

CABINET

27 NOVEMBER 2013

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

Also in Attendance :- Councillor Mary Blandon
Councillor Elizabeth Blundell
Councillor Nick Cope
Councillor Marcus Harrington
Councillor Pauline Hazell
Councillor Sue Lissimore
Councillor Gerard Oxford
Councillor Will Quince
Councillor Dennis Willetts
Councillor Beverly Davies

46. Minutes

The minutes of the meeting held on 9 October 2013 were confirmed as a correct record.

47. Have Your Say!

Andy Hamilton addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(2) about the Visual Arts Facility (VAF). He claimed that funding for the VAF was falling as funders realised the project had failed. It had generated negligible national interest. Visitor numbers were lower than claimed. Vandalism had been going on at the site for years and scarce police resources were being devoted to it. He asked why the Council wasted public resources on projects designed for the artistic elite such as the VAF and the cultural quarter. Businesses were not interested in the cultural quarter concept.

Councillor T. Young, Portfolio Holder for Planning, Community Safety and Culture, responded to state that the visitor numbers were accurate and that only a small and appropriate police resource had been used to deal with issues at the site. Council funding for firstsite was being reduced and firstsite was looking for other sources of funding. Inaccurate criticism of firstsite and Colchester was not helpful. Councillor Barlow, Portfolio Holder for Regeneration, stated that the item on the proposals for Roman House demonstrated that businesses were interested in the cultural quarter, contrary to Mr Hamilton's claims.

48. Allotment Charges and Review of Tenancy Agreements (COM-005-13)

Portfolio Holder decision COM-005-13 Allotment Charges and Review of Tenancy Agreements was referred to Cabinet to determine. A copy of the minute from the Scrutiny Panel meeting of 12 November 2013 had been circulated to each member, together with a copy of the original Portfolio Holder decision.

Councillor Davies, Chairman of the Scrutiny Panel, attended and, with the consent of the Chairman addressed the Cabinet. The Portfolio Holder decision had been referred back to the Portfolio Holder to consider further in the light of the comments by the Scrutiny Panel and she queried whether all the issues raised by the Panel had been properly investigated and considered. The Panel had identified many areas where savings could be made, in particular the Veolia contract. The issues around the letting of empty plots needed to be resolved. There was no evidence that other helpful suggestions, such as asking plot holders of boundary strips to take on the care and maintenance of those strips, had been considered. She was disappointed that the issue had been referred straight to Cabinet without any apparent further work on the suggestions made by the Scrutiny Panel and stressed her willingness to co-operate with further investigative work.

Councillor Lissimore attended and, with the consent of the Chairman, addressed the Cabinet. She stressed that the Colchester Allotment Association had been disappointed not to have been asked for their opinion on the issues in the Portfolio Holder report before it was considered by the Scrutiny Panel. She outlined the reasons for the call in. The action proposed was not proportionate to the desired outcome as the proposed rental for a plot, which was more than double the UK average, would deter people from renting allotments. This would lead to people missing out on the health and social benefits of allotments. There were other ways of increasing the income from allotments. There were 42 empty plots and a more efficient management of the service would increase income. The rule preventing only one allotment per household was unfair and should be removed. Whilst she agreed with the aim of making the service cost neutral, she queried why the costs were now being calculated in a different way from 2008, and asked for more information about the indirect costs that were being added to the service. The ending of the Veolia contract in 2014 would tie in with a five year plan to make the service cost neutral.

Councillor Willetts attended and, with consent of the Chairman, addressed the Cabinet to express his concern about how the scrutiny of this decision had been managed. The Scrutiny Panel had been provided with poor and limited information and their questions had not been properly answered. For example the information on comparative charges was not complete and did not analyse the reasons behind the wide range of charges. He expressed concern about the level of indirect managements costs incurred which he considered was indicative of the Council's inefficiency. The reason for this level of costs had still not been given. He was concerned that these issues had not been addressed in a report to Cabinet.

Councillor Harrington attended and, with the consent of the Chairman, addressed the Cabinet. He was surprised tht the decision had been referred direct to Cabinet as this implied that the Portfolio Holder disagreed with the Scrutiny Panel's conclusion. The Panel had given sensible, practical examples of how the service could be improved. The Panel had also looked at how management costs could be reduced. He believed

that the emphasis should be on reducing costs rather than increasing income. The expenditure breakdown provided to the Panel had been poor with duplication and a lack of detail.

