

CABINET 22 November 2017

Present: - Councillor Smith (Chairman)
Councillors Bourne, Cory, Feltham, Lilley, B. Oxford, J.
Scott-Boutell and T. Young

Also in attendance: - Councillors Barber, Cope, Hazell, Laws, Lissimore, G.
Oxford and Willetts

214. Minutes

RESOLVED that the minutes of the meeting held on 10 October 2017 be confirmed as a correct record.

215. Have Your Say

Councillor Peter Banks, West Mersea Town Council, addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) about Bradwell B. He expressed his concern that that the design assessment for Bradwell B had moved on to a second phase. This was deeply concerning and was economically, scientifically, morally and environmentally irresponsible. He asked what level of opposition Colchester Borough Council would make to these plans and would the Council be involved in discussions with other relevant authorities and organisations. In particular what pressure would be applied to Maldon District Council to ensure that the Councils representing Mersea and other coastal villages in Colchester Borough would be upgraded to statutory consultees? Would the Council support Blackwater Against Nuclear Group (BANG), which had considerable scientific expertise which it was willing to make available to the Council?

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, indicated that the Cabinet fully supported BANG in their opposition to Bradwell B. The Council had previously established a cross party Task and Finish Group which had looked at the issues involved in considerable detail and expressed the Council's opposition. This had been agreed unanimously by Council. The Cabinet was doing all it could to make its opposition known. Councillor Cory, Portfolio Holder for Resources, Councillor T. Young, Portfolio Holder for Business and Culture and Councillor Lilley, Portfolio Holder for Public Safety and Licensing all expressed their opposition to Bradwell B. It was hoped that there would be cross party support for BANG.

Mark Goacher addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). As the prospective Green Party candidate for Castle Ward, he had been contacted by a number of small businesses in the town centre who were concerned about the ban on A-boards. They were concerned that they had not properly consulted

about the ban. The blanket nature of the ban would affect footfall and was unfair as it was only an issue in Short Wyre Street. It was inconsistent to address A-boards but not take action against tables and chairs outside restaurants and cafes which took up more space on the pavements. The ban was driving businesses away and action should be targeted to where there was an issue, rather than implementing a blanket ban.

Councillor G. Oxford addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) in support of the ban on A-boards. It made it much easier for wheelchair users, parents with buggies and others with mobility difficulties to access the town centre. A-boards were not necessary as businesses could apply for planning permission for a sign hung from a bracket, which would have the same impact as an A-board.

Councillor Lilley, Portfolio Holder for Public Safety and Licensing, responded and explained that the Council had undertaken a rigorous consultation process before introducing the ban on A-boards and had also referred the issue to the Scrutiny Panel. Businesses had not attended the meeting of the Scrutiny Panel to put forward their views. A-boards had been an issue across the town centre, but he was pleased to note that there were only a handful of businesses still using them. This was a great improvement to the town centre and the policy was supported by the public. It would be reviewed after six months. The Council was willing to take powers from Essex County Council so it could licence fittings such as tables and chairs on pavements in the town centre.

Councillor Feltham, Portfolio Holder for Commercial Services, Councillor B. Oxford, Portfolio Holder for Customers and Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, also expressed their support for the ban on A-boards.

John Akker, addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to reiterate concerns about the enforcement of licences for caravans on Mersea. There were approximately 1800 caravans and lodges on Mersea and there was considerable concern that a number were being used as permanent residences. Evidence based on car registrations had been submitted to the Council but no action had been taken on the grounds that the drivers could not be traced. There was also evidence that there were 70 patients registered with doctors, who appeared to live in holiday accommodation. As a consequence, the Council was losing out on council tax revenue and public services were being stretched.

Councillor Bourne, Portfolio Holder for Housing and Communities, asked that the information be presented to her so that she could look into the issue.

Nick Chilvers addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). He had found that wheeled bins were cleaner and more convenient, and did not spoil the street scene, as he had feared. There was no reason that they could not be used in rural areas and in areas such as Lexden and Prettygate. The use of wheeled bins should be on the basis of the suitability of the premises, rather than the views of the local ward councillor. The Council needed to make more effort to promote the benefits of wheeled bins and allay fears. The Council should also ensure that the zones and street cleaning teams were properly resourced, and it should concentrate on these core services and leave issues such as leisure services for the private sector to provide.

Councillor J. Scott-Boutell, Portfolio Holder for Waste and Sustainability, explained that

there were no plans to roll out wheeled bins to other areas of the borough. Further information was required before this could be considered. Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, explained that the new system was working well and as a consequence 15 less tonnes of waste were being sent to landfill each week.

