

Strategic Overview and Scrutiny Panel

**Grand Jury Room, Town Hall
19 July 2011 at 6.00pm**

The Strategic Overview and Scrutiny Panel look at policies and strategies from a borough-wide perspective and ensure the actions of the Cabinet accord with the policies and budget of the Council. The Panel reviews corporate strategies within the Council's Strategic Plan, overviews Council partnerships, considers the Council's budgetary guidelines for the forthcoming year, and scrutinises Cabinet decisions or Cabinet Member decisions (with delegated power) which have been called in.

Information for Members of the Public

Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda, which is usually published 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at www.colchester.gov.uk or from Democratic Services.

Have Your Say!

The Council values contributions from members of the public. Under the Council's Have Your Say! policy you can ask questions or express a view to meetings, with the exception of Standards Committee meetings. If you wish to speak at a meeting or wish to find out more, please pick up the leaflet called "Have Your Say" at Council offices and at www.colchester.gov.uk

Private Sessions

Occasionally meetings will need to discuss issues in private. This can only happen on a limited range of issues, which are set by law. When a committee does so, you will be asked to leave the meeting.

Mobile phones, pagers, cameras, audio recorders

Please ensure that all mobile phones and pagers are turned off before the meeting begins and note that photography or audio recording is not permitted.

Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document please take it to Angel Court Council offices, High Street, Colchester or telephone (01206) 282222 or textphone 18001 followed by the full number that you wish to call and we will try to provide a reading service, translation or other formats you may need.

Facilities

Toilets with lift access, if required, are located on each floor of the Town Hall. A vending machine selling hot and cold drinks is located on the first floor and ground floor.

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www.colchester.gov.uk

Terms of Reference (but not limited to)

1. To review corporate strategies and strategic partnerships to ensure the actions of the Cabinet and Portfolio Holders accord with the policies and budget of the Council.
2. To monitor and scrutinise the financial performance of the Council, and make recommendations to the Cabinet particularly in relation to annual revenue and capital guidelines, bids and submissions.
3. To link the Council's spending proposals to the policy priorities and review progress towards achieving those priorities against the Strategic / Action Plans.
4. To scrutinise executive decisions made by Cabinet or Cabinet Member, the East Essex Area Waste Management Joint Committee, the Colchester and Ipswich Joint Museums Committee and the North Essex Parking Partnership (decisions relating to off-street parking only) which have been made but not implemented, and referred to the Panel through call-in.
5. To monitor the Council's operational performance in relation to the Strategic Plan and Performance Indicators, and the Cabinet's performance in relation to the Forward Plan.
7. The panel will be the appropriate route for any member to refer a 'local government matter' in the context of Councillor Call for Action.

Process for Councillor Call for Action

Councillors have the ability to call for debate and discussion a topic of neighbourhood concern, limited to issues affecting a single ward, in an attempt to bring about specific solutions for local problems, without going through the Council's executive decision making process.

Members may not call for debate matters relating to a planning or licensing decision, an individual complaint or where a right of recourse to a review or right of appeal is already provided for in law. Examples of where a member can bring an action to the panel's attention are poor service performance or increased anti-social behaviour.

The panel may reject a request as not within the guidance or where they consider the usual channels have not been exhausted, or accept that an investigation is the appropriate action.

The panel may conduct an investigation in the usual scrutiny manner and a report with recommendations will be compiled and brought to the Council or partners attention, with the Council or partners having a duty to respond. The panel will consider and publish the responses to their recommendations and feed back this information to the Councillor requesting the action.

**COLCHESTER BOROUGH COUNCIL
STRATEGIC OVERVIEW AND SCRUTINY PANEL
19 July 2011 at 6:00pm**

Members

Chairman : Councillor Andrew Ellis.
Deputy Chairman : Councillor Dennis Willetts.
Councillors Kim Naish, Gerard Oxford, Colin Sykes,
Nigel Chapman, Nick Cope, Bill Frame, Theresa Higgins and
Will Quince.

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

Agenda - Part A

(open to the public including the media)

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

Pages

1. Welcome and Announcements

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

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

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

2. Substitutions

Members may arrange for a substitute councillor to attend a meeting on their behalf, subject to prior notice being given. The attendance of substitute councillors must be recorded.

3. Urgent Items

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent and to give reasons for the urgency.

4. Declarations of Interest

The Chairman to invite Councillors to declare individually any personal interests they may have in the items on the agenda.

If the personal interest arises because of a Councillor's membership of or position of control or management on:

- any body to which the Councillor has been appointed or nominated by the Council; or
- another public body

then the interest need only be declared if the Councillor intends to speak on that item.

If a Councillor declares a personal interest they must also consider whether they have a prejudicial interest. If they have a prejudicial interest they must leave the room for that item.

If a Councillor wishes to make representations on an item on which they have a prejudicial interest they may do so if members of the public are allowed to make representations. In such circumstances a Councillor must leave the room immediately once they have finished speaking.

An interest is considered to be prejudicial if a member of the public with knowledge of the relevant facts would reasonably regard it as so significant that it is likely to prejudice the Councillor's judgement of the public interest.

Councillors should consult paragraph 7 of the Meetings General Procedure Rules for further guidance.

5. Minutes

1 - 7

To confirm as a correct record the minutes of the meeting held on 7 June 2011.

6. Have Your Say!

(a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public who wish to Have Your Say! on a general matter not on this agenda.

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

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

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

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

8. Referred items under the Call in Procedure

To consider any decisions taken under the Call in Procedure. *The panel may a) confirm the decision, which may then be implemented immediately, b) refer the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

9. Decisions taken under special urgency provisions

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

10. Review of the Council's funding and partnership delivery arrangements with Colchester Arts Centre, Firstsite and the Mercury Theatre 8 - 35

See report from the Head of Strategic Policy and Regeneration.

11. 2012/13 Budget Strategy, Medium Term Financial Forecast and Budget Timetable 36 - 60

See 2012/13 Budget Strategy Report (with covering note), from the Head of Resource Management.

12. Trial - Doorstep collection of food waste 61 - 81

See report from the Head of Street Services.

13. Work Programme

82 - 84

See report from the Scrutiny Officer.

14. Exclusion of the public

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

STRATEGIC OVERVIEW AND SCRUTINY PANEL

7 JUNE 2011

Present :- Councillor Andrew Ellis (Chairman)
Councillors Nigel Chapman (Former Mayor) ,
Theresa Higgins, Kim Naish, Gerard Oxford,
Will Quince, Colin Sykes and Dennis Willetts

Substitute Members :- Councillor Nigel Offen for Councillor Nick Cope
Councillor Laura Sykes for Councillor Bill Frame

Also in Attendance :- Councillor Nick Barlow
Councillor Tina Dopson
Councillor Beverley Oxford
Councillor Paul Smith
Councillor Tim Young

3. Minutes

The minutes of the meetings held on the 22 March 2011 and 18 May 2011 were confirmed as a correct record.

Councillor Nigel Chapman, Councillor Kim Naish, Councillor Nigel Offen and Councillor Laura Sykes (in respect of being a member of the Board of Colchester Borough Homes) declared a personal interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(3)

4. Work Programme

The panel discussed the new work programme for 2011-12.

Members approved of the decision to stop individual Portfolio Holder reviews in favour of topic based reviews with the Portfolio Holder present that will enable members to consider the work and role of the Portfolio Holder.

The Panel agreed to Councillor C. Sykes request to the review of Public Transport in the Borough, and item originally requested by Councillors Offen and Cory in 2010. Councillor Sykes said the review should focus on how public transport affects Colchester and its citizens, with representatives from all the bus operators and the Essex County Council Portfolio Holder being invited to attend. Councillor Willetts supported this review, saying the provision of good and reliable public transport, especially to the rural areas, was fundamental to a successful future for the town centre. Mr. Judd confirmed that the local train operator would also be invited to attend this review. The panel agreed to a further request from Councillor Ellis to widen this review to include 'clean air policies' in the town centre and the effect of heavy polluting buses on these policies.

Ms. Donnelly confirmed to the panel that each fundamental service review is scheduled at various stages into the scrutiny and Cabinet process. The Arts review scheduled for the July meeting was a case in point, a review that would see all the Borough's major arts partners attending.

The Panel agreed to Councillor Ellis's request to review over the course of the year the nine strategic priorities within the Strategic Plan. Mr. Judd agreed to liaise with the Administration to consider grouping the priorities and scheduling reviews into the 2011 Work Programme. The Panel also agreed to receive an update on the St Botolph's Regeneration project and all its component parts.

Following a request from Councillor L. Sykes, Mr. Judd agreed to speak to senior officers about the possibility of a review of Colchester Borough Homes.

RESOLVED that the Panel approved the draft Work Programme and agreed to the additional reviews requested by Councillors C. Sykes and Ellis.

5. Annual Scrutiny Report

Mr. Judd, Scrutiny Officer, presented the Annual Scrutiny Report, a report that informs the Council of the work of the scrutiny panels enabling the Council to form an opinion of the effectiveness of the scrutiny function.

In response to Councillor Offen concerning the 2010 review of Greenways (HX Serious Case Review) and subsequent correspondence between the Council and the Care Quality Commission (CQC), Mr. Judd agreed to send a reminder letter to the CQC requesting a response.

In response to Councillor Willetts, Mr. Judd agreed to amend the section on Partnership Arrangements by extending the work of the Crime and Disorder Committee to include the review of the Colchester's public response to town centre demonstrations. Mr. Judd also agreed to invite Councillor Turrell, Leader of the Council to attend the July and December meetings for the review of the Council's Budget Strategy and Performance Monitor in view of these being the only opportunities for scrutiny to understand the leadership role and workload under the new 'super leader' arrangements.

RESOLVED that the panel considered and approved the Annual Scrutiny Report.

Councillor Tina Dopson (in respect of being an employee of Essex County Council (Deputy Head of St John's Green Primary School)) declared a personal interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7 (3)

Councillor Colin Sykes (in respect of his membership of the Colchester Association of Local Councils) declared a personal interest in the following item pursuant to the

provisions of Meetings General Procedure Rule 7(3)

6. 2010-11 Year End Performance report

Councillor Tina Dopson, Portfolio Holder for Communities and Diversity introduced the 2010-11 Performance Report, providing the performance results for the last year and the Strategic Plan Action Plan for 2011-12 the final year of a three year plan.

Councillor Dopson said 71% of the indicators agreed and 86% of the actions within the Strategic Plan Action Plan had been achieved.

Councillor Dopson agreed that the scrutiny review over the coming year of the nine Strategic Plan priorities and the actions and achievements within the priorities was a good idea.

Ms. Lucie Breadman, Head of Corporate Management provided further details to the report, saying that the level of detail it was hoped would be enough to provide sufficient accountability. The targets for the 2011/12 indicators are set locally, at a realistic level that will challenge and drive improvement.

Councillor Willetts said during his time as a Councillor, Councillors had bemoaned the poor performance of the Planning Service in certain areas, and regardless of performance targets had never achieved expectation. Wasn't there a better way to flag how long this has been happening and the concerted action being taken? Councillor Willetts said he would like to see a greater, fulsome explanation on the Planning Service. Ms. Donnelly said the Head of the Planning Service does retain a Planning Improvement Plan, a useful document, regularly updated and monitored, and this would be provided to members as an addendum to the minute.

Councillor Dopson responded to Councillor Ellis, explaining that the NI 154; the net additional homes provided would achieve the 2010-11 target of 650 homes. However the future target for 2011/12 has been retained at 650 because setting a future target of 850 homes, as set out in the Council's Delivery Plan, was not realistic or achievable due to a slowdown in development growth. The panel were informed that cumulatively over the life of the plan the borough was still on track to meet the overall targets set.

Councillor Offen said the year end performance of NI 184, Food establishments compliant with Food Hygiene was an excellent result, but warned that without targets in this work it had the potential to be a disaster waiting to happen. Ms. Breadman confirmed that monitoring would continue at Service Level but in an attempt to rationalise the overall number of measures in the corporate indicator set it was agreed to remove this one. Councillor Young, Portfolio Holder for Housing and Community Safety said the food safety team did an excellent job, so members should be assured this good work would continue.

Given the downward performance in the time to process new benefit claims following on from introducing the fundamental service review implementation plan, Councillor Willetts said it would be helpful if more information was provided that could give reassurances to members that this was a blip following implementation, and that

improvements will follow. Councillor Smith, Portfolio Holder for Resources and ICT said many of the problems that beset the benefit service were at the beginning of the 2010-11 year and whilst performance has improved the result is skewed due to the poor start. Councillor Smith said as the implementation plan procedure changes are rolled out and embedded so the processing times will improve. Whilst the implementation plan has resulted in a reduction in staffing levels, as an interim measure, additional help is being employed to help turnaround the current situation, but this is a temporary measure until the implementation is complete.

Councillor Dopson confirmed to Councillor Willetts that the reason Colchester had reached a plateau in performance on household waste recycling (40%) and many other authorities are showing vastly improving performance was wheelie bins. It has been statistically proven that these Councils benefit dramatically, purely from the introduction of wheelie bins.

In regards to indicator NI 195 Improved Street Cleanliness, Councillor Quince said it would be helpful to have some information on the current situation in regards to dog fouling and the enforcement of. Whilst it was accepted that it is difficult under current legislation to enforce due to the need for a witness statement, it was anticipated that new zonal working would create an environment of greater community engagement and empower local residents to persuade the culprits to change their ways and/or help the zonal teams to make the enforcements. It was also envisaged that the future 'knowledge bank' as discussed during the Street Services fundamental service review would add transparency to the process, making the detail more freely available. Later during the discussions, it was pointed out that in some Councils, councillors are trained to issue penalty notices for dog fouling, something that it was agreed should be considered in the Borough.

Despite the improved performance in sickness levels, Councillor C Sykes still felt the current sickness level was very high, a point concurred by Councillor Quince, who said these levels were plus 2 days above the levels in the private sector. Ms. Breadman said that there had been significant improvement in the sickness levels over the last few years and this was still a year on year decrease. She also noted that it is more difficult than ever to compare sickness levels both across the public sector and the private sector as there is no longer any standard methodology for calculations. The council has elected to retain its historical reporting methodology to ensure that we can benchmark real improvement and there is continued very close monitoring activities undertaken in all Services including a reviewed short term sickness policy for next year. Councillors Ellis and Quince said it would be helpful to see a more detailed breakdown of sickness levels and a more detailed report.

In response to Councillor Willetts, Councillor Smith said the 2011-12 targets for Council Tax and Business Rate collection and sickness levels remained at the previous year's level, and given the effects of the hard economic times both externally and internally, to achieve these targets, that are some of the highest set in Essex, would be a job well done.

Councillor Quince enquired to the cost of the work on 'encouraging take up of benefit by older people through the Welfare Rights Team (WRT)' and to 'Carry out food

poisoning awareness initiatives to educate older people'. Councillor Dopson said the Age Concern receive a grant of £30,000 from the Council, and their work and that of the WRT had provided £1.2 million additional benefit income to local older people. The cost of food safety awareness initiative was not at hand, but Councillor Dopson said this education is now carried out at local schools.

In response to Councillor Chapman's enquiry on the acquisition of further burial land, Councillor Dopson said the matter of obtaining additional burial land has been ongoing for some considerable time but it is now finally nearing a conclusion. The identification of a suitable location and an agreement on the terms necessary to acquire it are at an advanced stage. If this land can be obtained, the life of the cemetery will be extended for many years to come. The provision of a location dedicated exclusively for the burials of persons of the Jewish faith is being looked at as a separate issue. An area of land within the existing Cemetery has been identified for this and discussions and a site meeting have taken place with representatives of the local Jewish community. They have indicated that they consider the area in question to be very suitable for their needs and the further issues that need resolving to deliver this are therefore being dealt with by the Cemetery management. Councillor Dopson confirmed to Councillor Higgins that Islamic burials are few but respect the wishes of the faith in facing towards Mecca. Councillor Dopson also confirmed to Councillor C. Sykes that to her knowledge no other faiths had made a request for an official area within the Cemetery.

Councillor Offen informed panel members of the progress so far on the 20mph limits as part of the future local transport strategy, though further progress was reliant on Essex County Council helping with progress. Councillor Offen later reiterated this point, adding that there was an expectation to progress this issue, and once there was Government led support the Task and Finish Group will be reactivated.

In regards to developing the trade waste service, Councillor Young said that the Head of Street Services was looking at other options to facilitate this service. Undercutting Council prices by local competitors had made it impossible to do this work internally on a cost effective basis.

Councillor Dopson responded to Councillor Quince on the Attendance Reward Scheme for younger people, a scheme where primary schools were selected through consultation to participate, and children were rewarded for improved attendance, with books presented to children whose attendance improvement was dramatic and with other children receiving smaller prizes.

