public**

<b>Date of Meeting</b>	<b>Details of Members of the Public</b>	<b>Subject Matter</b>	<b>Form of Response</b>	<b>Date Completed</b>
Local Plan Committee 15.01.2024	Chris Smith	City Centre Masterplan and Britannia Car Park	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024
Local Plan Committee 15.01.2024	Nick Chilvers	City Centre Masterplan	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024
Local Plan Committee 15.01.2024	Sir Bob Russell	City Centre Masterplan	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024
Local Plan Committee 15.01.2024	Clare Marsh	City Centre Masterplan	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024
Local Plan Committee 15.01.2024	Sam Good	City Centre Masterplan	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024
Local Plan Committee 15.01.2024	John Burton	City Centre Masterplan	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024
Local Plan Committee 15.01.2024	Dorian Kelly	City Centre Masterplan	Verbal response provided by Joint Head of Planning (Simon Cairns)	15 January 2024

<b>Local Plan Committee 15.01.2024</b>	<b>Richard Kilshaw</b>	<b>Middlewick evidence base and allocation</b>	<b>Verbal response provided by Joint Head of Planning (Karen Syrett)</b>	<b>15 January 2024</b>
<b>Local Plan Committee 15.01.2024</b>	<b>Dougal Urqhart</b>	<b>Middlewick evidence base and credibility of Stantec report.</b>	<b>Verbal response provided by Chair of Local Plan Committee, Cllr Tim Young.</b>	<b>15 January 2024</b>
<b>Licensing Committee, 17 January 2024</b>	<b>Shaun Moore</b>	<b>Issues affecting the Hackney Carriage trade in Colchester</b>	<b>Verbal response provided by the Licensing, Community Safety and Safeguarding manager.</b>	<b>17 January 2024</b>
<b>Licensing Committee, 17 January 2024</b>	<b>Christine Bell</b>	<b>Concerns concerning the use by Colchester taxi firms of vehicles licensed by other local authorities</b>	<b>The Committee will write to the Minister of Transport.</b>	
<b>Scrutiny Panel, 23 January 2024</b>	<b>Alan Short</b>	<b>Concern regarding allegation that correspondence regarding Middlewick was not given to elected members</b>	<b>Verbal response provided by Councillor Laws, Chair of Scrutiny Panel</b>	<b>23 January 2024</b>
<b>Cabinet, 24 January 2024</b>	<b>Sir Bob Russell</b>	<b>City Centre Masterplan</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy.</b>	<b>24 January 2024</b>
<b>Cabinet, 24 January 2024</b>	<b>Trevor Orton</b>	<b>Cleanliness of city centre, particularly telephone boxes</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy.</b>	<b>24 January 2024</b>
<b>Cabinet, 24 January 2024</b>	<b>Ian Drew</b>	<b>5G and influence of international organisations</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy.</b>	<b>24 January 2024</b>



<b>Cabinet, 24 January 2024</b>	<b>Frances Wagstaff, Liz Austin of CO1 Residents Association</b>	<b>Repairs to bridge at Middle Weir and associated issues</b>	<b>Verbal response provided by Councillor Goss, Portfolio Holder for Neighbourhood Services and Waste, Councillor King, Leader of the Council and Portfolio Holder for Strategy and Councillor Cory, Portfolio Holder for Resources.</b>	<b>24 January 2024</b>
<b>Cabinet, 24 January 2024</b>	<b>Christina Reed-Welham</b>	<b>Proposed closure of Leisure World café</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy and Councillor Cory, Portfolio Holder for Resources.</b>	<b>24 January 2024</b>
<b>Environment and Sustainability Panel, 8 February 2024</b>	<b>Martin Pugh</b>	<b>The ecological importance of Middlewick Ranges</b>	<b>Verbal response provided by the Head of Sustainability (Mel Rundle) and Councillor Nissen, Chair of the Panel.</b>	<b>8 February 2024</b>
<b>Environment and Sustainability Panel, 8 February 2024</b>	<b>Steven Vince</b>	<b>Use of a village green in Mersea for commercial purposes by the Council.</b>	<b>Verbal response provided by the Head of Sustainability (Mel Rundle).</b>	<b>8 February 2024</b>
<b>Environment and Sustainability Panel, 8 February 2024</b>	<b>Alan Short</b>	<b>The continued inclusion of Middlewick Ranges in the Local Plan.</b>	<b>Verbal response provided by the Head of Sustainability (Mel Rundle) and Councillor Nissen, Chair of the Panel.</b>	<b>8 February 2024</b>
<b>Environment and Sustainability Panel, 8 February 2024</b>	<b>Kemal Cufoglu</b>	<b>The Council's Woodland and Biodiversity Project, and trees provided by the Council for planting.</b>	<b>Verbal response provided by the Head of Sustainability (Mel Rundle) and Councillor Nissen, Chair of the Panel.</b>	<b>8 February 2024</b>