Councillor Feltham, Portfolio Holder for Communities and Leisure Services, explained that she had looked at alternative ways of delivering the service, but had concluded there was no viable alternative to managing all the plots as a single package. Only a few sites were in parished areas, self management had not proved popular and Colchester Allotment Association did not represent all the plot holders. In terms of management costs, given the financial pressures facing the authority, these now had to be taken into consideration. The rise in charges was approximately £7 per annum which worked out at 14p per week, which she considered was not unreasonable. Even with the proposed rises the service would still be in deficit, so the approach was more generous than that provided to other some users of Council services. Over the next five years, she would seek to reduce management costs. She had responded positively to a number of the Allotment Association's proposals and she had asked officers to consider these further. On that basis she invited Cabinet to confirm Portfolio Holder decision COM-005-13.

Councillor Smith, Portfolio Holder for Business and Resources, stressed the need to account for both direct and indirect costs when assessing the viability of a service or business. It was hoped to reduce the deficit through efficiencies and through implementing the ideas of the Allotment Association. In the interim, a small increase in charges was being introduced. The subsidy for those on benefits would be maintained. Councillor Turrell highlighted the administration had inherited the Veolia contract and that the terms of the contract could not be changed at this point. She thanked Councillor Davies for the helpful suggestions that the Scrutiny Panel had made.

RESOLVED that Portfolio Holder decision COM-005-13 Allotment Charges and Review of Tenancy Agreements be confirmed

REASONS

As set out in the Portfolio Holder decision report.

ALTERNATIVE OPTIONS

It was open to Cabinet not to confirm the decision or to ask for further information to be obtained.

49. St Botolph's Quarter - Approval of Draft Heads of Terms for Roman House

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member. Fiona Duhamel, Estates and Regeneration Manager, attended and presented the proposals to the Cabinet.

Peter Kay addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(2) on behalf of the Bus Users Group. He outlined the history of the

Council's proposals for Queen Street. The Council's masterplan had led to 900 bus journeys a day travelling down Queen Street. Consequently the service was poor with frequent hold ups. The Council needed to improve the bus shelter on Queen Street. He hoped that there was no plan to move the shelter and expressed a fear that the shelter could be seen as incompatible with the proposed high class restaurant.

Nick Chilvers addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(2). He believed there was more of a market for an out of town cinema, rather than a cinema in this location, which could be off-putting to some customers. He wondered whether this scheme was being put forward as a solution to the planning problems with this site, rather than as a result of customer demand and queried what research had been done on customer lifestyles. There were safety considerations arising from the fact it was near a bus stop and a pinch point in the road. He noted that the Council wished to see a mixed use development in the area but felt that housing would be unattractive given the proximity to a cinema and night clubs.

Councillor Quince attended and, with the consent of the Chairman, addressed the Cabinet to express his support for the proposal. He believed Curzon would be a good fit for the site.

Councillor Barlow, Portfolio Holder for Regeneration, stressed that it was to Colchester's credit that it had attracted Curzon. The proposal demonstrated that businesses were interested in investing in Colchester. There was no intention to move the bus stop and the Council would work with Essex County Council to improve the road network. In respect of an out of town cinema, the Council would consider any such proposals brought forward by developers or land owners. Councillor T. Young, Portfolio Holder for Planning, Community Safety and Culture, expressed his support for the proposal which would increase Colchester's cultural offer and would provide a wider range of films to residents and visitors.

RESOLVED that:-

- (a) The long leasehold disposal of Roman House to Corinthian Curzon following a marketing campaign for the wider St Botolph's site be agreed and the draft Heads of Terms for the long leasehold sale of Roman House to Corinthian Curzon, identified by the area marked in pink on the plan attached to the Head of Commercial services report, be approved
- (b) The draft Heads of Terms for a long leasehold sale including the financial offer proposed, be approved.
- (c) Delegated authority be given to the Strategic Director in consultation with the Portfolio Holder for Regeneration to conclude the Heads of Terms and legal agreements substantially in accordance with the approved draft.

REASONS

To bring about the total redevelopment of Roman House to create a three screen boutique cinema at the upper level together with ground floor café/restaurants.

To bring forward another stage of regeneration of the St Botolph's Quarter which will create 55 new jobs in the area.

To allow further conversations to be carried out with the three bidders for the wider site.

To provide a significant capital receipt to the Council.

The formal approval of the Heads of Terms signifies a really positive step in bringing forward a development following a period of time that has seen an adverse economic climate.