In response to Councillor C. Sykes, who asked about 'Youth Provision' as distinct from 'Young People's Needs', and the need to consider the provision of facilities such as youth hubs, BMX tracks and skate board parks, Councillor Dopson said whilst she accepted there was a need for these type of facilities, usually funded by Essex County Council, to fund on a permanent basis was very expensive. That said, Councillor Dopson agreed to re-examine the plan in terms of youth provision, based on the comments made by Councillor Sykes.

Councillor C. Sykes commented that in relation to 'Localism', it would have been useful to involve the Colchester Association of Local Councils within the 'Actions'. Councillor

G. Oxford said the Federation of Local Residents Associations had been consulted on 'Localism'.

In response to Councillor C. Sykes comments regarding Neighbourhood Action Panels (NAP), that the quality and worthiness of these meetings is patchy, Councillor Young said NAP is a Police led initiative, so any change to the current arrangements in terms of support or closure would be a Police decision. The Police are keen to continue NAP, though they readily accept improvements are needed in some areas. Discussions with the Police on NAP and other issues are ongoing, and clarity in defining NAP areas will be considered. Councillor Young said members would get the opportunity to discuss NAP issues with the Police at the Crime and Disorder Committee's Safer Colchester Review in August.

Councillor Dopson responded to Councillor C. Sykes, saying the success of 'job clubs' a jointly led initiative by the Council and Job Centre Plus was patchy, not helped by the stigma, though to some extent the success can be dependent on how well the event is advertised.

In response to Councillor Chapman's enquiry into the Young Peoples Housing Forum and support to young tenants, in reference to the actions on the Youth Enquiry Service and Young People's Housing Forum, Councillor Dopson said the Young People's Housing Forum was established to encourage better communication, and joint-working between agencies. It may be that this will lead to joint bids for new funding, or the agreement of joint-protocols to better help young people. The Council have made a grant of £40,184.00 to the Youth Enquiry Service, a local charity, to provide advice to young people faced with homelessness, and to give advice to young people currently housed to sustain their tenancies.

The Council's Housing Options team have recently started holding joint-interviews for young people with Essex County Council (ECC) Social Care staff so we can identify what help is needed from both agencies at the same time and avoid young people 'falling between the cracks'. As envisaged in the Housing FSR, we have been holding educational events for young people with ECC Youth Services at our various temporary accommodation units. These sessions are teaching young people more about the responsibilities of maintaining a tenancy and a realistic view of what help will be available from CBC

RESOLVED that the panel;

- a) Commented on the 2010 -11 year end performance summary and appendices.
- b) Agreed the proposed indicators for inclusion into 2011 -12 performance management reporting process and the targets to measure progress.
- c) Agreed to the strategic plan actions for 2011 -12.
- d) Requested a supplementary report as an addendum to future reports on the

corrective action being taken to address identified weaknesses in some areas of the Planning Service, and asked for a copy of the current Planning Service Improvement Plan to be provided to members as an addendum to the minute.

e) Asked the Portfolio Holder for Communities and Diversity to reconsider 'Youth Provision', e.g. youth hubs, BMX tracks and skate board parks.

f) Asked for Members to be notified of future food safety awareness school sessions.



Strategic and Overview Scrutiny Panel

Item
10

19 July 2011

Report of

Head of Strategic Policy and
Regeneration

Author **Josie Worner**
☎ 282914

Title

Review the Council's funding and partnership delivery arrangements with Colchester Arts Centre, firstsite and the Mercury Theatre

Wards
affected

Not applicable

The Panel will review the Council's funding and partnership delivery arrangements in Colchester's art and cultural organisations and the extent to which those organisations contribute to the Council's strategic priorities and policies and to make the appropriate recommendations to Cabinet for consideration.

1. Scope of review

- 1.1 The Panel has been asked to review the Council's funding and partnership delivery arrangements with Colchester's arts and cultural organisations. The basis for scrutiny will be the Funding Agreement framework against which the current contribution to the Council's Strategic priorities will be judged by the panel.
- i. Consider the current performance against the current standard(s).
 - ii. Consider the fit between the contribution of the funded arts partners and the Council's strategic priorities and plans.
 - iii. Make the appropriate recommendations to Cabinet.

2. Reasons for undertaking the review

- 2.1 The Council's Code of Corporate Governance states the aim for robust scrutiny, and a principle to engage with stakeholders to ensure public accountability.
- 2.2 Following the panel's review of Colchester's arts and cultural partners in November 2008, the panel requested further annual reviews. The last review was undertaken on 2 March 2010.

3. Representatives

- 3.1 The following representatives have accepted an invitation to attend and present to this meeting:

Dee Evans, Chief Executive, Mercury Theatre
Adrian Grady, Executive Director, Mercury Theatre
Kath Wood, Executive Director, firstsite

Wayne Warner, Commercial Director, firstsite
Anthony Roberts, Director, Colchester Arts Centre
Helen Lax, Arts Council England East (to be confirmed)

- 3.2 The Chairs of the respective boards have all been invited to attend the meeting.

4. Partnership delivery arrangements

- 4.1 Colchester's cultural organisations help to make Colchester a great place to live, work and visit. They have a role to play in community development and ensuring older and younger people have things to do and positive ways to interact in their local community. The organisations are vitally linked to the tourism economy and the growing creative economy, both of which are priority sectors for the Borough.
- 4.2 This cultural and creative asset base is a result of a strong funding partnership between the Council, the arts organisations, the Arts Council England East, and Essex County Council which has been in place for more than 10 years.
- 4.3 Annual Funding Agreements set out the activity and targets for partnership delivery in line with the Strategic Plan. A copy of the Funding Agreements will be provided to Members in electronic form and a copy will be provided on the evening of the review.
- 4.4 The partner organisations are:

Firstsite

Firstsite is a contemporary visual arts organisation with a vision to enable new connections between art, artists, audiences and communities through the delivery of a programme of contemporary visual art which is both relevant locally and significant internationally. In 2001, firstsite will move into the new building in St Botolph's and open to the community in September 2011.

Colchester Arts Centre

Colchester Arts Centre promotes a wide range of contemporary performing arts and takes a leading role in the development of live art through commissions and partnerships. The Centre's mission is to provide, stimulate and nurture a diverse series of arts events of the highest quality and in doing so support new work, innovation, experimentation and international work.

The Mercury Theatre

The Mercury Theatre strives to create work which enriches audiences and communities lives and in particular to reach younger and broader audiences through a commitment to quality, innovation, diversity and accessibility. Central to activities is The Mercury Theatre Company (MTC) is a unique company of actors, performers and creatives whose core activities on stage and working the community remain of equal importance. The MTC aims for regional, national and international collaboration and partnership working, as well as recognition.

5. Financial Arrangements

- 5.1 The Council determines the level of funding that will be provided on an annual basis, but it aims to support the organisations' medium-term business and operational plans. The funding is agreed by Cabinet and full Council. The terms and conditions of funding including eligibility criteria and performance monitoring arrangements are set out in the Funding Agreements. A copy of the Funding Agreements will be provided to Members in electronic form and a copy will be provided on the evening of the review.
- 5.2 Between 1 April 2010 and 31 March 2011, the Council provided funding of:
- £81,000 to Colchester Arts Centre
 - £200,000 to firstsite Ltd
 - £298,000 to the Mercury Theatre
- 5.3 Between 1 April 2011 and 31 March 2012, the Council provided funding of:
- £67,000 to Colchester Arts Centre
 - £165,600 to firstsite Ltd.
 - £246,500 to the Mercury Theatre

6. Strategic Plan References

- 6.1 Colchester Arts Centre, firstsite and the Mercury Theatre deliver on the Council's vision to make Colchester a great place to live, work and visit.
- 6.2 The Funding Agreements set targets to deliver the Council's Strategic Priorities:
- Addressing young people's needs
 - Addressing older people's needs
 - Promoting healthy living and inclusive lifestyle
 - Working with communities to develop capacity and address need
 - Enabling Job Creation and developing the skills economy

Strategic Arts Funding Programme 2011/12

Funding Agreement ["Agreement"]

between Colchester Borough Council

and firstsite Ltd

1.0 Introduction

- 1.1 Colchester has a strong cultural scene that is one of the town's unique selling points. The town's cultural vibrancy is the legacy of a strategic local funding and inward investment strategy as well as a partnership delivery model that is highly regarded in the region.
- 1.2 Colchester Borough Council funds strategic arts organisations within the borough because of clear evidence that the organisations provide a service to Colchester's residents and meet the Council's strategic priorities. The Council's funding model aims to return greater investment to the local economy, support jobs and develop the cultural and creative industries, and provide activities and attractions for local people and visitors alike.
- 1.3 firstsite Ltd. is one of these strategically funded organisations. During the period of this agreement, firstsite will open in the new building. As such, the performance targets set out in this agreement will focus on mobilisation as well as the opening programme.
- 1.4 By setting the terms of the Agreement between the Council and firstsite, this document helps to ensure that the Council's investment of public funds meets identified needs. The document defines the monitoring process and targets for performance that will develop more efficient and sustainable service delivery by working in partnership.

2.0 Scope and Financial Arrangements

- 2.1 The Council's investment in firstsite Ltd will be £165,500 to cover the period 1 April 2011 to 31 March 2012. The investment was agreed by the Cabinet and full Council in line with the budget strategy to support the core operations of the organisation and capacity development requirements as set out in the business and operations plan and to meet the targets for performance set out in section 9 of this Agreement.
- 2.1 Upon signature of this Agreement, the Council shall release the funding in two instalments in the second and fourth financial quarters.
- 2.2 On accepting and signing this Agreement, firstsite Ltd. recognises that it is in receipt of public funding and accepts responsibility for meeting the targets for performance and collecting qualitative and quantitative performance data to provide evidence of the service standards.
- 2.3 Where appropriate, Colchester Borough Council will provide non-financial support to the organisation where it seeks to develop additional services that contribute towards meeting the Council's strategic priorities. If these additional services are developed to a point that requires additional funding, the Council may issue a separate funding agreement. If this circumstance arises, the services will be deemed to fall outside of this agreement.

3.0 Eligibility and Criteria for Acceptance

3.1 In order to be eligible for funding firstsite Ltd. must supply evidence to demonstrate that it is:

- a. Properly constituted
- b. Financially viable
- c. Able to manage its work effectively, monitor and manage risk, and seek necessary professional financial, legal and insurance advice
- d. Operating with effective policies and procedures in equal opportunities, health and safety, equality and diversity, access, and protection of children, young people and vulnerable adults.
- e. Delivering on the strategic priorities as set out in the Council's Strategic Plan.

4.0 Performance monitoring framework

4.1 Before commencement of this Agreement, firstsite Ltd. must submit a business and operations plan, a budget to cover the same period, and a copy of the audited accounts from the previous year.

4.2 Throughout the term of the Agreement, at a minimum, the organisation must submit quarterly budget reports and invite a Council representative to observe two Board meetings. The organisation will also participate in two bi-annual review meetings, as outlined below.

4.3 Given the process of organisational change and growth, as well as the conditions set by operating without a venue, firstsite Ltd. is also engaged in monthly Project Team meetings with members of each of the funding partners. This is acknowledged as the opportunity to share more detailed information outside of the usual monitoring framework.

4.3 At the end of the Agreement period, firstsite Ltd. must provide audited accounts and submit performance data to evidence the organisations turnover, audience and participation levels as well as contribution to community, jobs and skills development.

5.0 Bi-annual review process

5.1 A review meeting will take place between Colchester Borough Council and firstsite Ltd twice in the period of the agreement. The meetings shall be attended by the relevant Portfolio Holder and Officer of the Council and the Chair and Executive Director of firstsite.

5.2 One of the review meetings shall also be attended by relevant officers from Arts Council England and Essex County Council to ensure that dialogue takes place between the partners at a strategic level and that any factors affecting performance are discussed openly and effectively.

5.3 The Council's Portfolio Holder may have to sit before a Scrutiny Panel to monitor performance against their delegated responsibilities as an elected Member. As such, the bi-annual review process should be seen as an opportunity to ensure that the Portfolio Holder can evidence performance within their area.

6.0 Acknowledgement of funding

- 6.1 Firstsite Ltd. will acknowledge its financial assistance from Colchester Borough Council in all marketing and communication materials in print, electronic format, broadcasts and other.
- 6.2 The organisation is asked to specify any particular steps it plans to take over the period of this agreement to promote the support it receives from Colchester Borough Council in Section 8 below.

7.0 General conditions

- 7.1 The investment provided under this agreement may not be assigned to any other person, association or company other than in the course of delivering the business plan and agreed service specification.
- 7.2 This agreement does not constitute the organisation as an agent of the Council or otherwise make the Council liable to any person who may take proceedings against the organisation.
- 7.3 Colchester Borough Council cannot participate in the direction of the organisations' affairs. However, the Council should be consulted where any change or development might affect this agreement.
- 7.4 Funds will be repayable in full to the Council in the event of any of the following:
 - i. Misuse of payments received from the Council by firstsite Ltd.
 - ii. A breach of the law by the firstsite Ltd
 - iii. Petitioning the Court for the appointment of an administrator
 - iv. Having a receiver appointed over all or any part of firstsite Ltd's assets
 - v. Being the subject of a petition or resolution for firstsite's 'winding up'

8.0 Breach in agreement

- 8.1 In the event of either firstsite Ltd or Colchester Borough Council notifying the other in writing of a breach in this agreement, the parties shall meet to discuss the alleged breach within 21 days.
- 8.2 Both firstsite Ltd. and the Council agree that they have an equal responsibility to reach a practical and reasonable solution to the breach, but if after 12 weeks a solution has not been agreed then the parties mutually agree to arbitration.

9.0 Specification of performance targets

- 9.1 The specification of performance targets has been developed collaboratively with firstsite Ltd. The information provided here substantiates the Council's decision to invest public funds in a third party, partnership delivery model.

9.2 The information is set out in line with the Strategic Plan to help to convey to Members, professional colleagues and delivery partners how the Council's financial support is an effective and efficient way to deliver services to meet local identified needs.

What are your targets for performance, and how do these meet the Council's strategic plan?

<p>Overarching performance targets</p>	<p>This period covers the mobilisation/launch period into the new building for firstsite. The key performance targets are:</p> <ul style="list-style-type: none"> • Secure a diverse base of revenue funding to manage reductions in revenue for 2011/12 and support the transition and launch of the business, including: <ul style="list-style-type: none"> ➢ Implement FF&E packages, and manage Trade contractors to interface with stage 2 main build fit out. ➢ Negotiate Service provider contracts such as facilities management, cleaning, utilities and mobilisation of the catering contractor ➢ Successfully mobilise and move premises ➢ Continue pre-sales hires and events to achieve income targets ➢ Finalise learning and artistic programmes for launch and first season of new building ➢ Successfully launch new venue • Implement relevant findings from the fundamental service review <p>Achieve a minimum rate of return on investment. For every £1 of funding from CBC achieve £4.47 return through sourcing other core revenue grants and trusts and foundations during difficult economic climate</p> <p>Continue to uphold firstsite procurement strategy and where possible source local suppliers and produce and ensuring service providers uphold the same strategy.</p>
<p>Return on investment:</p>	<p>Community development</p> <p>firstsite's community and outreach strategy focuses upon areas of lower provision and development of audiences towards the opening of the new building:</p> <p>Projects relevant to CBC's support in the pre-launch, launch and first season of the new building will include:</p>

	<p>Partnership projects working in areas of lower provision i.e. <i>All About You 2</i>– (teenage parents in collaboration with Mercury Theatre), <i>Home Art</i> with Lavendar House (Childrens Services SEN respite unit in Colchester), <i>Home Art</i> with Mulberry Tree (foster care and adoption service).</p> <p><i>Fete</i> – a new project in partnership with St. Anne's community, Mercury Theatre and Colchester Arts Centre.</p> <p>Socially Engaged projects and commissions: Public works – Colchester Inn – next phase of project working with a diverse range of communities in Colchester exploring ideas around ways hosting.</p> <p>Colchester Round – a new work led by artist Simon Grennan, working with Colchester community musicians and the Parachute Regiment Band.</p> <p>Finalise phase 1 of projects with Garrison Community i.e. Family engagement project; Resident artist from deployment.</p> <p>Responding to specific community initiatives to provide support, presence and/or guidance on visual art content i.e. Colchester Carnival, Colchester Free Festival and new public realm/cultural quarter.</p> <p>Contribute and participate in other community and charitable activities.</p>
<p>Supporting younger and older people</p>	<p>Working with a range of young people across the Borough. Specific projects include: Mosaic Interpretation project (with pupils from St Helena)</p> <p>Working with Young Peoples' Advisory Group facilitating events and occasions eg. School proms.</p> <p>Schools Strategy: Final development of schools package for the new building including partnership with neighbouring schools: St Thomas More's, St James, St John's Green and North Primaries and St Helena Secondary School.</p> <p>Launch event in the building June 2011 targeting over 90 schools and educational establishments.</p> <p>Finalise plans for new Colchester Art & Design School Institute</p>

	<p>partnership to include structured plan for students to interface with Industry (graphic design & fine art); meet visiting national and International artists, maximise and position the MA resource at the Minorities.</p> <p>Work with University to develop specific student membership packages for the new building.</p> <p>Update volunteer and work placement opportunities after review of future jobs and apprentice schemes. Support internships in programme and learning teams.</p> <p>Work with appropriate media from social networks to print to ensure firstsite offer is accessible to all.</p> <p>Peer to peer Craft project with older people through development of Contemporary Craft Group.</p>
<p>Creating jobs and developing skills</p>	<p>Continue to work with Further and Higher Education partners to develop opportunities for graduates including pre-graduation knowledge transfer schemes and mentorships.</p> <p>Develop 15 Queen Street creative economy hub into next phase of its development. Support programme to develop and feed the creative industries sector in Colchester.</p> <p>Support additional creative clusters in Colchester through professional development and infrastructural support i.e.</p> <ul style="list-style-type: none"> • Slack Space • Cuckoo Farm Studios <p>Colchester Learning Network member, developing sector skills and sharing good practice.</p> <p>Artist teacher Scheme MA delivered in partnership with Colchester Institute – year 4 intake in summer 2011.</p> <p>Continue to deliver Artists Support Programme which for Colchester based artists offers a variety of events including professional advice, networking and peer critique. In addition we offer one-to-one advice on practice development, funding applications and international opportunities. This means artists are sustainable and levers additional funds into the town.</p> <p>Promote and manage:</p>

	<p>Essex Summer of Art Colchester & Tendring Open Studios</p> <p>Direct employment: Raise employment from 17 FTE employees ready to launch the new building.</p> <p>Employ freelance contractors (minimum 3) and procure locally wherever possible.</p> <p>Provide employment opportunities for new graduates i.e. entry level opportunities with professional support. Minimum of 2 per year.</p> <p>Develop next phase of Associate Artist scheme directly employing up to 5 artists working with the Learning Programme for 2011/12.</p>
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Please state your plans to promote the support that the Council provides.

firstsite works in partnership with CBC and its partner arts providers to provide for and promote Colchester's distinctive arts and heritage offer and its location as a great place to live, work and do business in. It works with and in the community to provide the arts as a tool to enhance the quality of life for residents and visitors alike.