<b>February 2024</b>				
<b>Scrutiny Panel, 13 February 2024</b>	<b>Carla Hales</b>	<b>Request for free use of Castle Park bandstand by community groups.</b>	<b>Verbal response provided by Councillor Laws, Chair of Scrutiny Panel</b>	<b>13 February 2024</b>
<b>Scrutiny Panel, 13 February 2024</b>	<b>Robert Johnstone</b>	<b>Request for free use of Castle Park bandstand by community groups.</b>	<b>Verbal response provided by Councillor Laws, Chair of Scrutiny Panel</b>	<b>13 February 2024</b>
<b>Scrutiny Panel, 13 February 2024</b>	<b>Rachel Matthews</b>	<b>Request for Scrutiny Panel to scrutinise the Climate Change Emergency, declared by Full Council.</b>	<b>Verbal response provided by Councillor Laws, Chair of Scrutiny Panel</b>	<b>13 February 2024</b>
<b>Scrutiny Panel, 13 February 2024</b>	<b>Carinna Cooper</b>	<b>Claims of not receiving answers to past queries, and allegations of improper behaviour against planning officers.</b>	<b>Verbal response provided by Councillor Laws, Chair of Scrutiny Panel, and Councillor King, as Leader of the Council</b>	<b>13 February 2024</b>
<b>Scrutiny Panel, 13 February 2024</b>	<b>Cheryl Taylor</b>	<b>Complaint regarding security searches at formal meetings of the Council and allegations of not receiving response from the Council.</b>	<b>Verbal response provided by Councillor Laws, Chair of Scrutiny Panel</b>	<b>13 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>Glyn Evans</b>	<b>Middlewick's inclusion in the Local Plan</b>	<b>Verbal response provided by Joint Head of Planning (Karen Syrett)</b>	<b>22 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Richard Martin</b>	<b>Middlewick's inclusion in the Local Plan</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>

<b>Council, 21 February 2024</b>	<b>Nick Chilvers</b>	<b>The impact of the development of Middlewick</b>	<b>Verbal response provided by Councillor Luxford Vaughan, Portfolio Holder for Planning, Environment and Sustainability</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Chris Piggott</b>	<b>The impact of the budget proposals on the Council's services</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Angela Lingham Baker</b>	<b>Parking issues in Shrub End</b>	<b>Verbal response provided by Councillor Smith, Portfolio Holder for Housing</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Alan Short</b>	<b>Correspondence from Natural England in respect of Middlewick</b>	<b>Verbal response provided by Councillor Goss, Portfolio for Neighbourhood Services and Waste and Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Sir Bob Russell</b>	<b>Town Deal Board</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Alderman G. Oxford</b>	<b>Investment in Highwoods</b>	<b>Written response to be sent</b>	
<b>Council, 21 February 2024</b>	<b>Bevan Waghorn</b>	<b>Council budget proposals</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Rachel Mathews</b>	<b>Climate changes issues and in particular their impact on farming and food supply</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>