Councillor Lilley, Portfolio Holder for Public Safety and Licensing, explained that the Council was looking to put more resources into street cleaning, and was also looking for support from businesses. Residents also had a role to play in not creating litter, and the Public Space Protection Order would give the Council powers to enforce against littering.

Councillor Smith (in respect of being the Vice Chairman of the District Council Network) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

216. 2018/19 Revenue Budget, Fees and Charges and Financial Reserves

The Assistant Director Policy and Corporate submitted a report a copy of which had been circulated to each Member.

Councillor Barber attended and with the consent of the Chairman addressed the Cabinet. He noted with concern the budget gap and that the Council was not on course to deliver a balanced budget. The Council was seeking to raise revenue by increasing fees and charges to offset poor income delivery from the Council services. This was a disappointing strategy. He invited Councillor Cory to attend Trading Board and discuss ways of generating income for the Council. He would welcome the opportunity to discuss a number of rural issues with the Portfolio Holder for Resources, which he considered the administration neglected. For example the Digital Strategy focused on the urban areas of Colchester.

Councillor Laws attended and with the consent of the Chairman addressed the Cabinet. He noted that in 10 years the Gosbecks Reserve would have been spent and that the Council should look now at alternative ways of managing the site, such as transfer to the National Trust. The unallocated Heritage Reserve should be used to light up the Roman Walls. The 23% rise in the price of admissions to the Castle was noted and some concern was expressed about the impact this could have on tourism. The impact would need to be monitored. However, the policy of allowing residents of the borough to pay once and visit as often as they wanted during the course of the year was welcomed.

Councillor Cory, Portfolio Holder for Resources, agreed it would be useful to look at potential future options for Gosbecks. The unallocated Heritage Reserve was a capital fund and so could not be used for an ongoing revenue commitment such as lighting the Roman Walls. The Council was operating in a more commercial way and taking more risks in its approach to raising revenue. The commercial targets set for Council services were challenging and on occasions market forces meant these targets were not met, but this was still the correct strategy.

It was noted that central government had made no further funding available to local government in the national budget statement, despite the warning of the District Council Network. Despite the loss in income the Council was investing in Colchester and had identified £1.6 million of savings to offset this. Whilst the budget gap was currently £178,000

he was confident that this would be closed.

Councillor T. Young, Portfolio Holder for Business and Culture, stressed the extent of the cuts in funding from central government. Therefore the administration was looking at innovative ways to balance the budget. In respect of the entry fees to the Castle, this had been looked at in detail. It still represented excellent value for money, and other museums such as Hollytrees and the Natural History Museum remained free.

Councillor Feltham, Portfolio Holder for Commercial Services, highlighted the use of New Homes Bonus to deliver improvements to Charter Hall, which would make it into a more attractive venue and enable it to generate more income.

Councillor Bourne, Portfolio Holder for Housing and Communities agreed that that it would be sensible to begin to look at future options for the maintenance of the Gosbecks site now. Councillor Lilley, Portfolio Holder for Public Safety and Licensing, highlighted that the fees in respect of hackney carriage and private hire vehicles were subject to an ongoing consultation, and would be finalised once the consultation was complete.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, highlighted the fall in central government funding. The Council received only approximately £1.50 in Revenue Support Grant per resident. It was noted that in its budget the government had not lifted the cap on the Housing Revenue Account to allow Councils to begin building Council houses again. Whilst setting a budget became more challenging each year, the administration was protecting residents and frontline services from government cuts.

RESOLVED that:-

- (a) The current 2018/19 revenue budget forecast which at this stage shows a budget gap of £178k and the forecast variables and risks be noted;
- (b) The updated savings be included in the 2018/19 budget forecast;
- (c) The action being taken to finalise the budget be noted;
- (d) The 2018/19 taxbase be agreed by the Section 151 Officer in consultation with the Portfolio Holder for Resources;
- (e) The distribution of revenue grants to Parish, Town and Community Councils for 2018/19 as set out at Appendix C of the Assistant Director's report be approved.
- (f) The funding for arts grants as set out in Appendix D of the Assistant Director's report be approved.
- (g) All fees and charges as set out in Appendix F of the Assistant Director's report be agreed and authority be delegated to Assistant Directors to vary fees and charges in-year as set out in section 13 of the Assistant Director's report.

REASONS

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

2018/19. The Assistant Director's report relates to the budget update and a review of balances and 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.

217. Sport and Leisure Future Operational Model

The Assistant Director, Colchester Commercial Holdings submitted a report a copy of which had been circulated to each Member.