In addition it will provide input and expertise to the Council's plans for a new Cultural Strategy (Creative Colchester) and the development of a new Cultural Quarter and Creative Hub.

It will provide information to assist Council with relevant research i.e. PRIME

To acknowledge CBC's investment it:

Includes the logo on all local, national and international print, digital and press material.

Positions CBC's support in order to secure partnership funding both from other key stakeholders (ACE, ECC) and other commercial and charitable sources.

Digitally it provides specific CBC websites i.e. Town Centre regeneration, Visit Colchester.

Please outline the way in which your organisation meets other local, regional and national strategies.

firstsite is the leading visual arts organisation for the East of England and as such secures a portfolio of funding and feeds into the delivery of regional and national art strategies.

Specifics for 2011/12 include:

Local

Contributing to : 'Creative Colchester' new cultural strategy for Colchester; Town Centre regeneration plans; Cultural Quarter; Empty Shop projects.

Works with local business community articulating benefits of new building and new building.

Works with other providers – local charities, health providers and voluntary groups to support their work.

Regional

Works with across Essex delivering projects for Summer of Art and Home Art.
Works with regional gallery and Education providers (Norwich School of Art & Design); Kettles Yard, Sainsbury Centre etc.
Part of Turning Point Group (Arts Council National visual arts Strategy) led by Wysing Cambridge.

National

Plus Tate – next phase of plus Tate partnership including national advocacy programme and peer to peer networking.

National Visual Arts Strategy – input into regional activity and national policy.

It will bring new international work to Colchester profiling the location both in and beyond the UK.

10.0 Acceptance

10.1 Upon signing this agreement, the organisation agrees to the terms and conditions of funding and the performance monitoring framework that have been outlined above.

Signed (Director) Katherine Wood

Name (please print) KATHERINE WOOD

On behalf of firstsite Ltd 1 Date 21/4/2011

Signed (Chair) A J Claveley

Name (please print) Claveley

On behalf of firstsite Ltd 1 Date 21/4/2011

Signed (Portfolio Holder) Nick Barlow

Name (please print) Nick BARLOW

Member on behalf of Colchester Borough Council Date 1/4/11

Signed Joni Worner

Name (please print) J. WORNER

Officer on behalf of Colchester Borough Council Date 1/4/11

Strategic Arts Funding Programme 2011/12

Funding Agreement ["Agreement"]

between Colchester Borough Council

and Colchester Arts Centre.

1.0 Introduction

- 1.1 Colchester has a strong cultural scene that is one of the town's unique selling points. The town's cultural vibrancy is the legacy of a strategic local funding and inward investment strategy as well as a partnership delivery model that is regarded as best-practice in the region.
- 1.2 Colchester Borough Council funds strategic arts organisation within the borough because of clear evidence that the organisations provide a service to Colchester's residents and meet the Council's strategic priorities. The Council's funding model aims to return greater investment to the local economy, support jobs and develop the cultural and creative industries, and provide activities and attractions for local people and visitors alike.
- 1.3 Colchester Arts Centre is one of these strategically funded organisations. As a smaller-scale organisation, the Arts Centre is responsive to local groups, trends, innovation and supporting the development of creative skills. Its audience tends to be younger people, although the mixed programme also serves children and families and older people and links to community activity such as farmers markets and book swaps.
- 1.4 By setting the terms of the Agreement between the Council and the Arts Centre, this document helps to ensure that the Council's investment of public funds meets identified needs. The document defines the monitoring process and targets for performance that will develop more efficient and sustainable service delivery by working in partnership.

2.0 Scope and Financial Arrangements

- 2.1 Between 1 April 2011 and 31 March 2012, the Council's funding of Colchester Arts Centre will be £67,000. This funding was agreed by the Cabinet and full Council in line with the budget strategy to support the core operations of the organisation as set out in the business and operations plan and to meet the targets for performance set out in section 9 of this Agreement.
- 2.2 Upon signature of this Agreement, the Council will release the funding in two instalments, in April and November.

- 2.3 Any financial investment that the Council needs to make under is obligations as the primary lease holder of St Mary's Church is deemed to be outside of this agreement. However, any tenant responsibilities that Colchester Arts Centre holds are considered to be within this agreement.
- 2.4 On accepting and signing this Agreement, Colchester Arts Centre recognises that it is in receipt of public funding and accepts responsibility for meeting the agreed performance targets and collecting qualitative and quantitative performance data to provide evidence of the service standards.
- 2.5 Where appropriate, Colchester Borough Council will provide non-financial support to the Arts Centre where it seeks to develop additional services that contribute towards meeting the Council's strategic priorities. If these additional services are developed to a point that requires additional funding, the Council may issue a separate funding agreement. If this circumstance arises, the services will be deemed to fall outside of this agreement.

3.0 Eligibility and Criteria for Acceptance

- 3.1 In order to be eligible for funding the organisation must supply evidence to demonstrate that it is:
- a. Properly constituted
 - b. Financially viable
 - c. Able to manage its work effectively, monitor and manage risk, and seek necessary professional financial, legal and insurance advice
 - d. Operating with effective policies and procedures in equal opportunities, health and safety, equality and diversity, access, and protection of children, young people and vulnerable adults.
 - e. Delivering on the strategic priorities as set out in the Council's Strategic Plan.

4.0 Performance monitoring framework

- 4.1 Before commencement of this Agreement, the Arts Centre must submit a business and operations plan, a budget to cover the same period and a copy of the audited accounts from the previous year.
- 4.2 As a minimum throughout the term of the agreement, the Arts Centre must submit quarterly budget reports and invite a Council representative to observe two Board meetings. The organisation will also participate in two bi-annual review meetings, as outlined below.
- 4.3 At the end of the agreement period, the organisation must provide audited accounts and submit performance data to evidence the organisation's turnover, audience and participation levels as well as contribution to the Council's strategic priorities.

5.0 Bi-annual review process

- 5.1 A review meeting will take place between Colchester Borough Council and Colchester Arts Centre twice in the period of the agreement. The meetings shall be attended by the relevant Officer of the Council and Director of Colchester Arts Centre.
- 5.2 One of the review meetings shall also be attended by relevant officers from Arts Council England to ensure that dialogue takes place between the partners at a strategic level and that any factors affecting performance are discussed openly and effectively.
- 5.3 The Portfolio Holder may have to sit before a Scrutiny Panel to monitor performance against their delegated responsibilities. As such, the bi-annual review process should be seen as an opportunity to ensure that the Portfolio Holder can evidence performance within their area of responsibility.

6.0 Acknowledgement of funding

- 6.1 Colchester Arts Centre will acknowledge its financial assistance from Colchester Borough Council in all marketing and communication materials in print, electronic, broadcast and other formats.
- 6.2 The organisation is asked to specify any particular steps it plans to take over the period of this agreement to promote the support it receives from the Council in section 9.

7.0 General conditions

- 7.1 The funding provided under this agreement may not be assigned to any other person, association or company other than in the course of delivering the business plan and agreed performance targets.
- 7.2 This agreement does not constitute Colchester Arts Centre as an agent of the Council or otherwise make the Council liable to any person who may take proceedings against the Arts Centre.
- 7.3 Colchester Borough Council cannot participate in the direction of the organisations' affairs. However, the Council should be consulted where any change or development might effect this Agreement.
- 7.4 Funds will be repayable in full to the Council in the event of any of the following:
 - i. Misuse of payment received from the Council by Colchester Arts Centre
 - ii. A breach of the law by Colchester Arts Centre
 - iii. Petitioning the court for the appointment of an administrator

- iv. Having a receiver appointed over all or any part of the Arts Centre' assets
- v. Being the subject of a petition or resolution for the Arts Centre's 'winding up'

8.0 Breach in agreement

- 8.1 In the event of either the Council or the Arts Centre notifying the other in writing of a breach in this agreement, the parties shall meet to discuss the alleged breach within 21 days.
- 8.2 Both the Council and the Arts Centre agree that they have an equal responsibility to reach a practical and reasonable solution to the breach, but if after 12 weeks a solution has not been agreed then the parties mutually agree to arbitration.

9.0 Specification of performance targets

- 9.1 The specification of performance targets is developed collaboratively between the Council and your organisation. The information you provide here substantiates the Council's decision to invest public funds and helps to strengthen the partnership delivery model.
- 9.2 The information is set out in line with the Strategic Plan to help to convey to Members, Officers and Partners how the Council's financial support is an effective and efficient way to deliver services to meet local identified needs.

What are your key targets for performance, and how do these meet the Council's Strategic Plan?

<p>Overall Performance targets</p>	<p>Delivery close to 300 events Target to achieve 40,000 audience and participants Maintain at least 60% local audience Maintain at least 20% visitor audience, contributing to tourism economy To continue and conclude working closely with CBC in conducting the FSR (Fundamental Services Review) alongside key other arts and heritage providers to indentify possible partnerships, opportunities and economies. To bring national recognition to Colchester and the Colchester Arts Centre through the quality of programming. High profile in national listings. To bring national recognition to Colchester and Colchester Arts Centre through management of Escalator East To Edinburgh for Arts Council England</p>
<p>Community development</p>	<p>Target: To develop a sustained and relevant partnership with a school within a super output area in Colchester Target: To create a new model of working across the 3 major arts organisations in Colchester to deliver a major project that sits squarely within the declared priorities of Colchester Borough Council Target: To fundraise £30,000 from sources independent of CBC to facilitate this process Target: To ensure the community work is properly represented in local press and media outlets and that CBC can be seen to be active in relation to the declared priorities Target to sell 5,000 concessionary tickets Target to reach 6,000 people through community outreach projects Target to deliver 20 community events within the venue to diversify the use and access (e.g. farmers markets, frock swaps, beer festivals) Target: To introduce effective measurement systems to assess our impact and accessibility for the people with disabilities Target: To build a database of contacts and community workers to enable proper research and sustained engagement with the sector. Board to review equality and diversity policies within context of new business plan Board to review equal opportunities and diversity policy within the context of new business plan deliverable To introduce a wider demographic and diversity into the governance of the arts centre.</p>
<p>Supporting younger and older people</p>	<p>Deliver 100 gigs targeted at young people Target: To introduce systems of measurement that will accurately assess the demographic of our audiences</p>

	<p>Target 20,000 young people to attend events</p> <p>Contribute to 100 young people trained through Escalator East</p> <p>Conduct on line survey to research young people and research / update / monitor the targets below</p> <p>Maintain 17% of audience under 24</p> <p>Maintain 45% are under 35</p> <p>Monitor use of communications channels (e.g. internet, sms, myspace, and facebook)</p> <p>Increase facebook friends to 2,500</p> <p>Increase Twitter followers to 200</p> <p>70 folk and jazz events targeted at an older audience</p> <p>Target to reach 8,000 older people</p>
Creating jobs and developing skills	<p>Target: To sustain 3 full time Creative Apprenticeship posts throughout the year for 18 – 24 year olds leading to qualification. To provide co-ordinated training and learning opportunities in conjunction with the formal training supplied by North Herts College</p> <p>Target: To sustain 3 full time Future Job Fund Posts for long term young (18 – 24) unemployed persons. To provide co-ordinated training and learning opportunities within these roles</p> <p>Target: To offer 2 long term opportunities for placements in partnership with Care2Work supporting young people leaving care and entering the jobs market.</p> <p>Target: To offer work experience placements to 30 schoolchildren across the year offering a range of jobs from sound and lighting to box office and publicity.</p> <p>Target: To offer volunteer work to young persons and unemployed people wishing to contribute whilst out of work</p>

What are your particular plans to promote the support that the Council provides during the period of the agreement?

<p>Acknowledgment of the Council's support in 80,000 copies of the brochure – circulated in batches of 20,000 on a quarterly basis to local and regional public outlets. Also mailed direct to targeted opinion forming outlets including ACE, EEDA and public bodies. Distributed to all media outlets, broadcast & print</p> <p>New website to credit support of Colchester Borough Council.</p> <p>Particular attention will be given to local press coverage of our community engagement and work</p> <p>New Integrated CRM (Customer Relations Management) System to credit, acknowledge and celebrate Colchester Borough Council support.</p> <p>An evening dedicated to supporting the Mayor's charities and celebrating the partnership to be introduced into the programme with appropriate press releases and partnership branding:</p>

Elements of this event will respond directly to CBC priorities and targeted at the declared super output or areas identified as most in need.

All press releases and photocalls will credit CBC funding. There will be two photo opportunities per year to include local politicians.

Please outline the way in which your organisation meets other local, regional and national strategies.

Colchester Arts Centre is a non profit making, registered charity run by professional staff with a governing body of volunteers.

It operates a mixed economy of public investment, fundraising and earned income. The foundation stone on which the organisation is able to grow is multi faceted operation is the public investment from two key partners Colchester Borough Council and Arts Council England. Each body has its priorities and criteria for investment, the arts centre too has its own declared aims and objectives. What has made this three way partnership so successful is the fundamental synergies that exist across the three bodies.

The arts is a vibrant and ever evolving ever changing entity. Priorities shift, criteria are constantly reviewed, new targets set, new models created, new challenges emerge, new ideas, new artists and new thinking is inherent in a healthy arts environment. The past year has been one of considerable uncertainty, the year ahead 2011-12 will be one of great challenge.

Our strategy for a sustainable, innovative and relevant arts centre is worked out in detail in our newly created five year business plan. It is built on the principle of maintaining a small core staff, who are skilled, loyal, dedicated and talented which we can expand rapidly when responding to projects and then shrink again without pain or fuss.

The national strategy for arts council England is to create a body of National Portfolio Organisations (NPO's). These will replace the Regularly Funded organisations (RFO's) of 2010 -11. Colchester Arts Centre has made application to be considered for NPO status.

Colchester Arts Centre has responded directly to three of the five goals identified by ACE. These being:

- Goal 1 Talent and Artistic Excellence are thriving and celebrated
- Goal 2 More people experince and are inspired by the arts
- Goak 3 The arts are sustainable, resilient, innovative

Arts Council England's regional priority has been the development of talent. Colchester Arts Centre is at the heart of delivery in this respect. We have been invited to manage the major project Escalator East To Edinburgh for

2011-12 & 2012-13. This has a total annual budget of circa £450,000.

We currently co-manage Escalator Performing Arts with the Junction in Cambridge.

10.0 Acceptance

10.1 Upon signing this agreement, the organisation agrees to the terms and conditions of funding and use reasonable endeavours to meet the performance targets and monitoring framework that have been outlined above.

Signed (Director) Anthony White

Name (please print) A. ROBERTS

On behalf of Colchester Arts Centre Date 8.7.11

Signed (Chair of the Board) [Signature]

Name (please print) Nigel HILDRETH

On behalf of Colchester Arts Centre Date 8.7.11

Signed (Portfolio Holder) [Signature]

Name (please print) Nick Farrow

On behalf of Colchester Borough Council Date 1/9/11

Signed (Officer) [Signature]

Name (please print) J. WORNER

On behalf of Colchester Borough Council Date 1/4/11

Strategic Arts Funding Programme 2011/12

Funding Agreement ["Agreement"]
between Colchester Borough Council
and the Mercury Theatre.