<b>Council, 21 February 2024</b>	<b>Carinna Cooper</b>	<b>Trust in government and concerns about how the Council handled applications for 5G masts</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Carla Hales, Parish Councillor Robert Johnstone</b>	<b>Council Events Policy</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy. Further information to be provided in due course when the review of the issue was complete.</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>James Cracknell</b>	<b>The impact of the Council budget proposals on the Council's services</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Simon Collis</b>	<b>The declaration of a housing emergency</b>	<b>Verbal response provided by Councillor Smith, Portfolio Holder for Housing</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Brian Reece</b>	<b>The Council's authority over members of the public</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Council, 21 February 2024</b>	<b>Melina Spantidaki</b>	<b>Community 360 and alternative proposals for Holy Trinity Church</b>	<b>Verbal response provided by Councillor King, Leader of the Council and Portfolio Holder for Strategy</b>	<b>21 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>Richard Martin</b>	<b>Biodiversity issues surrounding Middlewick Local Plan allocation</b>	<b>Verbal response provided by Joint Head of Planning (Karen Syrett)</b>	<b>22 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>Martin Pugh</b>	<b>Biodiversity issues surrounding Middlewick Local Plan allocation</b>	<b>Verbal response provided by Joint Head of Planning (Karen Syrett)</b>	<b>22 February 2024</b>

<b>Local Committee 22 February 2024</b>	<b>Sir Bob Russell</b>	<b>Colchester Conservation Area No. 4 North Station Road and Environs</b>	<b>Verbal response provided by Historic Buildings and Areas Officer (Eirini Dimerouki)</b>	<b>22 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>Sir Bob Russell</b>	<b>Colchester Local Plan Review – Evidence base and call for sites update</b>	<b>Verbal response provided by Principal Planning Policy Officer (Bethany Jones)</b>	<b>22 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>John Akker</b>	<b>Colchester Local Plan Review – Evidence base and call for sites update</b>	<b>Verbal response provided by Principal Planning Policy Officer (Bethany Jones)</b>	<b>22 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>Graham Barney</b>	<b>Colchester Local Plan Review – Evidence base and call for sites update</b>	<b>Verbal response provided by Principal Planning Policy Officer (Bethany Jones)</b>	<b>22 February 2024</b>
<b>Local Plan Committee 22 February 2024</b>	<b>Nigel Sagar</b>	<b>Colchester Local Plan Review – Evidence base and call for sites update</b>	<b>Verbal response provided by Principal Planning Policy Officer (Bethany Jones)</b>	<b>22 February 2024</b>

**(ii) Petitions**

<b>Date petition received</b>	<b>Lead Petitioner</b>	<b>Subject Matter</b>	<b>Form of Response</b>	<b>Date Completed</b>
<b>16 January 2024</b>	<b>Simon Lane</b>	<b>Keep Leisure World Café open</b>	<b>Petition due to close on 20 February 2024</b>	<b>20 February 2024</b>



## **Recommendation from Scrutiny Panel meeting of 13 February 2024 - Corporate Communications**

### **446. Have Your Say**

Ms. Carla Hales addressed the Panel, pursuant to the provisions of Meetings General Procedure Rule 5(1), to ask questions regarding the Castle Park bandstand, and its use by community groups. Speaking as a District Lead Music Tutor and Chair of the Essex Concert Band, Ms. Hales asked what constituted a community group and would therefore not incur a charge for use of the bandstand, for how long the Castle Park café would continue its sponsorship, and whether anyone would take over from them, if sponsorship ended. Many local groups wanted to support the Council's aim at fostering a positive local image, whilst involving local suppliers and groups, and Ms. Hales suggested that charging groups for use of the bandstand could be seen as an insult, and asked that the approach to charging be rethought.

The Chairman committed to ensure that the Panel's discussions would seek to ensure youth and community groups were encouraged and welcomed.

Mr. Robert Johnstone addressed the Panel, pursuant to the provisions of Meetings General Procedure Rule 5(1), to raise previous consideration of the playing of music at the bandstand by Full Council on 19 July 2023. The Portfolio Holder had then said he would consider further the fees and grants involved. Mr Johnstone urged for councillors to be mindful that the bandstand needed bands to play in it. Southend's bandstand hosted 56 performances in the past year, whilst Colchester only proposed six for the year. Mr Johnstone recommended that the Council's policy on events be reviewed, having last been updated four years ago. The work needed to do concerts and events, which were beneficial to the Council, businesses and public, was highlighted.