ALTERNATIVE OPTIONS

The Council could seek to accept one of the alternative offers for the whole site but taking into account the delivery of key non financial objectives for the St. Botolph's Quarter and the financial aspirations, the Curzon development meets all of these objectives but also allows the opportunity for further discussions to be ongoing with the remaining three bidders for the remainder of the site.

50. Breakers Yards The Hythe – Approval of Preferred Bidder Following a Marketing Process

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

Belinda Federl, addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(2), on behalf of Hythe Forum. She expressed her disappointment that Hythe Forum had not been consulted on the proposals and had learnt of the scheme via the media. She stressed the need for better infrastructure in the Hythe. No information was provided about numbers or types of housing. The ending of the car breaker's lease seemed to be the key factor in the proposals rather than the needs of existing residents.

Councillor Quince attended and, with the consent of the Chairman, addressed the Cabinet to express his support. He appreciated the difficulty and expense in cleaning up contaminated sites. As well as remedying a contaminated land site, the proposal would also help meet Colchester's housing need. Many of the concerns expressed by Ms Federl would be addressed through the planning process.

Councillor Barlow, Portfolio Holder for Regeneration, explained that at this stage this was an in principle decision to proceed with Churchmanor. Detailed plans would then be brought forward and would go through the planning process. This would provide an opportunity for formal consultation with the local community. This was a good deal for Colchester which would lead to the development of a brownfield site.

Councillor Feltham, Portfolio Holder for Communities and Leisure Services, and ward councillor for New Town, stressed that ward councillors would work with the local community to ensure that the development helped provide the necessary community

facilities. Councillor Turrell, Portfolio Holder for Strategy, Councillor Hunt, Portfolio for Street and Waste Services and Councillor Bourne, also expressed their support for the proposals.

RESOLVED that:-

(a) The principle of a land disposal to Churchmanor Estates following the marketing of the Breakers Park site, be approved.

(b) Delegated authority be granted to the Strategic Director Ian Vipond, in consultation with the Portfolio Holder for Regeneration and the Portfolio Holder for Business and Resources to conclude the negotiation of Heads of Terms and legal documentation for the disposal of the Breakers Park site.

REASONS

The site in Haven Road is currently occupied by a number of car breakers and although it is located in a prominent part of the Hythe, it is run down and in need of regeneration.

Previous plans to develop the site for solely open space are not realistic in today's economic climate so a more commercial approach to redeveloping the site needs to be sought.

The Council is required to also manage the relocation of the two Breakers businesses currently on the site, simultaneously with the search for a viable development option. If the Council does not imminently create circumstances in which a planning application can be submitted for the proposed development, there is a real risk that the Breakers will acquire right to remain on the site for a further period of 5 years.

ALTERNATIVE OPTIONS

The Council could allow the current Breakers leases to be extended for 5 years. This would delay the regeneration of a site that now lies adjacent to the Maltings development where a £40m structure is currently being constructed. It would also fail to capitalise on the opportunity for development, which is the only defense that the Council has to resist the pressure for the lease renewal. A recent survey and costings for the decontamination on the site has been carried out by funding from Haven Gateway. A 5 year delay would mean this extensive survey would need to be carried out again at that time as the current survey information would no longer be valid after 5 years.

The Council could decide that the terms offered are not sufficiently desirable and decide to allow the existing tenants to remain on site with the associated future income stream. This will involve missing a major opportunity to make a clear statement to the residents and businesses within The Hythe that the Council is committed to backing up its earlier investment in the highly successful Hythe Forward Project, by bringing forward one of its own sites which is notoriously difficult to viably develop. Each successful initiative in The Hythe that the Council is currently orchestrating is helping to

change local mindsets to the future possibilities for the area. The early development of the Breakers Yards by the Council will be a hugely significant statement that it is at the forefront of the growing sense of momentum and belief in the area.

51. Fundamental Service Review of Corporate and Financial Management

The Executive Director Customer Operation and Partnerships of submitted a report a copy of which had been circulated to each Member together with minute 31 of the Scrutiny Panel meeting of 29 October 2013.

Councillor Smith, Portfolio Holder for Business and Resources, explained that the well established principles of the Fundamental Service Review process had been applied to the Council's Corporate and Financial Management Service. The proposals would improve efficiency and deliver £300,000 in budget savings each year.

RESOLVED that the business case resulting from the Fundamental Service Review of Corporate and Financial Management (CFM FSR) be approved, and the implementation stage of the review be authorised.

REASONS

To allow the implementation of the business case resulting from the CFM FSR, which will deliver improved customer service, greater service resilience and recurring revenue budget savings.