1.0 Introduction

- 1.1 Colchester has a strong cultural scene that is one of the town's unique selling points. The town's cultural vibrancy is the legacy of a strategic local funding and inward investment strategy as well as a partnership delivery model that is regarded as best-practice in the region.
- 1.2 Colchester Borough Council funds strategic arts organisation within the borough because of clear evidence that the organisations provide a service to Colchester's residents and meet the Council's strategic priorities. The Council's funding model aims to return greater investment to the local economy, support jobs and develop the cultural and creative industries, and provide activities and attractions for local people and visitors alike.
- 1.3 The Mercury Theatre is one of these strategically funded organisations. It is a highly respected ensemble company producing classic and new plays and working extensively in the community, continually aiming to develop the actor/audience relationship. The Mercury's single objective is to inspire, engage and entertain through theatre. The Mercury Theatre Company receives regular local and national acclaim and has received many awards over the years, with recent awards and nominations including Best Designer and Best Supporting Actor from the Theatre Managers Association.
- 1.4 By setting the terms of the Agreement between the Council and the Mercury Theatre, this document helps to ensure that the Council's investment of public funds meets identified needs. The document defines the monitoring process and targets for performance that will develop more efficient and sustainable service delivery by working in partnership.

2.0 Scope and Financial Arrangements

- 2.1 Between 1 April 2011 and 31 March 2012, the Council's funding of the Mercury Theatre will be £246,500. This funding was agreed by the Cabinet and full Council in line with the budget strategy to support the core operations of the organisation as set out in the business and operations plan and to meet the targets for performance set out in section 9 of this Agreement.
- 2.2 Upon signature of this Agreement, the Council will release the funding in two instalments, in April and November.
- 2.3 Any financial investment that the Council needs to make under its obligations as the owner of the theatre buildings is deemed to be outside of this agreement. However, any tenant responsibilities that the Mercury Theatre holds are considered to be within this agreement.
- 2.4 On accepting and signing this Agreement, the Mercury Theatre recognises that it is in receipt of public funding and accepts responsibility for meeting the

agreed performance targets and collecting qualitative and quantitative performance data to provide evidence of the service standards.

- 2.5 Where appropriate, Colchester Borough Council will provide non-financial support to the Mercury Theatre where it seeks to develop additional services that contribute towards meeting the Council's strategic priorities. If these additional services are developed to a point that requires additional funding, the Council may issue a separate funding agreement. If this circumstance arises, the services will be deemed to fall outside of this agreement.

3.0 Eligibility and Criteria for Acceptance

- 3.1 In order to be eligible for funding the organisation must supply evidence to demonstrate that it is:
- a. Properly constituted
 - b. Financially viable
 - c. Able to manage its work effectively, monitor and manage risk, and seek necessary professional financial, legal and insurance advice
 - d. Operating with effective policies and procedures in equal opportunities, health and safety, equality and diversity, access, and protection of children, young people and vulnerable adults.
 - e. Delivering on the strategic priorities as set out in the Council's Strategic Plan.

4.0 Performance monitoring framework

- 4.1 Before commencement of this Agreement, the Mercury Theatre must submit a business and operations plan, a budget to cover the same period and a copy of the audited accounts from the previous year.
- 4.2 As a minimum throughout the term of the agreement, the Mercury Theatre must submit quarterly budget reports and invite a Council representative to observe two Board meetings. The organisation will also participate in two bi-annual review meetings, as outlined below.
- 4.3 At the end of the agreement period, the organisation must provide audited accounts and submit performance data to evidence the organisation's turnover, audience and participation levels as well as contribution to the Council's strategic priorities.

5.0 Bi-annual review process

- 5.1 A review meeting will take place between Colchester Borough Council and Mercury Theatre twice in the period of the agreement. The meetings shall be attended by the relevant officer of the Council and the Artistic and Executive Directors of the Mercury Theatre.
- 5.2 One of the review meetings shall also be attended by relevant officers from Arts Council England to ensure that dialogue takes place between the partners at a strategic level and that any factors affecting performance are discussed openly and effectively.
- 5.3 The Portfolio Holder may have to sit before a Scrutiny Panel to monitor performance against their delegated responsibilities. As such, the bi-annual

review process should be seen as an opportunity to ensure that the Portfolio Holder can evidence performance within their area of responsibility.

6.0 Acknowledgement of funding

- 6.1 The Mercury Theatre will acknowledge its financial assistance from Colchester Borough Council in all marketing and communication materials in print, electronic, broadcast and other formats.
- 6.2 The organisation is asked to specify any particular steps it plans to take over the period of this agreement to promote the support it receives from the Council in section 9.

7.0 General conditions

- 7.1 The funding provided under this agreement may not be assigned to any other person, association or company other than in the course of delivering the business plan and agreed performance targets.
- 7.2 This agreement does not constitute the Mercury Theatre as an agent of the Council or otherwise make the Council liable to any person who may take proceedings against the Theatre.
- 7.3 Colchester Borough Council cannot participate in the direction of the organisations' affairs. However, the Council should be consulted where any change or development might effect this Agreement.
- 7.4 Funds will be repayable in full to the Council in the event of any of the following:
- i. Misuse of payment received from the Council by Mercury Theatre
 - ii. A breach of the law by Mercury Theatre
 - iii. Petitioning the court for the appointment of an administrator
 - iv. Having a receiver appointed over all or any part of the Theatre's assets
 - v. Being the subject of a petition or resolution for the Mercury Theatre's 'winding up'

8.0 Breach in agreement

- 8.1 In the event of either the Council or the Mercury Theatre notifying the other in writing of a breach in this agreement, the parties shall meet to discuss the alleged breach within 21 days.
- 8.2 Both the Council and the Mercury Theatre agree that they have an equal responsibility to reach a practical and reasonable solution to the breach, but if after 12 weeks a solution has not been agreed then the parties mutually agree to arbitration.

9.0 Specification of performance targets

- 9.1 The specification of performance targets is developed collaboratively between the Council and your organisation. The information you provide here substantiates the Council's decision to invest public funds and helps to strengthen the partnership delivery model.

9.2 The information is set out in line with the Strategic Plan to help to convey to Members, officers and partners how the Council's financial support is an effective and efficient way to deliver services to meet local identified needs.

What are your key targets for performance, and how do these meet the Council's Strategic Plan?

<p>Performance headlines</p>	<p>These performance headlines and all the activities of The Mercury are directly targeted towards making Colchester a great place to live, work, study and visit, by providing high quality cultural, leisure and educational activities for all sectors of the community and contributing to the activities available to tourists and visitors to the town as part of a great mix of provision.:</p> <ul style="list-style-type: none"> • 350 performances with 100,000 people attending (inc hires.) • 900 community and education sessions with 19,000 attendances. • Continued partnership between CBC, ACE, ECC and the Mercury to ensure ongoing revenue funding for core stage and community work is maintained. • Implement relevant recommendations and opportunities that are identified within the Fundamental Service Review
<p>Community development</p>	<ul style="list-style-type: none"> • £300,000 to be invested into work in the community • 900 community and education sessions with 19,000 participants • Maintain rate of 30% tickets sold on a concessionary basis • Maintain rate of 12% of tickets sold to people over 60 • Maintain rate of 7% of tickets sold to disabled people and carers • Maintain level of concessionary tickets given for social inclusion at 2,100 • Continue to explore mechanisms to encourage more job applications from BME communities and people with a disability. • Ensure that race equality is a regular agenda item for Board discussion. • Review diversity in programming to encourage attendance • Work with ECC and others to ensure that our diversity and equality action plan is further actioned and reviewed. Provide evidence of building relationships with BME groups including Essex Cultural Diversity Project (or equivalent ECC project), TAPMEC and Black History Month. • Provide evidence of review and increasing audience engagement through segmentation initiatives. • Design and implement follow up scheme to the ACE Free Theatre Initiative. • Increase level of Caption/AD/Touch Tour concessionary tickets/attendances sold to 140. • Further embed creative learning throughout the organisation, including MTC actors and creatives, to ensure a company wide process for evaluating work and learning from experiences is in place and documented. • Deliver FETE – a cross art form project in a super output

	<p>area of Colchester with Colchester Arts Centre and firstsite. Use this as a springboard for extended provision and engagement in targeted wards.</p>
<p>Supporting younger and older people</p>	<ul style="list-style-type: none"> • Maintain rate of 12% of concessionary tickets sold to younger people • Deliver 900 community and education sessions with 19,000 attendances. • Strive to maintain high sales (25,000 tickets) of tickets for family pantomime • Maintain level (145 people) of young people enrolled in youth drama classes • Continue weekly over 50's sessions • Maintain level (190 students) of participation in World Aids Day • Target to facilitate 100 plus school-based sessions • Design and implement follow up scheme to the ACE Free Theatre Initiative. • Continue to create opportunities for access to the arts particularly for children and young people. This includes community involvement in Mercury Company productions and an ongoing commitment to our overall community activities. • Work with schools to demonstrate the creative learning initiatives undertaken by staff. • Continue to work on residencies and specific projects with local schools, colleges and Essex University. • Ensure this target group is engaged in FETE project (see above).
<p>Creating jobs and developing skills</p>	<ul style="list-style-type: none"> • Report data on FTE jobs and spend on salaries at year end • Target to provide roles for 20 volunteers • Target to deliver 8 work experience placements, • Maintain 1 workshop apprentice until at least 31/03/12. • Employ 2 young people under the Future Jobs Fund scheme. • Provide evidence to show contribution to National Skills Academy and Train to Gain initiatives • Provide evidence to show support for young, new and emerging regional talent and companies through the Escalator East cultural sector development scheme • Report spend on supplies and services in local economy at year end. • Contribute to the region's talent development initiative through support of new and emerging companies, and through young writers working through Escalator.

What are your particular plans to promote the support that the Council provides during the period of the agreement?

Each year, the Mercury will focus upon developing partnerships for the benefit of the community and local economy, for example FETE, and particular attention will be given to local press coverage of this work and its links to local strategy.

In 2011/12, the Theatre will complete delivery of the first phase **Mercury International Project (MIP)** which has and will continue to raise the profile of Colchester nationally and internationally. The Mercury will use this International work as an opportunity to promote its work and partnership with Colchester Borough Council.

In 2011, the mercury will host a conference for the European-wide network InterACT and will promote the Council's support through local, national and international press briefings and releases.

The Mercury acknowledges the support of the Council's in 60,000 brochures distributed twice a year. In addition the Council's support is further acknowledged on approximately 120,000 own production flyers each year.

The Mercury hosts a civic evening each year as a chance to say thank you for the support given and to promote the stage and community work that the funding partnership makes possible. The event includes acknowledgment of the Council's support.

Please outline the way in which your organisation meets other local, regional and national strategies.

Local

- The Mercury Theatre will work in partnership with the Council and firstsite and Colchester Arts Centre to implement relevant recommendations of the fundamental service review.
- The Mercury Theatre will, as resources allow, contribute to 'Creative Colchester' a new cultural and creative industries strategy for Colchester by supporting emerging local talent and providing work experience, supporting cultural tourism initiatives,, and working with a range of community service providers such as charities, health providers and voluntary groups to engage and develop communities.
- Arts Council England East - Escalator Review Panel.
- Youth Justice Scheme
- Local schools, colleges and Essex University

Learning & Training

- ACE Regional & National – Apprentice and Training support.
- National Skills Council / National Skills Academy for Creative and Cultural Skills
- Learning Skills Council / Train To Gain.

Engagement

- Essex Cultural Diversity Project.(or new ECC equivalent)
- TACMEP
- Black History Month

- ACE National – Free theatre ticket initiative – A Night Less Ordinary follow up evaluation process in 2011.
- ACE Captivate and subsequent initiatives

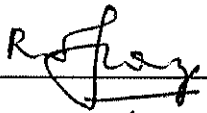
10.0 Acceptance

10.1 Upon signing this agreement, the organisation agrees to the terms and conditions of funding and use reasonable endeavours to meet the performance targets and monitoring framework that have been outlined above.

Signed (Director) ^{COMPANY SECRETARY} 

Name (please print) ADRIAN GANDY - EXECUTIVE DIRECTOR.

On behalf of Colchester Mercury Theatre Limited Date 3rd May 2011.

Signed (Chair of the Board) 

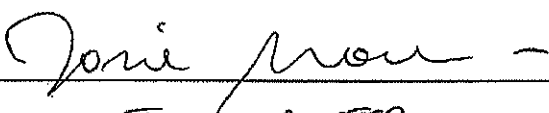
Name (please print) PHILIP WILLIAM GEORGE

On behalf of Colchester Mercury Theatre Limited Date 27th April 2011

Signed (Portfolio Holder) 

Name (please print) NICK BARRON

On behalf of Colchester Borough Council Date 21st April 2011

Signed (Officer) 

Name (please print) J. WARNER.

On behalf of Colchester Borough Council Date 21.4.11



Strategic Overview and Scrutiny Panel

Item

11

19 July 2011

Report of	Scrutiny Officer	Author	Robert Judd Tel. 282274
Title	2012/13 Budget Strategy, Medium Term Financial Forecast and Budget Timetable		
Wards affected			

The report on the 2012/13 Budget Strategy, Medium Term Financial Forecast and Timetable, as considered and agreed by Cabinet on 13 July is provided for the Panel's consideration.

1. Action required

- 1.1 The Strategic Overview and Scrutiny Panel is requested to consider the 2012/13 Budget Strategy, Medium Term Financial Forecast and Budget Timetable. The report was presented to the Cabinet on 13 July 2011.
- 1.2 The Panel may note the report, or refer the report back to the Cabinet for further consideration, setting out in writing any comments or concerns.

2. Reasons for Scrutiny

- 2.1 The review of the Council's Budget Strategy and Timetable is one of the responsibilities of the Strategic Overview and Scrutiny Panel, as set out under the Terms of Reference for the panel within the Constitution.

3. Strategic Plan References

- 3.1 Scrutiny is a key function to ensure the Budget Strategy and Timetable are subject to full appraisal and that they are in line with the aims of the strategic plan. The role of scrutiny is also an important part of our risk management, helping to check that risks are identified and challenged.



Cabinet

13 July 2011

Item
8(i)

Report of	Head of Resource Management	Author	Sean Plummer ☎ 282347
Title	2012/13 Budget Strategy, Medium Term Financial Forecast and Budget Timetable		
Wards affected	Not applicable		

This report asks Cabinet to:

- **Note the current financial position for the financial years 2010/11 and 2011/12**
- **Recommend to Council release of funding in respect of Firstsite legal fees**
- **Agree further use of balances**
- **Note the budget forecast and timetable for the 2012/13 budget**
- **Note the updated Medium Term Financial Forecast for the period to 31 March 2014**
- **Note an update of the Revenue Balances**
- **Recommend to Council changes to the Capital Programme and releases.**

1. Decisions Required

- 1.1. To note the pre-audit outturn position for the financial year 2010/11.
- 1.2. To recommend to Council the release from balances in 2011/12 of £500k for Firstsite legal fees as set out in a separate report on this agenda.
- 1.3. To agree to release:-
 - £30k to support the Tour Series cycling event.
 - £40k for customer service review
 - £100k for planning appeals
 - £200k in respect of a food waste trial
- 1.4. To agree to add £324k from the New Homes Bonus grant to balances with the remaining £400k held pending progress with delivery of in year budget savings.
- 1.5. To note the budget forecast, approach and timetable for the preparation of the 2012/13 budget and updated position in respect of balances.
- 1.6. To note the updated Medium Term Financial Forecast for the period to 31 March 2014 as set out at Appendix A.
- 1.7. To note the latest position in respect of the Capital Programme and agree to recommend to Council the inclusion in the Capital Programme of £200k in respect of Castle Walls

- 1.8. To agree to changes to the capital programme arising from the 2010/11 outturn reported to FASP resulting in a net saving and to release capital funding for the following schemes:-
- £200k in respect of Castle Walls (subject to approval by Council as shown at 1.7.)
 - £157k in respect of Street Services FSR

2. Reasons for Decisions

- 2.1. The Council is required to approve a financial strategy and timetable in respect of the financial year 2012/13 and a Medium Term Financial Forecast (MTFF) for the two subsequent financial years.
- 2.2. The use of balances for legal fees requires approval of Full Council.

3. Financial Overview 2010/11 and 2011/12

Financial Year 2010/11

- 3.1. The Pre-Audit Outturn report for the year to 31 March 2011 was presented to the Finance and Audit Scrutiny Panel (FASP) on 28 June 2011.
- 3.2. The position shows a net underspend on budgets of £25k (0.1% of the net revenue budget for the year) after allowing for a number of agreed carry forward items.
- 3.3. In addition, a refund of £672k in respect of VAT which has been achieved through challenging VAT liability for areas of sport and leisure and cultural services which includes claims relating to a period from the late 1970's.
- 3.4. When the budget for 11/12 was agreed it was done so on the basis that there would be a net overspend of £150k in 10/11. The overall surplus has therefore been added to balances.