Ms. Rachel Matthews addressed the Panel, pursuant to the provisions of Meetings General Procedure Rule 5(1), to ask if the Panel had scrutinised the Climate Emergency called by Full Council in the past, and urge the Panel to examine the basis for this. Ms. Matthews accused the Intergovernmental Panel on Climate Change of not publishing accurate data and asked if the Council was discharging its duty to provide land for food growth.

The Chair confirmed that the Council provided and administered allotments, and offered to seek a Scrutiny Panel meeting on the Climate Emergency in the 2024-25 Municipal Year.

Ms. Carinna Cooper addressed the Panel, pursuant to the provisions of Meetings General Procedure Rule 5(1), to allege that she had not had a response from the Council to her questions previously raised about the Deputy Mayor halting a member of the public's speech to Full Council, and the legal guidance regarding searches of

public attendees at meetings. Ms. Cooper then suggested that the City Council be dissolved. Ms. Cooper claimed that officers of the Council were complicit in allegedly fraudulent applications for new 5G telecommunication masts in the name of dissolved companies.

The Chair explained that planning officers did not have a duty to carry out examinations of the financial situation of any planning applicant, and stated that it was his understanding that an answer had been given to the queries raised by Ms. Cooper. Ms. Cooper then admitted that she had indeed received a response from the Council, but did not consider it sufficient.

Councillor David King, Leader of the Council, confirmed that the response had been provided, and underlined the trust in officers working to the law. Regarding trust, members of the public could participate in Scrutiny Panel meetings and seek answers.

Ms. Cheryl Taylor addressed the Panel, pursuant to the provisions of Meetings General Procedure Rule 5(1), to raise a complaint that she had made regarding her dissatisfaction with a search carried out on her prior to the Scrutiny Panel meeting on 6 June 2023 and alleged that she had still not received a response to her complaint. Ms. Taylor explained that she had received a receipt for her complaint made on 16 June 2023, expressed concern that any CCTV footage would no longer be available, and asked whose job it was to follow up on complaints.

The Chair gave his understanding that a response had been made to the complaint, and that the Council had amended its procedure, to ensure that there were always female members of security staff engaged to staff meeting security. The Chair recognised the need for searches to be carried out respectfully and offered to check on the policy regarding retention of CCTV footage.

Councillor Goacher attended and, with permission of the Chairman, addressed the Panel to raise a letter to councillors, sent by the Middlewick Residents' Group, and formally requested that the Scrutiny Panel examine the allegations that a letter from Natural England was withheld from councillors prior to the Local Plan being approved. Councillor Goacher expressed concern that the Middlewick Group had not received a response from the Planning Department regarding the Natural England report, and asked what legal redress there might be to which he would have recourse regarding not having had the letter provided to him prior to the Local Plan being approved. Councillor Goacher asked if the Scrutiny Panel would be scrutinising this matter and, if so, when.

The Chair committed to speak to planning officers regarding the relevant protocols and encourage that the relevant information be provided to all councillors. This matter was not currently on the Scrutiny Panel's work programme and the Chair suggested that, at this stage, it might be more appropriate to discuss this internally with planning officers.

A Panel member raised concern that there had been a number of claims made that responses from the Council had not been provided to questions raised, and asked who was responsible for ensuring answers were provided to members of the public



and councillors. A suggestion was made that a recommendation could be laid down to call for the Council's communications plan to be reviewed and updated. Concern was raised at talk of reducing the Council's capacity to communicate and respond to questions and issues raised by the public in the future. The Chair confirmed that correspondence had been despatched to some of the members of the public in attendance, and that the issue had been that those members of the public were not satisfied with the content of the responses. The Leader of the Council agreed that this was an important matter, and that it was right that the public could challenge councillors and the Council's Administration, but asked that the Panel view any issues in the context of the Council's customer contact service being highly-rated by public feedback.

*RECOMMENDED* to CABINET that Cabinet reviews the Council's approach to its corporate communications with members of the public.