ALTERNATIVE OPTIONS

The alternative option would be not to approve the business case or to ask for changes to be made to the proposals set out in the business case. In either scenario, the delivery of an improved customer experience and greater efficiency and effectiveness could be delayed or not delivered.

52. Local Council Tax Support Scheme

The Head of Customer Services submitted a report a copy of which had been circulated to each Member together with minute 34 of the Scrutiny panel meeting of 12 November 2013.

Councillor Smith, Portfolio Holder for Business and Resources, explained that the Council was proposing the continuation of the existing Local Council Tax Support Scheme, despite a cut in government funding. The popular Back to Work Bonus would continue. He also noted that there had not been a significant impact on Council Tax collection rates.

RESOLVED that the continuation of the existing Local Council Tax Support scheme be

agreed, without fundamental amendment, into the second year 2014/15.

RECOMMENDED to COUNCIL that the Local Council Tax Support Scheme for 2014/15 be approved and adopted.

REASONS

Colchester Borough Council implemented a Local Council Tax Support scheme (effective from 1st April 2013) which was agreed by Full Council on the 6th December 2012.

Legislation requires that amendments to the scheme for 2014/15 need to be agreed by Full Council before 31st January 2014.

Agreement and recommendation is needed to limit the changes to the Local Council Tax Support scheme for 2014/15 to bring the scheme in line with national legislative amendments and to agree and recommend the scheme remain otherwise unaltered.

ALTERNATIVE OPTIONS

To alter the scheme for 2014/15 by increasing the minimum Council Tax contribution from 20% to 35% for working age claimants.

The alternative option of increasing the minimum contribution would not be recommended, taking account of the following considerations:

- There is no requirement to reduce further the level of Local Council Tax Support spend.
- Public consultation asked for specific comments on increasing the minimum Council Tax contribution from 20% to 35% for working age claimants. Responders to this question indicated they would be 'dissatisfied' (17%) or 'very dissatisfied' (67%) if such a change was introduced. Further information is detailed in section 7.
- By maintaining the current scheme this allows for a period of stability for customers, many of whom are affected by other Welfare Reforms.
- Maintaining the current scheme also allows us to consider effectively the impact Local Council Tax Support has on the Collection Fund. Based on data April 13 to 30th September 13 our collection rate is 57.4%, against 57.8% for the same period last year. Whilst acknowledging that this is a decrease, it is an improvement on predicted collection rates and within accepted tolerances.

53. Economic Development Strategy 2010-15

Minute 14 of the Policy Review and Development Panel meeting of 16 September 2013 was referred to the Cabinet.

RESOLVED that the following issues be borne in mind when considering the proposed refresh of the Council's Economic Development Strategy 2010 to 2015:

- (i) The potential lack of influence that Colchester will be able to exert over the funding priorities of the South East Local Enterprise Partnership, given its size and scope;
- (ii) Whether there are sufficient training solutions for older people needing to access digital services in the future;
- (iii) The need for the approach to the Town Centre to be focused;
- (iv) The need to learn from partners in Suffolk in relation to the Visit Anglia Strategy;
- (v) The continuing need for ways to stimulate more investment;
- (vi) Whether the targets for a Borough wide Broadband solution are too ambitious;
- (vii) The need for improvement in the feedback about apprenticeships from education providers to local businesses;
- (viii) To acknowledge the fact that generally investors require a return on their investment within five years;
- (ix) To welcome the news that Colchester has a thriving economy of £17.2billion;
- (x) For support to be given to the creation of a Creative Business Centre in Colchester but to acknowledge the need for more marketing of Colchester as a Creative and Digital Hub.

REASONS

Cabinet welcomed the recommendation from the Policy Review and Development Panel and considered that the identified issues would strengthen the Council's Economic Development Strategy. The recommendations were in line with the approach already being taken by the Cabinet.

ALTERNATIVE OPTIONS

It was open to the Cabinet not to agree the recommendation from the Policy Review and Development Panel or to agree with some of the issues put forward by the Panel.

54. 2014/15 Revenue Budget, Fees and Charges, Capital Programme and Financial Reserves

Councillors Smith (in respect of his membership of St Johns and Highwoods Community Centre) and Quince (as a Trustee of Grassroots) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

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

Robert Needham, Chair of Trustees at Age UK Colchester, addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(2). He explained that Age UK was supported by two principle funders: Colchester Borough Council and Age UK nationally. The Council's funding was subject to a Service Level Agreement. Similarly, the funding from Age UK nationally was subject to an agreement to deliver certain services, in particular the benefits welfare advice service. If it did not provide such a service, it would lose its funding from Age UK nationally and would be forced to close. The report suggested that the Welfare Reform Act protected older people's

access to benefits. However, this ignored the vulnerability of older people and their lack of knowledge about how to access benefits. Last year Age UK Colchester received 474 enquiries from older people and a total of £1,697,634 was awarded in otherwise unclaimed benefits. This could not be matched by any other organisation in Colchester. He suggested that instead the Council should reduce all grants to all charities in Colchester by 12.5% which would allow Age UK Colchester to continue.