Councillor Feltham, Portfolio Holder for Commercial Services, introduced the report and explained that it was recommended that the ownership and assets of the Sport and Leisure Service would remain within the Council but that Colchester Commercial (Holdings) Ltd would be responsible for the operational and strategic management of the service. This would bring a more commercial focus to the operation of the service. However, the public sector ethos would be maintained. It was proposed that this model of operation be reviewed after a period of 18 months. The development of the Sport and Leisure service, and in particular Northern Gateway, would deliver better facilities for all residents and would raise the profile of Colchester

RESOLVED that:-

- (a) The findings of the recent Colchester Borough Council Sport and Leisure Service operational management review which also includes options for the ownership and management of the planned facility at Colchester Northern Gateway (CNG) be noted.
- (b) The recommendation that ownership and overall control of the Sport and Leisure Service remains with the Council with strategic and operational management of the service continuing to be carried out by the Council's wholly owned company Colchester Commercial Holdings be agreed.
- (c) The management and future operational model of the service be reviewed again after 18 months.
- (d) The new CNG facility also be operated by the Council with strategic and operational management arrangements being overseen by Colchester Commercial Holdings.
- (e) In accordance with the decision at paragraph (d) above, to continue to review the potential income opportunities and running costs during the construction phase with a final Business Plan to be approved by Cabinet prior to opening.

REASONS

Existing Sport and Leisure Services

Professional advice relating to business rates and VAT for transferring sport and leisure services to the Council's commercial company indicates that are likely to be additional VAT costs and no advantages in respect of business rates.

Colchester Commercial Holdings Ltd (CCH) have held responsibility for the management of Sport and Leisure Services since June 2017. Since implementing this management arrangement the service has undertaken a 'step change' in financial management, marketing, business and partner development bringing a more commercial culture into the organisation and maximising income to the Council.

Although it is considered financially and operationally advantageous for Sport and Leisure to remain within the Council at this time it is important that CCH has the opportunity to regularly consider, review and present the most advantageous delivery model.

Colchester Northern Gateway

The associated costs and income predictions for an external operator and in house operator are fairly comparable. Should the facility be more successful than projected, the Council will benefit directly from additional income from the in house model.

It is important to agree an operational model as soon as possible in order to ensure those running the facility can have input into the detailed design of the project

Business Plans rely on the scheme being utilised at near capacity in year one – advance marketing and business development activity will be key to this and will shape the final business plan.

Management of Sport and Leisure Services and CNG by a single operator ensures that activities relating to business growth, pricing, strategic development and sports development can be part of a coherent policy across the sites.

This cohesive approach to the development of sport and leisure services in the Borough will enable future multi-site opportunities to be explored and developed, with the recent Sport England pilot bid a good example of partnership working, not just between Council venues but with external facility providers too.

ALTERNATIVE OPTIONS

In terms of the current Sport and Leisure Service the following alternative options were considered;

Transfer Sport and Leisure Services into Colchester Commercial Holdings (CCH) and incur additional net VAT costs. The service could continue to be run as it has been historically without the input of CCH, however management by the wholly owned company over the last few months has shown considerable improvements in the marketing, and net income of the facility. In addition the senior management restructuring assumes that the management of the service would remain with the company.

The setting up a separate "not for profit" subsidiary may have limitations and could restrict

some commercial activities. In addition there remains a risk that this could still result in additional VAT costs.

A “trust “model is also a possible option but this would mean a loss of control by the council. This operating model has been examined in detail previously, with the result that officers were requested not to explore this option further.

A number of alternative options have been reviewed and assessed for the future management of the new Northern Gateway sports facility;

The whole site management could be outsourced and there was considerable interest from national and regional operators following a soft market testing exercise. Whilst an external operator would reduce any risk to the Council associated with running the facility, it would also take away direct control and future income opportunities.

A joint venture with a third party could be considered however it is considered that the Business Plan projections do not show enough profit for two parties to benefit from joint management.

For the same reasons as above it is considered that a commercial external operator would not be able to realise sufficient profit to consider the facility viable.

218. Combined Service Review – Customer Futures 2

The Assistant Director Customers submitted a report a copy of which had been circulated to each Member together with minute 136 of the Scrutiny Panel meeting of 7 November 2017.

Councillor Willetts attended and with the consent of the Chairman, addressed the Cabinet. The general shift to more modern means of communication was welcomed. However there would always be some groups who would wish to be able to communicate and transact with the Council in person. The reduction of staffing was noted, and the proper gearing of staff to work was also welcomed, but this must not be at the expense of customer service. It was vital that the changes did not lead to dissatisfaction with those who contacted the Council offline.