Financial Year 2011/12

At this stage in the financial year it is difficult to assess potential variances (both positive and negative). However, the following areas that have been identified are:-

- Firstsite legal fees
- Tour Series cycling event
- Customer service review
- Planning appeals
- Food Waste trial
- New Homes Bonus
- General budget risk

Firstsite Legal Fees

- 3.6. The provision for estimated costs in respect of the Firstsite legal expenses of £0.5m is set out in a separate report on this agenda.

Tour Series Event

- 3.7. The Tour Series event took place in Colchester on 2nd June. Costs and funding for the event are being finalised including confirmation of external contributions. It is proposed that £30k be allocated to meet the Council's contribution.

Customer Service Review

- 3.8. The next phase of Fundamental Service Reviews (FSRs) includes a review of frontline customer contact. This FSR is a cross organisational review of customer contact. It is not intended to be solely a review of first point of contact, i.e. Customer Service Centre but to pick up all points of contact a customer would experience. This is inclusive of all channels such as face to face, telephone, post and digital but importantly the scope expands into all service areas where officers are in contact with customers. This review will also pick up our customer communication as part of the scope. The scope of this review is such that it is proposed to allocate £40k to ensure that sufficient resources are available to support this work.

Planning Appeals

- 3.9. An annual provision for costs related to planning appeals is made within the budget for 11/12 to cover the general costs incurred during the year. However, recent decisions by the Planning Committee mean that it is highly likely that an appeal will be received in respect of a large and complex application. The cost of defending this appeal is not yet known and at this stage it is proposed that a provision of £100k is made.

Food Waste Trial

- 3.10. It is recognised that to make the next substantial improvement in recycling performance it is necessary to establish a scheme that removes from the residual waste the last major material that can be diverted from landfill which is food waste. This service has been set up by a number of authorities across the country over the last five years and there was a big emphasis on this through the Waste Strategy Inter-Authority Agreements recently commenced in Essex.
- 3.11. It is estimated that the tonnage collected by the implementation of a food waste trial over a 12 month period would increase the Boroughs overall recycling rate by approximately 0.8%. Looking forward a Borough-wide implementation would increase it by 7.6% with a weekly residual collection and by 8.8% with a fortnightly residual collection. The budget allocated for the trial will enable the funding of the operating costs which includes the staffing and vehicles and the container costs and represent the bare minimum required by the service to establish the necessary equipment and manpower to commence the service and promote it within the trial areas.
- 3.12. A detailed report will be presented to the Portfolio Holder for Street and Waste on establishing the trial scheme that will describe the role of the Policy Review and Development Panel's Task & Finish Group in monitoring the implementation, progress and results of the trial.

New Homes Bonus

- 3.13. The final scheme design of the New Homes Bonus (NHB) was announced by Government on 17 February 2011. Following a period during which authorities had the opportunity to make representations final allocations for 2011/12 were confirmed on 4 April. For Colchester this means a grant this year of £724k. Appendix A sets out an outline of the grant methodology.
- 3.14. The 11/12 budget included comments relating to the NHB, however, given the uncertainty over the final scheme no income was assumed. The £724k is therefore additional money for this year.

General Budget Risk

- 3.15. The 11/12 budget includes £3.6m of savings or additional income and whilst we are confident of delivering a large proportion of these in year there is an acknowledged risk of a potential pressure in year. It has been agreed that Finance and Audit Scrutiny Panel (FASP) will receive regular reports on progress with delivering the 11/12 budget savings. An initial exercise has been carried out by Senior Management Team to review all savings and other possible in year budget risks. Based on his exercise it is proposed that £0.4m be held back from a combination of NHB and general balances against these budget risks.
- 3.16. Based on the above proposals balances would remain above our recommended level and it is proposed this should not be allocated at this stage.

4. Budget Forecast for 2012/13

- 4.1. Appendix B sets out a budget forecast for 2012/13 and a Medium Term Financial Forecast (MTFF) for the subsequent two years including the key assumptions. The current forecast budget gap for 2012/13 is £305k, summarised below:-

	2012/13 £'000	Comment
Base Budget	20,255	
Cost Pressures	277	Inflationary provision, Minimum Revenue Provision & pensions
Savings - Agreed	(353)	Mainly additional FSR savings for Street Services and Revenues and Benefits.
Forecast Base Budget	20,179	
Government Grant	(8,404)	Based on provisional figures provided
Council Tax	(11,003)	Based on 2.5% increase and 0.5% increase in taxbase.
Use of Reserves	(467)	Ongoing use to fund community stadium, S106 and pensions increase
Total Funding	(19,874)	
Budget gap	305	

- 4.2 The key assumptions in respect of the 2012/13 forecast are:

Government Grants

- 4.3. An assumption is made of a reduction in core Government Grant (Formula Grant) of £897k (9.6% cash reduction). This assumption is based on provisional figures issued by the Government when the 11/12 grants was announced. Whilst changes may be made to this figure at this stage we do not expect any significant alterations. However, there does remain a risk relating to any impact arising from NHB allocations.

Pay, Inflation and costs

- 4.4. The 2011/12 budget includes a nil pay award which has been agreed. For 2012/13 this assumption has also been shown with a provision for an increase of 2% pa thereafter. A range of 1% to 1.5% has been used for the inflation on most other general items with some higher provisions for items such as energy. It will be necessary to review forecasts

for specific areas including energy costs in due course and this is therefore shown as a risk area.

Income budgets

- 4.5. It is evident that there has been a reduction in the recent years in some income budgets such as car parking, planning and net interest earnings. The 11/12 budget included some allowance for reductions in some income levels, however this is likely to remain a risk to the 12/13 budget forecast and the MTFF.

Savings

- 4.6. At this stage the savings shown include the estimated second year savings in respect of the FSRs of Street Services and Revenues and Benefits. Further savings will be identified as part of the ongoing budget process.

Council Tax

- 4.7. The budget forecast and MTFF continues to be based on the planning assumption of a 2.5% pa increase for 2012/13 and beyond.
- 4.8. The grant equivalent to 2.5% of Council Tax revenue paid this year to authorities who did not increase the Council Tax rate in 2011/12 will continue in 2012/13. It should be noted that there is no requirement to freeze Council Tax in 12/13 to receive the same grant of £267k again in 12/13. The Government has stated that it intends to provide this funding for this grant during the period of the Comprehensive Spending Review. There is no guarantee that funding will continue beyond this point and this is considered within the MTFF.
- 4.9. An annual increase of 0.5% in the 'taxbase' (the number equivalent Band D properties) has been assumed.

New Homes Bonus

- 4.10. The budget position shown does not include any assumed income from the New Homes Bonus. As reported earlier Colchester has received £724k in 11/12 and under the methodology of the scheme this grant will be received for the next 6 years. In 12/13 we will also receive an amount of grant in respect of any increases in housing numbers during the period October 2010 – September 2011 and the element in respect of affordable homes delivery. The NHB for 12/13 will be announced alongside our main formula grant in November / December 2011.
- 4.11. The Government has stated that there is £200m for the NHB scheme in 11/12 and £250m for each of following three years giving a total of £950m. The total grants paid out in 2011/12 has been reported as being "almost £200m", so assuming a similar level of growth in each of the next few years it is evident that there is likely to be a shortfall in "new money" as soon as 2012/13. Indeed, the provisional total grant Settlement figures for 12/13 includes an adjustment of £176m for the NHB.
- 4.12. Given the link with our formula grant and that the NHB should be known at the same time as our main grant it will be possible to consider how the NHB might be used to support the budget strategy and the approach to this funding stream in the MTFF.
- 4.13. There are a number of significant budget risks that may affect the 12/13 budget process and these are set out within Appendix B. The risks include items that could be positive to the budget forecast as well as negative. The current list of risks will be monitored and amended throughout the budget process.

4.14. In summary there is a forecast budget gap of circa £0.3m which is lower than at this stage last year partly reflecting the impact of additional savings identified as part of the 11/12 budget. In addition funding from the New Homes Bonus will provide additional resources to support the 12/13 budget. However, as is common there are a number of potential budget risks and variables that may require further savings to be identified to produce a balanced budget.

Delivering the 2012/13 Budget

4.15. The Council's approach to the budget is that it is primarily driven by the Strategic Plan. We have adopted a number of different ways to identify savings or additional income to support Strategic Plan priorities and to meet a number of substantial cost pressures. The strategy for 11/12 was based upon 5 tracks:-

1. Income generation
2. Efficiencies (including Fundamental Service Reviews)
3. Total Place projects / themes
4. Shared services and different models for service delivery
5. Cuts and reductions

4.16. For 2012/13 it is proposed to continue to build on these tracks with a focus on

- Identification and delivery of FSR efficiency savings
- Continuing role of Budget Group reviewing new areas and revisiting other options
- Review and development of income strategy
- On-going consideration of shared service opportunities

Efficiencies and FSR

4.17. The FSRs reported to Cabinet in respect of Housing, Revenues and Benefits and Street Services have demonstrated that significant savings are possible with each review identifying savings. The review of Street Services is now in the implementation phase and the 12/13 budget forecast includes additional full year savings expected to be delivered from this review. Other reviews are currently in progress including the museum service and sport and leisure service. Further reviews are timetabled for this year including a review of frontline / customer contacts and support service functions.

4.18. There are other areas outside of the FSR framework that have already been identified such as the new ICT contract where it is expected that savings can be delivered for next year.

Income Strategy

4.19. We know that as an organisation we already generate significant amounts of income and in benchmarking do well compared to other councils. The 2011/12 budget includes a target of £100k and work is underway to support colleagues to achieve this over the next year. The achievement of this target will be an important first step in delivering a major shift in the way we fund activity within the Council we move towards an environment in which we become less reliant on Government Grant; as costs pressures increase, resources are reduced and the need to protect valued services becomes more difficult. However, these drivers create an opportunity for change and to raise our ambitions to grow our income significantly in ways that will require a very different approach to our staff, their skills, our financial arrangements and our governance.

Shared Services and different models for delivery

- 4.20. The Council is already delivering services through partnership arrangements, whether formal shared service agreements such as the museums and parking partnerships as well as more informal sharing of resources. The 2011/12 budget includes a target of £150,000 in respect of shared management arrangements.

Budget Group

- 4.21. The Budget Group comprising Cabinet members and senior officers has operated for two years. It is intended that the Budget Group continues and has the overview of all the tracks, monitoring progress and taking relevant reports.
- 4.22. The different tracks are not mutually exclusive and there will need to be a balanced approach to closing the budget gap through the use of all of them.
- 4.23. The Council's approach to budgets has always been to consider the longer-term impact of decisions. The budget process for 2012/13 will continue to reflect this by recognising that some service changes (reductions, income and growth) will often be delivered over a period longer than a year. This is likely to be particularly true for outcomes of the FSRs.
- 4.24. Appendix C sets out the proposed budget timetable.

Housing Revenue Account (HRA)

- 4.25. The HRA is a ring fenced account that relates to costs and income in respect of the Council's housing stock. The HRA budget and rent setting process is carried out alongside the General Fund budget and elements of the process are carried out simultaneously. This year the budget approach for the HRA will continue to be fully integrated within the General Fund budget process with the final budget report and rent setting being included within the overall budget and Council Tax decisions.
- 4.26. It has been reported previously to Cabinet that 2012/13 will see a significant change to the HRA with the implementation of reform of the HRA subsidy system. This will impact on the HRA, housing capital programme and the Council's overall finances, specifically the need to take on significant levels of debt.

5. Medium Term Financial Forecast

- 5.1. The Medium Term Financial Forecast (MTFF), as set out at Appendix B, shows a potential budget gap of £2.1m by 2014/15, an annual increase of over £0.7m after 12/13. The key factors affecting the budget gap in later years include the provisions for increased cost including a pay award of 2%.
- 5.2. The forecast needs to be viewed alongside the level of significant risks and uncertainty regarding a number of key factors that will impact on the Council's finances in the medium term. Most of the key risks outlined in the MTFF could result in recurring cost pressures for the Council. This will require recurring cost savings or additional income to be identified to minimise the escalation of these pressures.
- 5.3. The MTFF does also show that the Council continues to hold reserves and balances to support the Council's budgets. The position on these reserves will be reviewed during the year as the 2012/13 budget progresses.

5.4. In summary the MTFE sets out what is likely to continue to be a challenging financial outlook. The budget process needs to establish that the Council's spending plans, in the medium term, are affordable and can be prudently financed.

6. Revenue Balances

6.1 Following completion of the final accounts for the year to 31 March 2011 uncommitted revenue balances stand at £2.4m. This compares with the approved minimum balance of £1.5m.

6.2. The separate report on this agenda details proposals to use up to £0.5m from balances to support legal expenses. This report also sets out other proposals to use balances of £370k and to add the New Homes Bonus grant into balances as set out in section 3. If agreed, balances would remain above the agreed £1.5m level by £350k.

7. Capital Programme Update

7.1. It has previously been reported to Cabinet that there has been increasing pressure on the level and timing of generating resources to support the capital programme. This continues to be the case and the programme remains under review. There are two items that require consideration at this stage.

Castle Walls

7.2. Colchester Castle is a Scheduled Ancient Monument, which means that Colchester Borough Council has a statutory duty to ensure the repair and maintenance of the structure to prevent any damage or deterioration. English Heritage is responsible for ensuring that these responsibilities are carried out and for approving any application to undertake works.

7.3. The works required to be carried out are to repair the damage caused by weathering, which has been exacerbated by the particularly severe winters over the past 2 years. The repair works will require full scaffolding to each of the facades being repaired and will entail some replacement of stone along with the reinstatement of sacrificial lime mortar. The works to the Western elevation are considered to be urgent works and as such are required to be carried out this financial year. The specific requirements relating to temperature and weather conditions when applying traditional lime mortar mean that these are seasonal repairs which can only be undertaken in the summer.

7.4. English Heritage has been involved and consulted when drawing up the programme of works and they are currently in the process of issuing an authorisation for the whole programme to remove the need to obtain approval for the works to each separate elevation.

7.5. The following table outlines the total cost of the conservation/repair works required and an indication of the order that the works will need to be carried out.

Financial Year	Elevation	Estimated Cost £'000
2011/12	West	200
2012/13	North	160
2013/14 onwards	South and East	410
Total cost of conservation/repair work		770

- 7.6. This scheme is not in the current approved capital programme. It is therefore proposed that the necessary works required in 2011/12 at a cost of £200k is included in the capital programme and released to enable the project to go ahead this year. It is proposed that the cost of the works in later years is considered for inclusion in the capital programme when the programme is next fully reviewed.

Street Services FSR – IT Investment

- 7.7. The significant savings to be delivered by the Street Services Fundamental Services Review are dependent on capital investment in technology amounting to £157,000 that creates the 'single customer record' and the Knowledge Bank as well as supplying the appropriate hardware for frontline staff to use. It was therefore agreed by Cabinet and Council to include this sum in the capital programme.
- 7.8. Progress has already been made corporately by the introduction of the single Customer Master Index system called 'i-connect' and this investment will build on this initiative. It is therefore requested that £157,000 be released to progress this work.
- 7.9. Finance and Audit Scrutiny Panel (FASP) considered a review of spend on the capital programme in 2010/11. In total there is a net saving on a number of projects of £116.2k which can therefore be considered for allocation in the future. This includes a number of minor net under and overspends across various schemes. The report identified some potential additional costs which may require allocation of funds in due course. Further updates on the programme will be reported to FASP with any overall impact reported to Cabinet.
- 7.10. The current capital programme position shows that based on a number of probable capital receipts there is scope to include the £200k cost of the Castle Walls in the capital programme and to release the funds for this, the Street Services FSR costs and to meet the forecast net overspend on the whole programme.
- 7.11. Further updates of the capital programme will be reported to Cabinet and will consider future demands for capital funding alongside available resources.

8. Strategic Plan References

- 8.1. The Council has agreed three Corporate Objectives including the aim to "shift resources to deliver priorities". The 2012/13 budget and the Medium Term Financial Forecast will be underpinned by the Strategic Plan priorities and will seek to preserve and shift resources where needed to these priorities.

9. Financial implications

- 9.1 As set out in the report.

10. Equality and Diversity Implications

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

11. Risk Management Implications

- 11.1 As set out in report.

12 Consultation

- 12.1. The Council is required to consult on its budget proposals. A consultation exercise took place as part of the production of the Strategic Plan agreed by Council in February 2009.
- 12.2. The budget strategy and timetable aims to ensure that information is available for scrutiny and input from all Members on proposals in the process. The aim is that detailed information will be available prior to the final budget report being submitted to Cabinet and approval by Council in February.
- 12.3. As has been the case in previous years the opportunity remains open for the leader of the opposition to meet with officers to assist with consideration of any alternative budget proposals.
- 12.4. Furthermore, we will continue with the statutory consultation with business ratepayers and will meet with parish councils in respect of grant funding.