Councillor Blundell attended and, with the consent of the Chairman, addressed the Cabinet in her capacity as a Trustee of Age UK Colchester. She endorsed the comments of Robert Needham and stressed the value of their work in addressing issues such as loneliness and isolation amongst elderly people. She noted that elderly residents had already suffered through the closure of Abbots Activity Centre. The report provided no information about how other organisations, such as the Citizens Advice Bureau, could provide a benefits advisory service and she doubted whether they could provide as effective a service as Age UK. The Council had a duty of care to its elderly residents and should give Age UK the support it needed.

Councillor Bourne, Portfolio Holder for Housing, responded that it was important to separate Age UK's core funding from the funding given on a one off basis. The core funding was provided at a higher level than by other authorities. The Council was now proposing to freeze the core funding. The funding for the benefits advisory service had initially been provided on a one off basis under a separate service level agreement. This had had been successful and the arrangement had been renewed over the past three years. However, it was not part of the core funding and therefore its withdrawal should not threaten the future of Age UK Colchester. Other service providers including the Council's Welfare Rights team would be able to help provide benefits advice to the elderly.

Nick Chilvers addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(2) to ask why the Council subsidised the Arts Centre, given that it had justified the closure of Abbots Activity Centre on the grounds of costs. He did not believe that the users of the Arts Centre were a vulnerable group. The Mercury Theatre and firstsite served the wider community but this did not apply to the Arts Centre.

Councillor Willetts attended and with the consent of the Chairman, addressed the Cabinet. He believed that the budget report was unduly pessimistic and had failed to account fully for increases in grants and income. He expressed concern about the shortfall in car parking income, which had not been properly explained and the reduction in funding for the arts organisations. This would lead to price increases which in turn would limit access to the arts. The reductions in funding to the voluntary sector were at odds with aims outlined in the Council's strategic documents to protect the vulnerable and particularly the elderly.

Councillor Hazell attended and, with the consent of the Chairman, addressed the Cabinet to express her concern about the proposed introduction of car parking charges at Gosbecks, which she believed would lead to parking being displaced on to the Roman Fields Estate. The Council should reconsider and look again at the costs of implementing and maintaining such a scheme.

Councillor Lissimore attended and, with the consent of the Chairman, addressed the Cabinet about the proposal to charge for parking at Gosbecks. When the decision to introduce parking charges at Highwoods had been called in, it had revealed that that only a very small profit could be made by such a scheme. Parking charges would displace parking to the Roman Fields estate and the entrance to Brick Wall Farm and should be ruled out now.

Councillor Quince attended and, with the consent of the Chairman, addressed the Cabinet to state that charging for parking at Gosbecks would cause serious problems on the Roman Fields estate. Congestion was also a serious problem in Colchester and the New Homes Bonus funding should be used on infrastructure to alleviate congestion.

Councillor Hunt, Portfolio Holder for Street and Waste Services, explained that he believed that it was right that those who used a car park should pay a larger proportion of costs for it than other Council Tax payers.

Councillor Smith, Portfolio Holder for Business and Resources, emphasised the reduction in Revenue Support Grant to the Council and the impact this had had. The administration had found £5 million in efficiencies but had protected frontline services. In respect of the arts organisations these received significant funding from the Arts Council. They also made a significant contribution to the economy of the town, particularly the Arts Centre. Park and Ride was progressing which would address the issues of congestion. He stressed that the Council was not cutting its funding to voluntary organisations at the level at which its own funding was being cut. Councillor T. Young, Portfolio Holder for Planning, Community Safety and Culture, emphasised the excellent outreach work done by the Arts Centre. The reductions in funding to the art organisations had been negotiated with them and would not lead to price increases or a decrease in the quality of their programmes. Councillor Bourne, Portfolio Holder for Housing, and Councillor Hunt, Portfolio Holder for Street and Waste Services, also indicated their support for the budget proposals. It was emphasised that 75% of savings had come from internal reviews. However, the programme of Fundamental Service Reviews was coming to a close and with further funding cuts to come, budget decisions would become increasingly difficult.