Councillor B. Oxford, Portfolio Holder for Customers, explained that the review would ensure that online services were delivered in an efficient and secure way and would provide a more streamlined online service to customers. It would also generate significant savings. By introducing specialist officers into the Customer Service Centre it would enable specialist queries to be resolved more quickly. Where customers had complex needs or were vulnerable, they would still be able to access services when and how they needed to. The review would empower and enable staff and provide more opportunities to progress.

Councillor Cory, Portfolio Holder for Resources, expressed his support for the proposed changes. He was confident that the changes and savings would be delivered. The investment in the ICT Strategy had laid the groundwork for the technological changes which underpinned the review.

RESOLVED that:-

(a) The proposed new service principles and operating model (structure) for the service known as Customers be approved, which is a result of a combined service review (Customer Futures 2) which has taken place over the past four months.

(b) The implementation stage of this review be approved.

REASONS

To implement the proposed new service principles and operating model for Customers which will deliver improved customer service for our online (web) channel as well as providing good customer services via the public office (Community Hub and Library) and the call centre for our more vulnerable customers and those with complex cases. It will result in recurring revenue budget savings.

ALTERNATIVE OPTIONS

The alternative option would be not to approve the new service principles and operating model (structure) or to ask for changes be made to the proposals set out in Appendix A. In either scenario, the delivery of an improved online (web) channel and greater efficiency and effectiveness could be delayed or not delivered.

219. Request for Delegated Authority to award Fleet Contract

The Assistant Director, Environment, submitted a report a copy of which had been circulated to each Member.

Councillor Willetts attended and with the consent of the Chairman addressed the Cabinet. It was the role of the opposition to hold the executive to account. However, when they had sought to call in a previous decision on the award of a contract under powers delegated by Cabinet, the reasons for the call in had not been accepted. In this case, important decisions were being delegated to the Portfolio Holder and Chief Operating officer, and it was important that these decisions were open to scrutiny. In particular they would welcome the opportunity to scrutinise the outcome of the options appraisal.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, explained that the contract was not due to come into effect until April 2019, which gave plenty of time for the Scrutiny Panel to look at this issue, should it choose to do so. It was open to the Scrutiny Panel to request that this be included on its work programme going forward.

RESOLVED that authority be delegated to the Chief Operating Officer in consultation with the Portfolio Holder for Waste and Sustainability to award the fleet contract.

REASONS

In order to award a new contract, there are likely to be a number of stages for varying vehicles and maintenance at different times throughout 2018. One of the factors is that the Council have to give 12 months' notice to the current contractor if it is decided not to

extend the contract. Therefore it is advised to delegate authority to the Chief Operating Officer in consultation with the Portfolio Holder for Waste and Sustainability in order to make a decisions as needed between Cabinet meetings.

ALTERNATIVE OPTIONS

There are a number of options as the current contract ends in 2019, and specifies that notice is to be given to the current provider by the end of March 2018. The procurement process to be followed will comply with the Public Procurement Regulations 2015.

220. Local Council Tax Support 2018/19

The Assistant Director Customers submitted a report a copy of which had been circulated to each Member together with minute 137 of the Scrutiny Panel meeting of 7 November 2017.

Councillor Cory, Portfolio Holder for Resources, introduced the report. He highlighted that the Council had a high council tax collection rate and that was in part due to an effective support scheme being in place. Over 9,000 residents were supported by the scheme. The main changes that were being introduced were to limit entitlement to Band D properties, to change the minimum level of entitlement to £2 per week and to disregard bereavement support payments or charitable payments as income or capital for the purposes of the scheme.

RESOLVED that the Local Council Tax Support Scheme from 1 April 2018 be agreed.

RECOMMENDED TO COUNCIL that the Local Council Tax Support Scheme be adopted.

REASONS

Legislation requires that following public consultation, amendments to the scheme for 2018/19 need to be agreed by Full Council before 31 January 2018.

ALTERNATIVE OPTIONS

Consultation proposals included an option to introduce a minimum earned income figure for those who are self-employed which is in line with the United Kingdom minimum wage for 16 hours worked. It is not recommended to take forward this option as it could lead to a disproportionate burden being placed on this resident base.

221. Officer Pay Policy Statement 2018/19

The Assistant Director Policy and Corporate submitted a report a copy of which had been circulated to each Member.

Councillor Cory, Portfolio Holder for Resources, introduced the report. He supported the principle of transparency that underpinned the publication of the Officer Pay Policy. The policy demonstrated the prudent approach that was taken to officer pay. In particular the

commitment to Living Wage (as set by the Living Wage Foundation) and the relatively small differential between the highest and lowest salaries were highlighted.