13. Other Standard References

- 13.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications as a result of this report.

Background Papers

Revenue and Capital Outturn reports to Finance & Audit Scrutiny Panel Report – 28 June 2011

New Homes Bonus

The Scheme

The key points to note as to how the grant is calculated are:-

- The increase in the Council's taxbase expressed as the number of Band D properties (this is based on figures provided now each year to the Government in October)
- This figure is then multiplied by the average national Council Tax Rate (including parish precepts). For the grant in 11/12 the figure is £1,439
- The calculated grant is then split between Upper and Lower Tier authorities. The scheme confirms that 80% will go to lower tier authorities, such as Colchester.
- The calculated sum will be paid for 6 years and will then stop.
- The process is carried out annually and therefore if there is a further increase in the taxbase then further grants are payable.
- A bonus of £350 will also be paid for each additional affordable homes. This is based on figures reported annually. Due to the timescales for collating this information this element of the scheme will be paid in arrears, therefore the increase in 2010/11 will be paid alongside year 2 (2012/13) grants.

Colchester's Allocation

For Colchester our grant for 2011/12 is £724k. The table below shows the calculation:-

Increase in taxbase (October 2009 to October 2010)	628.7* (band D)
Average Council Tax Rate	£1,439
Grant Payable for 11/12	£904,790
Split: 80% to Colchester BC	£723,832
20% to Essex CC	£180,958

*The increase equates to c0.9% increase.

This sum will be paid for the next 6 years. The table below provides an illustrative example of how the grant will be paid. This shows that in total we will receive £724k over the next 6 years (i.e. £4.3m in total). Further payments will be made according to growth in the taxbase and the level of affordable homes delivery.

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
year 1	724	724	724	724	724	724		4,344
year 2		£x	£x	£x	£x	£x	£x	
year 3			£x	£x	£x	£x	£x	
year 4				£x	£x	£x	£x	
year 5					£x	£x	£x	
year 6						£x	£x	
year 7							£x	

Medium Term Financial Forecast 2011/12 – 2014/15

1. Introduction

The Medium Term Financial Forecast (MTFF) sets out the Council's budget forecast for the next three years. The MTFF sets out:-

- A summary of the 2011/12 budget including an analysis of all service budgets
- The budget forecast for next three years including current cost pressures, growth items and assumptions regarding use of reserves.
- A list of key risk items for 2012/13 and beyond
- The current position on Council General Fund balances including the risk assessment for 2011/12
- The current position on all other reserves and balances

The MTFF will continue to be updated during the year as the budget progresses.

2. 2011/12 Budget

The Council's General Fund includes all costs and income other than those in respect of the Council housing stock

Colchester's total net revenue budget for 2011/12 is **£20.255 million**.

Net Budget	£'000 20,255
Funded by:	
Government Grant (incl: NNDR – Business Rates)	9,301 (46%)
Council Taxpayers (excl. parishes)	10,681 (53%)
Use of Balances / Reserves and Collection Fund deficit	273 (1%)
	20,255

The following table sets out a summary of the 2011/12 budget including changes made from the previous year.

2011/12 Summary Budget

	Adjusted Base Budget	One-Off Items	Cost Pressures	Technical Items	Total Savings	Detailed 11/12 Budgets
	£	£	£	£	£	£
Corporate & Democratic Core	356		4		(19)	341
Executive Management Team	744		1		(20)	725
Corporate Management	6,734	(13)	70		(483)	6,308
Customer Services	1,135		2		(51)	1,086
Environmental & Protective Services	2,577		124		(420)	2,281
Life Opportunities	5,594	(15)	174		(440)	5,313
Resource Management	278	(87)	93		(496)	(212)
Strategic Policy & Regeneration.	2,973	(455)	14		(227)	2,305
Street Services	2,583	4	160		(710)	2,037
Total Services	22,974	(566)	642	0	(2,866)	20,184
Technical Items						
<i>Corporate Targets</i>						
Shared Services	0		0		(150)	(150)
FSR	0		0		(50)	(50)
ICT Review	0		0		(50)	(50)
Office Accommodation Review	0		0		(40)	(40)
Communications & Marketing Review	0		0		(200)	(200)
<i>Corporate Grants</i>						
LABGI	(100)		100			0
HPDG	(648)		648			0
Area Based Grant (ABG)	(22)		22			0
Council Tax Freeze Grant					(267)	(267)

	Adjusted Base Budget	One-Off Items	Cost Pressures	Technical Items	Total Savings	Detailed 11/12 Budgets
	£	£	£	£	£	£
<i>Non-Service Budgets</i>						
Grants to Parish councils	202		0		(100)	102
CLIA (net interest)	619		0			619
Min Revenue Provision	587		71			658
Pensions	2,352		72	(27)		2,397
Redundancy Provision	150	(150)	0			0
ECC Second Homes	(144)		0	(5)		(149)
Heritage Reserve	12		0	(3)		9
Invest to Save	(34)	19	0	15		0
Icelandic Investment Impairment	615	(615)	0			0
GF/HRA adjustments	(2,648)		(12)	(38)	(110)	(2,808)
Total Below the Line	941	(746)	901	(58)	(967)	71
Total incl. Below the line	23,915	(1,312)	1,543	(58)	(3,833)	20,255
<i>Funded by:-</i>						
General Reserve	(671)	671	0			39
Capital Expenditure Reserve	(1,210)	910	0			(300)
Regeneration Reserve	(166)	166	0			0
Other Reserves - S.106	(70)		0			(70)
Government Grant (RSG / NNDR)	(11,156)		1,894			(9,301)
Council Tax	(10,593)		0		(88)	(10,681)
Collection fund Transfer	(49)	49	58			58
Total	(23,915)	1,796	1,952	0	(88)	(20,255)

3. Budget Forecast 2012/13 to 2014/15

The following table sets out the Council's budget forecast for the next three years including key assumptions.

Medium Term Financial Forecast			
2012/13 to 2014/15			
	2012/13	2013/14	2014/15
	£'000	£'000	£'000
Base Budget	20,255	20,179	20,826
Remove one-off items	0	0	0
Cost Pressures	277	742	890
Growth Items	0	0	0
Savings - Agreed	(353)	(95)	0
Forecast Base Budget	20,179	20,826	21,716
Government Grant	(8,404)	(7,984)	(7,585)
Council Tax	(11,003)	(11,334)	(11,676)
Collection Fund Surplus	0	0	0
Use of Reserves	(467)	(472)	(370)
Total Funding	(19,874)	(19,790)	(19,631)
Budget (surplus) / gap before changes (cumulative)	305	1,036	2,085
Annual increase	305	731	1,049

Key Assumptions
Inflation - Pay assumed at 0% for 12/13 and 2% pa thereafter , other cost and income circa 1 / 1.5%
Gov't Grant – The grant for next two years is reduced in cash terms by 15.5%, 9%. For the following two years a reductions of 5% pa has been shown for indicative purposes
Based on an increase in Council Tax of 2.5% for next three years
Next actuarial review will impact in 14/15 and a planning assumption of £250k has been assumed.

Cost Pressures			
General Inflation	140	640	640
Pensions	97	102	250
MRP (Minimum Revenue Provision)	40	0	0
Total	277	742	890
Savings (incl. one off adjustments)			
One off adjustments	153		
HR – Reduced IT costs	(13)		
Staff Costs – Subscriptions	(15)		
Carbon Management Programme	(42)		
Revenue and Benefits FSR	(150)		
Accountancy Review	(10)		
Street Services – FSR	(276)	(95)	
Total	(353)	(95)	0

Use of Reserves			
Balances (General)			
S106 monitoring reserve	(70)	(70)	(70)
Pensions Provision	(97)	(102)	
Capital Expenditure Reserve:- Community Stadium	(300)	(300)	(300)
Total	(467)	(472)	(370)

4. Risk Areas / Uncertainty

There are several key risk areas or areas where the outcome is uncertain which will impact on the 2011/12 budget forecast and potentially in later years. The main areas are:-

Ref	Risk / Area of uncertainty	
1	<i>Government Grant and the Comprehensive Spending Review 10 (CSR10)</i>	<p>The CSR10 sets out the background to public sector finances over the next 4 years. The grant settlement which followed in December provided grant figures for 2011/12 and 2012/13 showing a reduction of 15.2% and 9% respectively. Further reductions in later years are expected and a provision for cash reductions of 5% in each of the last two years of the MTFF has been included.</p> <p>The Government has announced the intention to review Local Government resources and is expected to announce proposals for change later this year. These are expected to include proposals relating to NNDR (business rates) and also the localisation of Council Tax benefits. These are likely to be significant for district councils such as Colchester.</p>
2	<i>Government grants and partnership funding</i>	<p>The Council's budget has changed over recent years with a greater emphasis on funding from both partner organisations and Government bodies. These funding streams can rarely be guaranteed and can therefore add to our cost pressures.</p> <p>Provision has been made for reductions in Government grants in respect of housing benefit administration and sport and leisure. Further changes are possible over the coming years.</p> <p>No provision has been made in the 2011/12 budget for the New Homes Bonus. Future budget reports will consider this source of funding and the implications for the MTFF.</p>
3	<i>Pensions</i>	<p>An allowance has been built in for increases in pensions costs based on the results of the recent actuarial review and which therefore are fixed until 2014/15.</p>
4	<i>Fees and charges and other income</i>	<p>As has been seen in the past few years we have experienced a number of pressures arising from changes in income levels. In the current year income from off street car parks, sport and leisure, planning and cemetery and crematorium have all experienced a level of shortfall. Looking ahead to 2011/12 and beyond it is difficult to estimate how income levels may continue to be affected. The 11/12 budget assumes some decrease in revenue from car parking, planning and cemetery and crematorium and future updates of the MTFF will consider any changes to</p>

Ref	Risk / Area of uncertainty	
		income.
5	<i>Inflation</i>	<p>An allowance for general inflation has been built into the 11/12 forecast and MTFF, and specific increases allowed for items such as energy.</p> <p>The current (April 2010) CPI is 4.5% and RPI is 5.2% The economic forecasts published by HM Treasury point to inflation figures for 2011 of 4.1% and 5% for CPI and RPI respectively. Not all the Council's costs are directly linked to RPI and therefore we will continue to monitor the impact of inflation on all Council costs with particular attention on energy costs.</p> <p>An assumption of no annual pay increase has been shown for 2012/13 with an increase of 2% pa thereafter. Any changes to this will need to be considered in future updates.</p>
6	<i>Use of reserves</i>	<p>The budget position for 2011/12 includes proposals to use certain reserves. The MTFF assumes the ongoing use of the capital expenditure reserve and S106 reserve.</p> <p>The 2011/12 budget includes the proposal to agree that up to £0.6m be made available to meet one-off costs required to deliver the budget savings.</p>
7	<i>Legislation</i>	<p>There is likely to be several items of new legislation over the life of the MTFF for which any available funding may not cover costs or which may impact significantly on the Council e.g. universal credit.</p>
8	<i>Impact of regeneration programme e.g. car park closure and staff resources</i>	<p>As the regeneration programme progresses there will be an ongoing impact on income from car parks due to temporary and permanent closure of certain car parks and also the introduction of park and ride.</p>
9	<i>Property review</i>	<p>A review of our assets was carried out and a 5-year Building Repairs and Maintenance Plan produced. There will continue to be financial implications arising from this for both the revenue budget and capital programme and these will continue to be considered in detail and included in the on-going updates of the MTFF.</p>
10	<i>Impact of growth in the Borough and demand for services</i>	<p>A number of Local Authority services are directly impacted by the increase of population in the Borough, such as waste services, planning, benefits etc.</p> <p>As part of the budget it will be necessary to consider whether there is a need for additional resources in these or other areas in order to maintain levels of service.</p> <p>At this stage no allowance for these areas has been provided within the MTFF. Fundamental Service Reviews (FSR) have been carried out or are being implemented on some of the key areas affected by growth and such as benefits, housing and street services. The financial assumption made is that these reviews will assist in identifying efficiencies to cope with changes in demand, however, this will be regularly reviewed.</p>
11	<i>Delivery of budget savings</i>	<p>The 2011/12 budget includes a number of budget targets including cross cutting reviews such as ICT and communications as well as FSR and other budget changes. The MTFF assumes these will be delivered as proposed.</p>

Ref	Risk / Area of uncertainty
12	<p><i>Net earnings and investments</i> <i>Interest and</i></p> <p>The budget is influenced by a number of factors including interest rates and cashflow movements. The treasury management strategy highlights the outlook for interest rates in the medium-term which points to continuation of unprecedented low levels into 2011/12.</p> <p>The MTFF currently assumes no further recovery in this area. This will be monitored and considered again as part of the 2011/12 budget.</p> <p>No further provision has been made in respect of the Icelandic investment impairment. The situation will be monitored and any changes reported and reflected in the MTFF.</p>

All these issues will remain as risks to be managed over the course of the MTFF.

5. General Fund Balances – Risk Assessment

Introduction

A risk assessment has been undertaken to determine the prudent level of general fund balances as part of the 2011/12 budget process.

Background

Historically we have maintained a strong level of balances and these have been used to:-

- Support the annual budget - particularly to fund one off items.
- Fund new initiatives identified during the year.
- Provide cover for cashflow and emergency situations.
- Provide flexibility and a resource for change management.

Over recent years general fund balances have been reduced in a managed and prudent manner: -

	£'000	
31 March 2006	1,997	
31 March 2007	2,708	(includes £902k to support 2007/08 budget)
31 March 2008	3,347	(includes £1,232k to support 2008/09 budget)
31 March 2009	2,891	(includes £1.17k to support 2009/10 budget)
31 March 2010	3,926	(includes £1.89m to support 10/11 budget)
31 March 2011	3,457	

A thorough review of the balances position was reported to Cabinet as part of the 2010/11 budget exercise. This included a risk assessment to establish the minimum level, which was agreed at £1.5 million.

Risk Assessment

The risk assessment has been kept under review. The results of the current assessment are summarised below showing that the minimum level of balances being maintained at £1.5 million. It is then a matter of judgement whether it would be desirable to hold any further level of balances beyond this, or to seek to rebuild balances above this level to provide for future flexibility.

Factor	Assessed Risk		
	High £'000	Medium £'000	Low £'000
Cash Flow	950		
Capital (nil given reserves and receipts)			0
Inflation		100	
Investment Income	150		
Trading Activities and fees and charges		200	
Emergencies		50	
Benefits			100
New Spending – legal commitments			100
Litigation		150	
Partnerships			100
VAT Exemption Limit			350
Budget Process		100	
Revenue impact of capital schemes			150
Renaissance programme			0
Concessionary fares			50
Pension Contribution			50
	1,100	600	900
	Minimum Provision		
High Risk – 100%	1,100		
Medium Risk – 50%	300		
Low Risk – 10%	90		
Sub Total	1,490		
Unforeseen factors,	10		
Recommended level	1,500		

The main issues to mention concerning the assessment are: -

- While the possible requirement to meet capital spending from revenue resources is still recognised as a potential risk the assessment is "nil" because of the current level of funds held in the capital expenditure reserve and the introduction of the Prudential Code.
- Investment income has been identified as a risk area. In last year's risk assessment this was changed to be classified as a "high risk" and due to the continuing uncertainty in the world economy this has been maintained for next year.
- The assessment includes the risk that the VAT exemption limit will be exceeded with a consequent loss of recoverable VAT. Regular monitoring and active management of new schemes minimises this risk.
- The concern over the funding of the pension fund is recognised in the assessment. However "risk" is assessed as "low" because the anticipated increased contributions from the 2010 valuation have been built into the budget assumptions.

Implications

The risk assessment will be carried out at least annually as part of the budget process. While the current assessment indicates a minimum level it is important to recognise that there are implications of operating at this level. As noted above we have traditionally had a

level of balances that have provided flexibility and enabled new initiatives to be considered outside the annual budget process. Operating at the minimum level requires an approach and a discipline to: -

- Ensure all spending aspirations for the coming year are assessed as part of the annual budget process. The continued development of the Medium Term Financial Forecast will assist in this.
- Recognise that it will not be possible to draw on balances to fund new discretionary initiatives identified in the year, however desirable they may be; an alternative source of funding would need to be identified.
- Realise future assessments could identify a need to rebuild balances
- Accept that the potential for interest earnings on balances will change depending on the level of balances held. (This will be reflected in the budget accordingly).
- Acknowledge that any balances desired for future flexibility/change management will need to be built up over and above the prudent level identified.

In addition it is acknowledged that it may be necessary for balances to fall below the recommended level. Balances are provided to mitigate unbudgeted cost pressures and as such at times they may be used to provide temporary support to the Council's budget.

6. General Fund Balances - Position

The following table sets out the current level of General Fund balances.