RESOLVED that:-

- (a) The current 2014/15 revenue budget forecast which at this stage shows a budget gap of £255k and the forecast variables and risks be noted.
- (b) The action being taken to finalise the budget be noted.
- (c) The recommended level of revenue balances be set at £1.8m for 2014/15 as set out in the Risk Analysis subject to consideration of outstanding issues as part of the final budget report in January 2014 (see Appendix F of the Assistant Chief Executive's report).
- (d) The current budget forecast for 2013/14 as set out at paragraph 12.11 of the Assistant Chief Executive's report be noted.

(e) It be noted that there are no changes are proposed to the Council Tax discounts set out in Appendix J of the Assistant Chief executive's report.

(f) The distribution of revenue grant to Parish, Town and Community Councils for 2014/15 as set out at Appendix C of the Assistant Chief Executive's report be approved.

(g) The funding for voluntary welfare organisations as set out in Appendix D of the Assistant Chief Executive's report be approved.

(h) Funding for the arts organisations set out at Appendix E of the Assistant Chief Executive's report be agreed.

(i) All fees and charges as set out in Appendix I of the Assistant Chief Executive's report be agreed.

(j) The release of resources £32k for Site Disposal Costs be agreed.

(k) The reallocation of funds already within the capital programme be agreed as follows:-

a. £71.2k underspend relating to North Colchester BIC to be reallocated to North Colchester Development Land.

b. £4.9k underspend relating to King Edward Quay to be reallocated to Transcoast.

c. Castle Walls, Town Walls and Walls to Closed Churchyards to be amalgamated into one scheme.

(l) *RECOMMENDED to COUNCIL* that the following new capital schemes are added to the Capital Programme, and the release of resources agreed:-

i) £856k for a new baler and shed at Shrub End Depot.

ii) £47.2k to relocate the Visitor Information Centre to Hollytrees

(m) It be noted that the Council will no longer be implementing a Local Authority Mortgage Scheme (LAMS) for the reasons set out in paragraph 15.2. of the Assistant Chief Executive's report.

REASONS

The Council is required to approve a budget strategy and timetable in respect of the year 2014/15.

This report relates to the budget update, a review of balances and the capital programme. This report also includes decisions in respect of fees and charges and certain specific budget changes to ensure that these can be reflected in the final budget.

ALTERNATIVE OPTIONS

There are different options that could be considered and as the budget progresses changes and further proposals will be made and considered by Cabinet and in turn Full Council. The separate appendices showing specific decisions include alternative

options where relevant.

55. Colchester Housing Revenue Account Business Plan 2013-43

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

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

Councillor Bourne, Portfolio Holder for Housing, indicated that the previous annual budgeting process had proved difficult for Colchester Borough Homes (CBH) as it created uncertainty about the level of resource they would receive. The new long term agreement with CBH and the 30 Year Business Plan would remove that uncertainty. It would allow the Council to commence a house building programme and planning permission had been granted on the first tranche of developments.

RESOLVED that:-

(a) Colchester's HRA Business Plan 2013/2014 to 2042/2043, be approved as set out at Appendix A of the Head of Commercial Services report.

(b) It be noted that the HRA Business Plan demonstrates:

- That there will be sufficient resources over the long-term to meet the Councils obligations to its stock, tenants and servicing of housing debt,
- That the availability of resources should be relatively resilient to changes in financial conditions,
- That there will be additional resources available in the medium to long-term that can be reinvested to meet more of the Council's priorities.

REASONS

An effective HRA Business Plan has become a key part of the Council's financial planning arrangements since Central Government announced the reform of the rules governing local authority housing finance and the introduction of the new self-financing system in 2012. Local authorities who still own their own housing stock are now able to plan with more certainty for the medium to long-term. The new system required a national redistribution of debt, meaning in Colchester's case a one-off take-on of debt of £73.694 million, in return for keeping all future revenue income. A proportion of Right to Buy receipts are still pooled and returned to central Government. It is essential that the HRA continues to be managed on sound business principles. The reforms also open up some exciting opportunities for Colchester.

ALTERNATIVE OPTIONS

No alternative options were present to Cabinet.

56. Capital Housing Investment Programme: Appointment of a Single Contractor to Provide Adaptations to Council Housing

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

RESOLVED that:-

(a) NPG Barron be appointed to deliver the Adaptations contract.

(b) The latest version Joint Contracts Tribunal (JCT) Measured Term Form of Contract be entered into with the successful contractor to deliver the works.