Councillor T. Young, Portfolio Holder for Business and Culture, also highlighted the payment of the Living Wage, and that contractors working for the Council were also obliged to pay the Living Wage. Work was underway to publish gender pay information, although when this had been looked at recently, there had been no gender pay gap.

RECOMMENDED TO COUNCIL that Officer Pay Policy Statement 2018/19 be approved and adopted.

REASONS

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

ALTERNATIVE OPTIONS

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

222. Approval of Colchester Borough Council’s Digital Strategy 2017-2022

The Assistant Director, Colchester Commercial Holdings, submitted a report a copy of which had been circulated to each Member.

Councillor Willetts attended and addressed the Cabinet. It was noted that the Local Plan had assumed an increase in the numbers of people who would be working from home and it was therefore important that the digital infrastructure throughout the borough was robust. There was currently a disparity in the between the progress on this in urban and rural areas and there was a significant lag in the delivery of improvements to rural areas. The Digital Strategy needed to correct this and have an aggressive approach to the delivery of high quality infrastructure throughout the borough.

Councillor Cory, Portfolio Holder for Resources, explained that Colchester was beginning to be seen as a beacon of technological expertise. This was reflected in the recent award from the European Union and Colchester had recently been visited by officials from central government seeking to learn from developments in Colchester. Colchester was also hoping to be a test area for 5 G trials.

Councillor T. Young, Portfolio Holder Business and Culture, explained that the Digital Strategy specifically addressed the issue of provision to rural areas and committed to ensuring rural areas were as well served as urban areas.

RESOLVED that the proposed Digital Strategy 2017-22 be adopted.

REASONS

The Council wishes to build on the exciting work undertaken to date in the digital sector in Colchester with the aim to make the Borough the best connected place in the East of England. As the sector continues to grow and opportunities emerge, the Strategy will be used to inform future discussions with a range of partners and funders, particularly DCMS and enable the development of an implementation plan.

The Council's ambition is to further develop the digital, IT and creative sectors to generate value-added employment of the future for the Borough's growing population.

The Digital Strategy is the first policy adopted by CBC to allow for joined-up use of its range of existing and future digital assets, all of which are currently operated on an ad hoc basis. These include town centre fibre networks, CCTV, 4G and WiFi transmitters and digital advertising panels. Subsequent business cases for the use of these assets will identify and detail potential commercial, revenue-generating opportunities arising from their use.

The publication of the Strategy coincides with the announcement by the Government of significant funding opportunities for, among others, Local Authorities. Each of the work streams contained in the Digital Strategy will be scrutinised to see whether it is suitable for application to the appropriate Departments for funding under the Government finance schemes.

ALTERNATIVE OPTIONS

Not to adopt the Digital Strategy however this would mean that the Council would not be able to present a coherent policy framework in its efforts to secure inward investment by tech companies, or to secure finance from the Government funding streams currently available.

223. Review of Councillor Development Policy

The Assistant Director Policy and Corporate submitted a report a copy of which had been circulated to each Member.

RESOLVED that the revised Councillor Development Policy be approved.

REASONS

In view of the time that has elapsed since the policy was last reviewed and in view of the forthcoming reassessment for Charter Status, this is a good opportunity to review the policy and check that it is still relevant and fit for purpose.

ALTERNATIVE OPTIONS

It is open to Cabinet either not to approve the revised Councillor Development Policy or to approve it subject to amendments.

224. Nomination of Deputy Mayor 2018-19

Consideration was given to the appointment of the Deputy Mayor for the 2018-19 Municipal Year.

Councillor Smith, Leader of the Council and Portfolio for Strategy, proposed Councillor Cope for appointment as Deputy Mayor for the Borough of Colchester for the 2018-19 Municipal Year.

Councillor G. Oxford addressed Cabinet to indicate his support for Councillor Cope's nomination.

Councillor Cope returned thanks for his nomination and indicated that, if appointed, he would serve as Mayor to the best of his ability.

RECOMMENDED TO COUNCIL that Councillor Cope be nominated for appointment as Deputy Mayor for the Borough of Colchester for the 2018-19 Municipal Year.

225. Progress of Responses to the Public

The Assistant Director, Policy and Corporate submitted a progress sheet a copy of which had been circulated to each Member.

RESOLVED that the contents of the Progress Sheet be noted.

REASONS

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

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

226. Minutes

RESOLVED that the not for publication extract from the minutes of the meeting held on 11 October 2017 be confirmed as a correct record.

The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

227. Sport and Leisure Future Operational Model

The Assistant Director Colchester Commercial Holdings submitted an appendix to the report in Part A of the agenda a copy of which had been circulated to each Member.

RESOLVED that Appendix A to the Assistant Director's report be noted.