General Fund Balances

	£'000	£'000
Balance as at 31 March 2011 (note 1) (As per Statement of Accounts)		3,457
Proposed use of balances during 2011/12:		
• Financing carry forwards – Proposed carry forward of 10/11 budgets (note 2)		292
• Funds released in previous years carried forward to 11/12 (note 3)		169
• Supporting the 11/12 Budget (Note 4)		600
• Further Changes in 2011/12:-		
Firstsite legal fees	500	
Tour Series event	30	
Customer service review	40	
Planning appeals	100	
Food waste trial	200	
Receipt of New Homes Bonus (note 5)	(324)	
	500	546
Projected Balances as at 31 March 2012		1,850
Agreed minimum balance		1,500
Potential Surplus Balances as at 31 March 2012		350

Notes:

1. The balance at 31 March 2011 reflects the outturn for 10/11
2. Carry forward budgets have been reviewed by the Head of Resource Management and reported to FASP 28 June.

3. This includes previous approved releases from balances which have not yet been spent and the previously approved transfer of £205k from the insurance provision
4. It was agreed to earmark up to £600k from balances to support one off-costs required to deliver budget savings.
5. Contribution to balances from grant received of £724k.

This forecast is on the basis that there are no further calls on balances during 2011/12 and the current year's budget does not overspend.

7. Earmarked Reserves and Provisions

The Council maintains a number of earmarked reserves and provisions, which allows it to prudently plan for future expenditure requirements. As at 31 March 2011 earmarked reserves totalled £4,816k and provisions £384k.

As part of the budget process a review was undertaken into the level and appropriateness of earmarked reserves and provisions. The review concluded that the reserves and provisions detailed in the following table remain appropriate and at an adequate level.

The position on these reserves will be reviewed as part of the 2012/13 budget process including forecasting and assessing the impact of future commitments.

Earmarked Reserves

Reserve	Amount 31/03/11 £'000	Estimate 31/03/12 £'000	Comment
Renewals and Repairs (including Building Maintenance Programme)	1,734	1,200	Maintained for the replacement of plant and equipment and the maintenance of premises. Annual contributions are based upon the estimated renewal or repair cost, spread over the life of the asset.
Insurance	517	350	To cover the self-insurance of selected properties. The balance of the fund is split with a proportion specifically identified as a provision against the cost of claims (see section B). Following an actuarial review it has previously been agreed that £205k of the current balance will be transferred to balances.
Capital Expenditure	1,362	1,062	Revenue provision to fund the capital programme. The reserve is fully committed to funding the current capital programme. However actual use of balance is dependent not only on progress of spending on approved capital schemes but also level of other resources, mainly capital receipts, received. This Reserve is also being

Reserve	Amount 31/03/11 £'000	Estimate 31/03/12 £'000	Comment
Asset Replacement Reserve	10	0	used to support some financing costs of the Community Stadium. A reserve for the future replacement of vehicles and plant. The vehicle replacement policy has been reviewed. Revenue contributions to this reserve have now ceased and the funding for the majority of repairs is now sourced from the Council's Capital Programme.
Gosbecks	391	391	Maintained to provide for the development of the Archaeological Park. The main source of funding was a 'dowry' agreed on the transfer of land.
On Street parking reserve	63	0	Any surplus ring fenced to cover deficits.
Heritage Reserve Mercury Theatre	5 234	5 259	Provision for the building's long term structural upkeep. (See comment in report regarding funding roof repairs).
Hollies Bequest	10	12	Provision for the upkeep of open space.
Section 106 monitoring	142	100	Required for future monitoring of Section 106 agreements. From 2010/11 onwards it has been agreed to use £70k from this reserve on an annual basis to support the budget.
Community Stadium - loan	35	0	To cover set up costs and working capital. No repayments are expected within 2010/11. The loan is repayable to the Council within 7 years from the agreement date of 29 January 2008.
Building Control	29	0	The Building Control Reserve is maintained under the requirements set down by the Building Control (Local Authority Charges) Regulations and it holds the surplus/deficit on the chargeable Building Control work performed by Council officers.
Revenue grants unapplied.	284	0	The Revenue Grants Unapplied Reserve is a new reserve maintained to hold the revenue grants income which has no conditions attached and is yet to be applied by the Council. It is assumed that this will fully be applied in 11/12.
	4,816	3,379	

Provisions

Reserve	Amount 31/03/11 £'000	Estimate 31/03/12 £'000	Comment
Insurance	384	300	This element of the fund is specifically set aside as a provision to meet the cost of claims, notably subsidence.
	384	300	

2012/13 Budget Timetable	
Budget Strategy March 11 – July 2011	
March – June (SMT and Budget Group)	Budget Group Meetings Agreed Update MTFF /Budget Strategy Review potential cost pressures, growth and risks Consider approach to budget Initial budget reviews started
Cabinet – 13 July 11	<ul style="list-style-type: none"> • Report on updated budget strategy / MTFF • Timetable approved
SOSP – 19 July 11	Review Cabinet report
Budget Group / Leadership Team - June / July	Consider review of capital programme Consider approach to consultation
Detailed Budget preparation and Budget Setting Consultation	
Budget Group / Leadership Team regular sessions on progress / budget options now - December	Review budget tasks (the 5 tracks) Consider outcomes of Fundamental Service Reviews
Cabinet – 7 September 11	<ul style="list-style-type: none"> • Budget Update • Proposals for consultation • Review of capital resources / programme
Cabinet – 12 October 11	Budget Update (if required)
Cabinet – 30 November 11	<ul style="list-style-type: none"> • Budget update • Reserves and balances • Grant settlement
SOSP – 13 December 11	Review Cabinet report / Budget Position (Strategic Review)
FASP – 24 January 12	Review consultation / Budget position (Detailed proposals)
Cabinet – 25 January 12	Revenue and Capital budgets recommended to Council
Council – 22 February 12	Budget agreed / capital programme agreed / Council Tax set

Timing of consultation to be included within process when agreed.

Leadership Team to review budget progress during year.



Strategic Overview and Scrutiny Panel

Item
12

19 July 2011

Report of	Head of Street Services	Author	Matthew Young ☎ 282902 Paul English ☎ 282309
Title	Trial of Doorstep Collection of Food Waste		
Wards affected	Mile End; Highwoods; St. Andrew's; Pyefleet and Stanway		

The Panel is invited to scrutinise the Portfolio Holder report setting out the details of the proposed Doorstep Food Waste Collection trial

1. Action required

- 1.1 The panel is asked to consider / comment upon on the attached Portfolio Holder report setting out the details of the proposed Doorstep Food Waste Collection trial.

2. Reason for scrutiny

- 2.1 The only remaining major material that can be removed from residual waste sacks and collected separately is food waste and the report attached sets out how this service could be trialled with the intention of rolling out the service across the Borough.
- 2.2 The Portfolio Holder for Street and Waste feels it is important that the planning and implementation of this trial should be scrutinised before he authorises its commencement to ensure that all aspects have been considered.

3. Background information

- 3.1 This detail of the trial is in the attached Portfolio Holder report and the Panel are invited to comment on this with a particular emphasis in the following areas:
- The benefits and disadvantages of undertaking a doorstep food waste collection service
 - The benefits and disadvantages of undertaking a trial
 - The trial areas selected
 - The collection methods to be employed and the equipment supplied
 - The publicity methods suggested
 - The monitoring and review methods

4. Strategic Plan references

- 4.1 This supports the achievement of the 'Reduce, Reuse, Recycle' priority.

5. Other Standard References

- 5.1 All the standard references are covered in the attached Portfolio Holder report.



PORTFOLIO HOLDER FOR STREET AND WASTE SERVICES

Item

July 2011

Report of	Head of Street Services	Author	Matthew Young 282902 Paul English 282309
Title	Trial of Doorstep Collection of Food Waste		
Wards affected	Mile End; Highwoods; St. Andrew's; Pyefleet and Stanway		

This report recommends the establishment and implementation of Food Waste doorstep collection trials

1. Decision(s) Required

- 1.1 To authorise the planning and implementation of a one-year food waste doorstep collection trials in line with the proposals set out in section five of this report.

2. Reasons for Decision(s)

- 2.1 It is recognised that to make the next substantial improvement in recycling/composting performance it is necessary to establish a scheme that removes from the residual waste the last major material that can be diverted from landfill which is food waste.
- 2.2 A food waste doorstep collection service has been set up by a number of authorities across the country over the last five years that has led to substantial improvements in its recycling/composting rate with the corresponding reduction in the amount of waste sent to landfill.

3. Alternative Options

- 3.1 To not introduce a food waste collection service or introduce a whole borough scheme without carrying out trials.

4. Supporting Information

- 4.1 The introduction of separate collections of food waste for recycling has been a stated aim of this administration and officers were asked to prepare cost estimates for the introduction of a trial of doorstep food waste collection.
- 4.2 The trial will involve each household in the selected areas being issued with a lockable kerbside bucket, indoor 'kitchen' caddy and one roll of caddy liners. The bucket is placed out on the boundary of the property on the day of collection and then the householder retrieves it after the collection has been made, similar to the green recycling box.
- 4.3 The costs that follow in section nine represent the minimum required by the service to establish the necessary equipment and staffing to commence the service and promote it within the trial areas. It also provides householders within the trial areas with the necessary equipment and information to participate.

- 4.4 Based on industry research and existing operations it is estimated that the tonnage collected by the implementation of a food waste trial over a 12 month period would increase the Borough's overall recycling rate by approximately 0.8%. Looking forward a Borough-wide implementation would increase it by 7.6% with a weekly residual collection and by 8.8% with a fortnightly residual collection.
- 4.5 The selection of the most appropriate trial areas is very important and the areas selected for the trial, set out in paragraph 5.1, represent a cross-section of the Borough as a whole so that the experience and lessons learned can be applied if the service is extended to all residential properties.
- 4.6 The areas have been selected as they give a relatively good representation of the socio-demographic make-up of the whole Borough. This has been done by creating a Mosaic data profile for each of the four areas which has then been compared against the profile of the whole Borough. This excludes most blocks of flats as they use communal bins and would therefore not be included in a kerbside food waste collection scheme.
- 4.7 Once the trial areas are agreed the most important task will be communication with the residents in those areas to encourage participation. This is covered in section eight of this report.
- 4.8 There are two further issues that need to be considered and these follow with officer recommendation to be endorsed by the Portfolio Holder.
- Residual Waste Collection – due to the change to a four-day collection cycle it is recommended that, for the first six months, weekly waste collection continue in all the trial areas. Participation in the scheme and tonnages collected will be reviewed and if it is felt that these could be increased by changing to a fortnightly waste collection this will be trialled in the second six months in some or all of the areas.
 - It is recommended that one roll of 25 liners is provided for each household within the trial areas with information for residents on how to purchase further liners or other options that can be utilised.
- 4.9 The Waste Task and Finish Group, established through the Policy Review and Development Panel, will be asked to comment on the planning of the trial and also closely monitor the progress, success and results so recommendations can be made back to the Panel, Portfolio Holder and the Cabinet for consideration both during and after the trial is finished.
- 4.10 Eastern Waste Disposal based in Brightlingsea will be the disposal point for the food waste collected during this trial. The tonnage will attract no income as the cost to Essex County Council for treating the food waste is higher than the value of the recycling credit payable so there is no income stream to offset our collection costs against.

5. Proposals

- 5.1 That doorstep food waste collection trials are established in the following areas:
- Mile End and North Highwoods: route 4 collected on Tuesday
 - Greenstead: route 4 collected on Wednesday
 - Fingringhoe and Abberton: route 10 collected on Thursday
 - Stanway (Tollgate and Lakeside): route 1 collected on Friday

- 5.2 The four areas cover a total of 8,630 households. However, we anticipate that one food waste vehicle may not be able to collect from more than 7,100 households over a week. Therefore, certain pockets will be removed within these areas at a later stage by selecting areas containing socio-demographic groups that are overrepresented.
- 5.3 It is recommended that the trial continues for one year so that collection methods, participation and tonnages can be fully assessed with a plan to introduce the full service incrementally across the Borough from April 2013 if finances can be identified.
- 5.4 That a trial is planned and implemented in line with the following timetable:

Task	By when (2011)
Vehicle procurement exercise	End - July
Container procurement	End - August
Communications plan commences	Beginning September
Delivery of caddies/ leaflets/ liners	Mid - October
Vehicle delivery	October
Commence food waste trial	Beginning - November

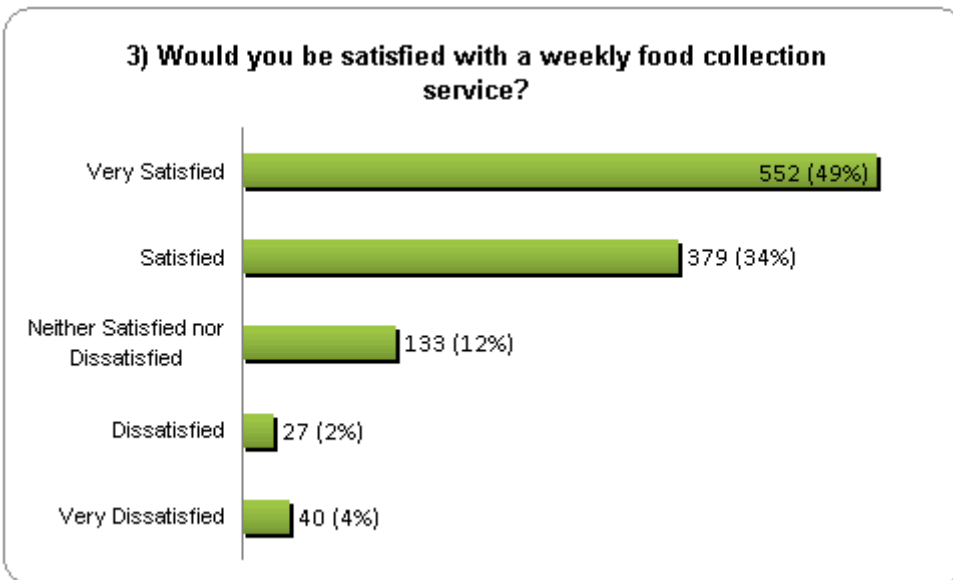
6. Strategic Plan References

- 6.1 This supports the achievement of the 'Reduce, Reuse, Recycle' priority.

7. Consultation

- 7.1 As part of the 2009 consultation into potential future options for waste collection a specific question was asked about food waste which was:

Would you be satisfied with a weekly food collection service?



Almost half of respondents (49%, 552 people) stated that they would be very satisfied with a weekly food collection service and a further 34% (379 people) stated that they would be satisfied with this service.

8. Publicity Considerations

- 8.1 As well as there being a focus on the target areas there also needs to be work Borough-wide to help Councillors and residents understand why certain area have or have not been chosen.

- 8.2 As well as encouraging relevant Councillors to be ambassadors for the scheme this work will help promote the scheme to all residents and help address issues that may arise over issues like smells and attracting flies or rats. It will be stressed that the collection will help address these issues and be an improvement on the existing inclusion of food with the residual waste sack and therefore highlight the further benefits of the scheme.
- 8.2 A tailored and cost effective Communications plan will be developed, informed by existing best practice and information on the demographics of the areas in Colchester chosen so to select the most effective communications messages and channels. Communications will be Borough-wide for information and the long term promotion of the scheme if it is extended. This communication will be enhanced in the target areas, working with local media; the Council's online, social media and customer service channels; Borough-wide networks and important partners like Schools. There will be a two month lead in time for the Communications Plan leading up to the trial start date.
- 8.3 Media monitoring and evaluation on all issued information will be based on target audiences as well as positive/negative coverage throughout and following conclusion of the trial to ensure that a balanced viewpoint is maintained. This will assist with the overall project evaluation including the success of behaviour change to more sustainable actions specifically the use of the food waste collection service for households within the trial and awareness and support of the service from residents across the Borough.

9. Financial Implications

- 9.1 The budget allocated for the trial will enable the funding of the operating costs which includes the staffing and vehicles and the container costs and represent the minimum required by the service to establish the necessary equipment and manpower to commence the service and promote it within the trial areas.
- 9.2 The full trial costs are estimated as follows:

Costs for a 1 year trial	Detail	X	Total
Number of properties visited each week			7,076
Participation rate based on WRAP's 'ready reckoner'	Linked to index of multiple deprivation		63%
Vehicle costs including estimated fuel usage (excluding in-cab technology)			£27,000
Labour costs incl. NI, pension and sickness/holiday cover	Driver - £27,881 Loaders - £20,778	1 2	£27,881 £41,556
Total operating costs			£96,437
Cost of one larger outdoor bucket per HH incl. one-off individual deliveries by external company	£3.88	7,076	£27,455
Cost of one small kitchen caddy per HH	£0.96	7,076	£6,793
Liner costs	£0.98 per roll (first roll of 25 supplied)	7,076	£6,934
Total container costs			£41,182
Promotional costs	£2 per household	7,076	£14,152
Combined Total			£151,771

10. Equality, Diversity and Human Rights implications

- 10.1 It is recognised that some households will need more assistance than others to have the confidence to participate in the trial so publicity campaigns will need to be adjusted to meet the needs of various groups.
- 10.2 Furthermore, those households in the trial areas who already receive an assisted collection will need to be contacted to ensure that they can participate in the trial.
- 10.3 To view the Equality Impact Assessment on the Food Waste Trials go to the Council's website www.colchester.gov.uk and follow the pathway: (Panel Members please note that the EQI on Flood Waste Trials is attached to this report).