REASONS

As set out in the Head of Commercial Services report.

ALTERNATIVE OPTIONS

Not to accept the tender but this would impede the delivery of previous Cabinet decisions and may not deliver best value which the Council has a duty to seek.

Not to continue with the programme but again this would be at odds with the previous Cabinet decisions.

57. Capital Housing Investment Programme: Appointment of Two Contractors to Deliver Capital Internal Works (Including Kitchen Renewals, Bathroom Renewals, Central Heating Renewals and Rewires)

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

RESOLVED that:-

(a) Vinci Facilities be appointed to deliver Contract 1 (Internal Works).

(b) Axis Plc be appointed to deliver Contract 2 (Internal Works).

(c) The latest version Joint Contracts Tribunal (JCT) Measured Term Form of Contract be entered into with the successful individual contractors to deliver the works.

REASONS

As set out in the Head of Commercial Services report.

ALTERNATIVE OPTIONS

Not to accept the tenders of one or more of the proposed contractors. This would impede the delivery of previous Cabinet decisions and may not deliver best value which the Council has a duty to seek.

Not to continue with the programme but again this would be at odds with the previous Cabinet decisions.

58. Waste and Recycling Task and Finish Group

Minute 15 of the Policy Review and Development Panel meeting of 16 September 2013 was referred to the Cabinet.

Councillor Hunt thanked the members of the Waste and Recycling Task and Finish Group for the helpful advice it had provided and welcomed the proposal that it continue its work.

RESOLVED that the work of the Waste and Recycling Task and Finish Group be acknowledged and the Group be given authority to continue its work to assist the Portfolio Holder for Street and Waste in important issues for the delivery of the waste and recycling service in the future.

REASONS

The Waste and Recycling Task and Finish Group had provided valuable advice to the Portfolio Holder for Street and Waste Services and he would welcome its continuation.

ALTERNATIVE OPTIONS

It was open to the Cabinet not to agree with the recommendation from the Policy Review and Development Panel.

59. Award of Contract for ICT Systems Supporting the Universal Customer Contact Fundamental Service Review

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

RESOLVED that the award of contracts to Northgate Information Systems UK and Goss Interactive, as approved by the Chief Operating Officer in consultation with the Portfolio Holder for Business and Resources, for the supply and support of the Customer Experience ICT solution as part of the Universal Customer Contact Fundamental Service Review (UCC FSR) be noted.

REASONS

An early priority of the UCC FSR IT theme is to provide application software (termed the Customer Experience Solution) to match the changing needs of the customer with those of the organisation, which is itself undergoing massive change

Following a procurement exercise, the evaluating group recommended the selection of Northgate Information Systems UK and Goss Interactive as the two suppliers who together offered the best solution for our needs. That is: a solution intended to support a high quality and consistent customer service, operating across all contact channels. This recommendation was based on a comprehensive analysis of tender responses and supplier presentations, taking into account: quality, functionality and cost.

The Chief Operating Officer reviewed this recommendation, consulted with the Portfolio Holder for Business and Resources and approved the contract award under delegated authority.

The necessary legal and procurement activities have now taken place including the necessary standstill challenge period. There have been no legal challenges to date and initial implementation activities are now in progress.

The award is now being reported back to Cabinet in line with the previous report, which required that a report be submitted to the next meeting of the Cabinet, advising of actions taken.

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

60. Demand Management and Behaviour Change

Minute 13 of the Policy Review and Development Panel meeting of 16 September 2013 was referred to the Cabinet.

RESOLVED that the following issues be borne in mind when considering the Behaviour Change framework and future programme of work:

- (i) The benefits of expanding and building on the Behaviour Change work;
- (ii) The need to provide Behaviour Change training and support to staff and councillors in order to manage demands;
- (iii) The valuable assistance and support provided by the Cabinet Office Insights Team.

REASONS

The benefits of the work on Demand Management and Behaviour Change were set out in the minute from the Policy Review and development Panel.

ALTERNATIVE OPTIONS

It was open to the Cabinet not to agree with the recommendation from the Policy Review and Development Panel.

61. Abbots Activity Centre

Minute 31 of the Council meeting of 16 October 2013 was referred to the Cabinet.

Councillor Quince attended and with the consent of the Chairman, addressed the Cabinet. He was disappointed the motion had not been debated at Council. Whilst he was pleased that Abbot Activity Centre was now being used as a community centre he noted the agreement was only for one year. He also expressed his concern about the impact of the uncertainty about the future of Abbots had had on its members. Communication with the members had been poor.

Councillor Feltham, Portfolio Holder for Communities and Leisure contested the assertion that the closure had been badly handled. The process had been drawn out but the Council had been open with the members and had taken the time to listen and communicate with them. The Council had not known it would be possible for the Centre to open as a Community Centre at the time of closure. She commended officers across the Council for their work on Abbots.

Councillor Smith, Portfolio Holder for Business and Resources, Councillor Bourne, Portfolio Holder for Housing and Councillor Young, Portfolio Holder for Planning, Community Safety and Culture, spoke to express their concern at Councillor Quince's comments. The issue had become a political football and the stipulations that the opposition had put on the future use of Abbots would have prevented it being used a community centre and therefore the administration had not been able to explore that option. Tribute was paid to the work of Councillor Feltham on this issue.

Cabinet noted that the action requested in the motion had already taken place and therefore the Motion was no longer relevant.

RESOLVED that no further action be taken in relation to the Motion.

REASONS

The action requested by the Motion had already taken place and it was therefore no longer relevant.

ALTERNATIVE OPTIONS

None

62. Calendar of Meetings 2014-15

The Assistant Chief Executive submitted a report a copy of which had been circulated

to each Member.

RESOLVED that:-

(a) The draft Calendar of Meetings for the next municipal year from June 2014 to April 2015 be approved.

(b) Authority be delegated to the Chairman of the relevant Committee/Panel in conjunction with the Assistant Chief Executive to cancel meetings.

REASONS

The Calendar of Meetings needs to be determined so that decisions for the year can be timetabled into the respective work programmes and the Forward Plan.

Advance notice of the Calendar of Meetings needs to be made available to external organisations, parish councils and other bodies with which the Council works in partnership and to those members of the public who may wish to attend meetings of the council and make representations.

The meeting rooms also need to be reserved as soon as possible so that room bookings can be made for private functions by private individuals, external organisations and internal Council groups.

A formal arrangement needs to be in place for the cancellation of meetings that no longer need to be held.

ALTERNATIVE OPTIONS

This proposal has been largely devised based on the current meeting structure and frequency. It would be possible to devise alternative proposals using different criteria.

63. Guidance for Councillors and Officers on Outside Bodies

Minute 23 of the Governance Committee meeting of 15 October 2013 was referred to the Cabinet.

RESOLVED that it be noted that the revised Guidance includes advice to Councillors appointed as Board members regarding their Fiduciary Duty to the Company taking priority over the Councillor's responsibility to the Council when acting as a Board member.

REASONS

It was important that Councillors appointed as Board members were aware that their Fiduciary Duty to the Company took priority over the Councillor's responsibility to the Council when acting as a Board member.

ALTERNATIVE OPTIONS

It was open to the Cabinet not to agree with the recommendation from the Governance Committee.

64. Progress of Responses to the Public

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

RESOLVED that the contents of the Progress Sheet be noted.

REASONS

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

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

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

65. St Botolph's Quarter - Approval of Draft Heads of Terms for Roman House

The Head of Commercial Services submitted appendices to the report referred to in minute 49 a copy of which had been circulated to each Member.

RESOLVED that the appendices be noted.

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

66. Breakers Yards The Hythe - Approval of Preferred Bidder Following a Marketing Process

The Head of Commercial Services submitted appendices to the report referred to in minute 50 a copy of which had been circulated to each Member.

RESOLVED that the appendices be noted.

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

67. Capital Housing Investment Programme: Appointment of a Single Contractor to Provide Adaptations to Council Housing

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

RESOLVED that:-

(i) NPG Barron be appointed to deliver the Adaptations contract.

(ii) The latest version Joint Contracts Tribunal (JCT) Measured Term Form of Contract be entered into with the successful contractor to deliver the works.

REASONS

As set out in minute 56.

ALTERNATIVE OPTIONS

As set out in minute 56.

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

68. Capital Housing Investment Programme: Appointment of Two Contractors to Deliver Capital Internal Works (Including Kitchen Renewals, Bathroom Renewals, Central Heating Renewals and Rewires)

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

RESOLVED that:-

- (a) Vinci Facilities be appointed to deliver Contract 1 (Internal Works).
- (b) Axis Plc be appointed to deliver Contract 2 (Internal Works).
- (c) The latest version Joint Contracts Tribunal (JCT) Measured Term Form of Contract be entered into with the successful individual contractors to deliver the works.

REASONS

As set out in minute 57.

ALTERNATIVE OPTIONS

As set out in minute 57.