11. Community Safety implications

- 11.1 There are no direct community safety implications.

12. Health and safety implications

- 12.1 All staff will have sufficient training in the safe operation of the new machinery, manual handling and basic traffic awareness, as well as being supplied with the Working Method Statement and Risk Assessment that will be put in place for this task

13. Risk Management

- 13.1 Without implementation of a collection service to divert the food waste element from the residual waste stream it is unlikely that the Council's recycling performance and waste minimisation efforts will improve sufficiently to meet future corporate and national targets and priorities.
- 13.2 A full risk management plan will be developed looking at the planning and operation of this new service and will be shared and discussed with the Portfolio Holder and task and finish Group during the preparations for the Trial.

Background papers

Colchester Borough Council Waste and Recycling Consultation (November 2009-January 2010)
WRAP guidance on food waste collection (July 2009)

Colchester Borough Council

Equality Impact Assessment Form

Screening

Name of strategy, project or policy to be assessed		Is the strategy/project/policy:	
Food Waste Trial		New ✓	Existing
Lead officer completing assessment	Job title	Date of assessment	
Paul English	Group Manager – Recycling & Fleet	29/06/11	
Responsible service	Head of Service		
Street Services	Matthew Young		

1. What is the main purpose of the policy, service or strategy?

The main purpose of the policy is to recognise and address that, to make the next substantial improvement in recycling/composting performance, it is necessary to establish a scheme that removes from the residual waste the last major material that can be diverted from landfill which is food waste.

2. List the main activities of the policy, service or strategy? (for strategies list the main policy areas):

To supply residents within a specified trial area appropriate containers to enable the separation of food waste from other residual materials and to provide a suitable kerbside collection of the separated food waste.

3. Who are the main audience, users or customers who will be affected by the policy, service or strategy?

Residents within specifically agreed trial areas

4. What outcomes are wanted from this policy, service or strategy?

The aim of the Food Waste Trial is to achieve an improvement in the Councils recycling/composting rate with a corresponding reduction in the amount of waste sent to landfill, as well as an educational awareness of how to reduce the amount of residual waste produced. A food waste doorstep collection service has been set up by a number of authorities across the country over the last five years that has led to substantial improvements in their performance figures.

5. Are other departments or partners involved in delivery of the policy, service or strategy? If so, please give details below.

Communications and Marketing team
Zone teams
Strategy & Business team
Customer Service Centre

6. What data, information or knowledge do you have to enable you to assess the impact on equality target groups? Please list below. (For example, think about performance indicators and targets, user satisfaction, uptake of services, consultation or involvement, workforce monitoring data, complaints, external verification and eligibility criteria).

Participation will be monitored at individual property level on a regular basis throughout the trial which will then be cross-referenced against the Mosaic categories already identified, along with comparisons between pre and post trial tonnage data. This will show the differing levels of participation and impact on differing groups within the trial areas.

7. Are there any concerns that the policy, service or strategy could have a differential impact in terms of equality?

Use the table below to indicate:

- Where you think that the policy, service or strategy could have a negative impact on any of the equality target groups, for example, it could disadvantage them;
- Where you think that the policy, service or strategy could have a positive impact on any of the groups or contribute to promoting equality, equal opportunities or improving relations within equality target groups;
- Provide an explanation as to why you think there is a positive or negative impact;
- The key elements of people’s lives affected by this policy, service or strategy. For example, finance, accommodation or welfare; and
- If you identified any data in question 6, use it to help your explanation below.

		Positive impact – it could benefit	Negative impact or risk – it could disadvantage	Explanation
Gender	Women	✓		Improved environmental awareness, cleaner/greener environment
	Men	✓		
	Transgender	✓		

		Positive impact – it could benefit	Negative impact or risk – it could disadvantage	Explanation
Race (census categories)	White – British	✓		
	White – Irish	✓		
	White – other background	✓		
	Mixed – White and Black Caribbean	✓		
	Mixed – White and Black African	✓		
	Mixed – White and Asian	✓		
	Any other mixed background	✓		
	Asian/Asian-British - Indian	✓		
	Asian/Asian-British - Pakistani	✓		
	Asian/Asian-British – any other Asian background	✓		
	Black/Black British – Caribbean	✓		
	Black/Black British – African	✓		
	Black/Black British – any other Black background	✓		
	Chinese	✓		
Disability	Gypsies/Travellers	✓		
	Any other group (write in)	✓		
	Physical	✓		Will have to ensure that those household on assisted collections are offered that service for this collection as well. Assessments will need to be made on the suitability of the kitchen bin for people with particular physical disabilities
	Sensory	✓		As the bin is substantially different from any other container we use there should be no problem in people with sight problems differentiating from other containers supplied
	Learning	✓		
	Mental health issues	✓		

		Positive impact – it could benefit	Negative impact or risk – it could disadvantage	Explanation
	Other – please specify	✓		
Sexual Orientation	Lesbian, gay and bisexual	✓		
Age	Older people (60 +)	✓		
	Younger people (17-25), and children (0-16)	✓		
Belief or Religion	Buddhist	✓		
	Christian	✓		
	Hindu	✓		
	Jewish	✓		
	Muslim	✓		
	Sikh	✓		
Language	Other – please specify	✓		
	English not first language	✓		However, will need to ensure that translation facilities are provided where requested
Social inclusion	Low income	✓		Would highlight the amount of food that is wasted in the home that should lead to improved purchasing and therefore less waste
	Rural isolation	✓		
Equal opportunities and /or improved relations				

8. Based on the explanations you have given in question 7, could the policy, service or strategy discriminate against any group(s) either directly or indirectly? If yes, please state how.

No as long as the assisted collections policy is used for this collections as well

Note: Direct discrimination occurs when a person is treated less favourably than another in a comparable situation because of their racial or ethnic origin, gender, religion or belief, disability, age or sexual orientation. Indirect discrimination occurs when an apparently neutral provision or practice would disadvantage people on the grounds of racial or ethnic origin, gender, religion or belief, disability, age or sexual orientation, unless the practice can be objectively justified by a legitimate aim.

9 a) If you have identified any negative impacts in question 7, how could you minimise or remove this negative impact?

See comment in 8

9 b) If you have identified any positive impacts in question 7, how could you improve or promote this positive impact?

Feedback to all residents through Councils media/communication channels and literature on improved recycling rate and reduction in waste to landfill

10. What consultation has been carried out on the policy, service or strategy? Who with? Please give the findings of the consultation below.

As part of the 2009 consultation into potential future options for waste collection the question **Would you be satisfied with a weekly food collection service?** was asked of all residents, to which almost half of respondents (49%, 552 people) stated that they would be very satisfied with a weekly food collection service and a further 34% (379 people) stated that they would be satisfied with this service.

11. Do the findings from the consultation remove any negative impacts identified in question 7? Please give an explanation below.

N/A

12. If consultation has not been carried out, and you have no data or information available which monitors the impact of the policy, service or strategy on equality target groups, how do you intend to make a decision on the impact?

N/A

13. Please give details of how you (or how you intend to) collect monitoring data in relation to any of the equality target groups:

Participation will be monitored at individual property level on a regular basis throughout the trial which will then be cross-referenced against the Mosaic categories already identified, along with comparisons between pre and post trial tonnage data. This will show the differing levels of participation and impact on differing groups within the trial areas.

14. Which main audience, users or customers identified in question 3 have you involved in producing this EqIA?

None

15. Summary of initial screening

Findings	Action required
No negative impacts have been identified and this has been justified with data or information. <input checked="" type="checkbox"/>	Sign off initial screening and finish.
Negative impacts were identified but have been minimised or removed. <input type="checkbox"/>	Implement actions identified in question 9a then sign off initial screening and finish.
Negative impacts were identified but have not been minimised or removed. <input type="checkbox"/>	Sign off initial screening and complete a full impact assessment.
Insufficient evidence to make a judgement. <input type="checkbox"/>	Sign off initial screening and complete a full impact assessment.

Please sign and date this form, keep one copy and send one copy to the relevant Head of Service and one to the Equality and Diversity Officer. **The EqIA Summary on the following page needs completing and submitting with report.**

Name:	Paul English	Copy sent to Head of Service? (Please name)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Job title:	Group Manager – Recycling & Fleet	Copy sent to Equality and Diversity Officer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Date of completion:	30/06/11	Copy published on CBC website?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Date for review of this screening:			

If you have identified any negative impact which is possibly discriminatory and not intended and/or of high impact, you must complete Section Two, Full Impact Assessment. Please contact the Equality and Diversity Officer for further information.

Equality Impact Assessment (EqIA) Summary

Name of strategy, project or policy assessed	Is the strategy/project/policy:	
	New	Existing
Lead officer completing assessment	Date of assessment	
Responsible Service	Head of Service	

Main purpose of strategy, service, project or policy
Findings of EqIA – list any positive or negative impacts identified.
If negative impacts have been identified through the EqIA process, list any amendments or actions to be taken to minimise or

remove the negative impact, where applicable.

A full copy of this EqIA can be accessed via our website: [add link to where EqIA is published on website](#)

Full Equality Impact Assessment

In the EqIA screening you identified negative impacts that have not been minimised or removed, or there was insufficient evidence to make a judgement, therefore you now need to complete a full impact assessment:

- You need to show what information, data or evidence you have gathered, including consultation, and the findings; and
- You are required to complete the action plan to show how you will use the information gathered to minimise, reduce or remove the negative impacts you have identified.

Once you have completed these sections you can sign off the full EqIA.

If you require further information on how to complete an EqIA please contact Claire Holland, Equality and Diversity Officer on 01206 506452 or by email Claire.holland@colchester.gov.uk

1. What information has been gathered, including consultation with target equality groups, on how the policy, service or strategy could impact on equality target groups. This could include consultation with the general (i.e. whole) population analysed by certain groups? If there has already been consultation what does it indicate about negative impact of this strategy, project or policy?

Equality target groups	Information gathered and findings
Women	
Black and minority ethnic people (including Gypsies	

Equality target groups	Information gathered and findings
and Travellers)	
Young people and children	
Older people	
People with disabilities	
Lesbian, gay or bisexual people	
Transgender people	
People with religious faith or beliefs	
People on low incomes	
People living in rural areas	
People without English as their first language.	

2. As a result of this assessment and available evidence collected, including consultation, state whether there will be any changes made/planned to the policy, service or strategy. If yes, please state changes to be made below.

3a) Have you set up a monitoring/evaluation/review process to check the successful implementation of the policy, service or strategy?

YES NO

3b) How will this monitoring/evaluation further assess the impact on the equality target groups/ensure the policy, service or strategy is non-discriminatory?

Action Plan

Equality strands	Negative impact	Action to minimise or remove negative impact	By who?	By when?	Progress to date
Gender					
Race					
Disability					
Sexual orientation					
Age					
Religion or belief					
Low income					
Rural isolation					
English not first language					

Sign off full EqIA

Name:		Copy sent to Head of Service? (Please name)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Job title:		Copy sent to Equality and Diversity Officer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Date of completion:		Copy published on CBC	Yes <input type="checkbox"/> No <input type="checkbox"/>

		website?	
Date action plan will be reviewed:			



Strategic Overview and Scrutiny Panel

Item
13

19 July 2011

Report of	Scrutiny Officer	Author	Robert Judd Tel. 282274
Title	Work Programme 2011-12		
Wards affected	Not applicable		

**This report sets out the 2011-12 Work Programme for the
Strategic Overview and Scrutiny Panel**

1. Action Required

- 1.1 The Panel is asked to consider and comment on the 2011-12 work programme, noting the changes made to the programme as mentioned in section 3.

2. Reason for Action

- 2.1 This function forms part of the Panel's Terms of Reference in the Constitution.

3. 2011-12 Work Programme

- 3.1 Following the requests by Members at the first meeting in June, the Work Programme has been revamped to reflect these changes. The reviews of Public Transport, The St Botolph's Regeneration Project and the Colchester Borough Homes Fundamental Service Review (CBH FSR) have been scheduled. These new arrangements have meant the addition of one extra meeting and a rescheduling of another. The St Botolph's Regeneration review is scheduled on an extra meeting date, 29 November 2011. The CBH FSR will be considered on 25 October (provisional), replacing the meeting of the 20 September.
- 3.2 The additional request was to consider the nine priority achievements within the Strategic Plan. This is a large piece of work, so in order to minimise and avoid duplicating Portfolio Holder and officer time, the Priority Achievements have been matched with an appropriate review e.g. at the August meeting, the review of the Safer Colchester Partnership is linked with the achievements of Community Safety.
- 3.3 At each meeting the appropriate Portfolio Holder (also noted on the Work Programme) will be in attendance to lead on the main review, and respond to questions on the outcomes of the Priority Achievements.
- 3.4 The Head of Street Services has requested the pre Portfolio Holder decision review of the Trial of Doorstep Collection of Food Waste, as reported in the 2012/13 Budget Strategy Paper. Both reports will be considered at this evening's meeting.

4. Outstanding Items for review

- 4.1 The following items will be scheduled in due course, the review of the Customer Strategy and the Street Services implementation of the FSR Business Case.

		<p><u>Healthy Living:</u> Active Colchester Community Sport Network established and priorities agreed. The 2012 project and activities with partners are underway. New sports premises are being delivered with new clubhouse on Abbeyfield progressing well.</p> <p><u>Community Development:</u> Work with communities to release resources to deliver a range of community facilities continues with a number of specific projects underway. A number of key activities undertaken to increase skills and reduce worklessness including training and skills.</p> <p><u>Job Creation:</u> Redundant rural buildings have been brought back into commercial use. Planning gain and additional sources of funding have been secured to increase apprenticeships, employment and training. Work to sustain business growth in North Colchester has seen a further £500k secured for a creative incubator in the town centre.</p>
<p>29 November 2011 (extra meeting)</p> <p>1. An overview of the St Botolph's Regeneration project</p>	Renaissance	
<p>13 December 2011</p> <p>1. Review of the Budget Strategy</p> <p>2. 2011-12 6-monthly Performance report</p>	Leader & Strategy / Resources and ICT Leader & Strategy	
<p>10 January 2012</p> <p>1. Public Transport in the Borough</p>	Street and Waste	<p><u>Congestion Busting:</u> A12 junction has been delivered ahead of schedule Planning application for a Park and Ride has been submitted.</p> <p><u>Reduce, Reuse and Recycle:</u> Carbon emissions have been reduced by 987 tonnes per annum. Partnership working to deliver a county wide approach to reuse household items and materials is in progress. 87% of Colchester's schools are now registered with Eco-Schools compared with only 3% five years ago.</p>
<p>14 February 2012</p> <p>1. Review of Colchester Community Stadium Limited - Chief Executive, Chair David Murthwaite to attend</p> <p>20 March 2012</p>	Communities and Diversity	

Meeting date / reviews	Portfolio	Strategic Plan Priority achievements
19 July 2011 1. Budget Strategy, Timetable and MTFF 2. Review of the Arts 3. Trial - doorstep collection of food waste (pre scrutiny)	Leader & Strategy / Resources and ICT Commerce and Sustainability	
30 August 2011 1. Safer Colchester Partnership (Crime and Disorder Committee)	Housing and Community Safety	<u>Community Safety:</u> Work to reduce anti social behaviour continues with reduced levels being achieved across the borough. Community days of action continue to be held every 4 months. Community street wardens have delivered over 1000 activities and are now a valued and embedded part of our communities. Dedicated graffiti team has been in place and performing well.
25 October (replaces 20 September 2011) Colchester Borough Homes – Fundamental Service Review	Housing and Community Safety	<u>Addressing Older Peoples Needs:</u> Encouraged over £1.2m of benefits take up for older people Reviewed all the councils sheltered housing schemes Achieved joined up public service commitment to provision of frontline advice and guidance through info point. Homes For All: Help has been provided to keep people in their own homes includes reduced use of temporary accommodation, closer working with partners, review of processes and at least 300 households have been prevented from becoming homeless. Our Local Development Framework requires 35% of all new homes be affordable. Our decent homes work is on target. Private sector housing standards are being enforced.
1 November 2011 1. Sport and Leisure - Fundamental Services Review	Communities and Diversity	<u>Addressing Younger Peoples Needs:</u> Increased skills in children's centres by increased training to deliver welfare advice Closer working between the council and schools with projects at Monkwick and St Johns schools underway. Provision of 89 work placements for local unemployed 18 to 24 year olds. Increased activities for youngsters with holiday swim sessions and 83 free activities attended by over 2000 people.

