

<p style="text-align: center;"><b>CABINET</b> <b>21 November 2018</b></p>
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*Present:* - Councillor Cory (Chairman)  
Councillors Barlow, Bourne, Goss, King, Lilley, B.  
Oxford\* and T. Young

*\*Not present for items at minutes 305 - 319*

*Also in attendance:* - Councillors Barber, Davies, Fox, Laws, Luxford  
Vaughan, Willetts

### **300. Minutes**

*RESOLVED* that the minutes of the meeting held on 10 October 2018 be confirmed as a correct record.

### **301. Have Your Say**

Neil Gilbranch addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). He argued that there was a statutory process for the Local Plan, and there was no need for an unaccountable quango to deliver it. There was no role for the North Essex Garden Communities Ltd NEGC at present. There was particular concern that it proposed spending £130,000 on public engagement, rather than public consultation. Local residents wanted proper consultation and to be involved in developing a proper plan that would deliver services in the right areas. Whilst previous Cabinet decisions may have committed the Council to the NEGC, it was premature to commit more funding to it at this point. None of the costs that would be incurred were required at this stage.

Dorian Kelly addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) about the proposed land transfer at Queen Street. This had been engineered to give Alumno some relief even though no planning permission had been granted. Changing the footprint of the building should require a fresh planning application. The proposals in the report looked like the planning application had been pre determined. The costs involved in the deal would be irrecoverable should the deal fall through. The receipt from the sale of the land would be invested in the Revolving Investment Fund and would not be used to fund services to residents,

Councillor King, Portfolio Holder for Resources, responded that the proposals in the report were usual commercial practices. Any agreements that were being entered into were conditional and were completely separate from the planning process.

Rosie Pearson addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to express her concern that further funding was being given to NEGC. This was a waste of money. NEGC had been set up to deliver three Garden Communities,

but it was possible now that something different may be the outcome of the Local Plan process. NEGC was looking to spend £3 million, including on public relations and legal costs. What communities needed was infrastructure and affordable housing. NEGC was seeking further funding on the basis of inconsistent and out of date information. A private sector organisation could take on the town planning role. A petition against the use of further taxpayer's money for garden communities had already garnered 1000 signatures in a short period.

Helen Hogan addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) and highlighted a number of comments made by signatories to the petition. These demonstrated public concern over further public funding of NEGC, particularly in view of the comments of Planning Inspector. The needs of local communities were being ignored and there was support for other use uses for the funding, such as to support Parish Councils to prepare Neighbourhood Plans.

John Akker addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to seek clarification about the implications of the Local Plan for Mersea. The Local Plan had allocated 200 new homes for Mersea, and the local infrastructure could only support this level of development. However, under the provisions of the National Planning Policy Framework this number could double. The West Mersea Neighbourhood Plan Ggroup wanted to prepare a plan on the basis of 200 extra homes, but it was unclear whether this was the correct number. However Mersea would not be able to cope with more than 200 homes. A meeting between representatives of Mersea and the Council would help provide clarity on the position.

Councillor T. Young, Portfolio Holder for Business and Culture, indicated that this was a matter that needed to be raised with the Local Plan Committee. Councillor Cory, Leader of the Council and Portfolio for Strategy explained that he had met with the Housing Minister and stressed the need for policies to take account of emerging plans. Councillor Goss, Portfolio Holder for Waste, Environment and Transportation, explained that he had raised the issue of infrastructure for Mersea with Essex County Council. There were no further plans to improve the highways infrastructure in East Mersea but it had been suggested that a bid be made for funding through the Local Highway Panel.

Sir Bob Russell addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to express his concern about the proposed agreement with Alumno whilst there was a live planning application. This would raise suspicions that the planning department was being pressured into recommending that the application be approved. It would also put the Planning Committee in a difficult decision. He requested information on the length of the long lease, the value of the capital receipt the Council would receive and whether there were any annual rights in addition to the capital receipt. He had made a freedom of information request for details of the financial and legal consequences for the Council should planning permission not be granted, and Cabinet needed to understand this before it reached any decision on the agreement.

Councillor Cory, Leader of the Council and Portfolio Holder for Strategy, stressed that there would no cost to the Council if planning permission was not granted, unless there was a successful appeal. Councillor King, Portfolio Holder for Resources, stressed that the proposals in the report on the land transfer at Queen Street were in the line with standard commercial practice. These decisions were completely separate from the planning poetess

and would ensure that a proper legal agreement was in place and would build confidence between the parties. It did not bind planning officers or the Planning Committee in any way.

Alan Short addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). He noted that the 2014 agreement for the development at Queen Street made no mention of student housing. The covenant for the site was incentivised for the benefit of Essex County Council and he understood that they would be requesting a very significant payment to vary the covenant. He queried whether the agreement would indemnify the Alumno against any further claim from Essex County Council on the covenant. He also queried whether the site would be leased in its current condition and whether the lease would be published. Meetings with developers should be minuted and made available in accordance with the Planning Procedures Code of Conduct.

Councillor Cory, Leader of the Council and Portfolio Holder for Strategy, explained that the publication of the report ensured that there was openness about the agreement with Alumno. The lease would be published once the deal was completed. Councillor T. Young, Portfolio Holder for Business and Culture, explained that negotiations with Essex County Council on the covenant were ongoing but he did not believe that the costs would be as significant as was being claimed. Adrian Pritchard, Chief Executive, was invited to clarify the position on the minuting of the meetings with developers and explained that this had been checked and this did not apply to the meetings with Alumno on this development.

Ali Wilkin addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). She had raised issues about the obstacles people with disabilities faced in accessing the town centre and local communities with the Borough Council under Have Your Say at a different Committee and with the Essex County Council Portfolio Holder. She was pleased by the positive response to the suggestion at the Council take part in Purple Thursday which sought to highlight the difficulties faced by those with disabilities. For young people with conditions such as autism and global delay access to the necessary support, such as that provided at Market Field School was crucial. Market Field School needed to be found a site to expand within the A120 corridor. Newcastle City Council had adopted a Disability Charter, which helped drive better access to support for disabilities and helped turn good intentions into action.

Councillor Cory Leader of the Council and Portfolio Holder for Strategy, Councillor Lilley, Portfolio Holder for Planning, Public Safety and Licensing and Councillor Bourne, Portfolio Holder for Housing and Communities, responded. The concept of the disability charter was welcomed and would be looked at although it was noted that Newcastle City Council would have greater control over the services necessary to make such a charter work effectively. The Council would work with Essex County Council and with partners such as Livewell to address these issues.

Jackie White addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to stress the importance of finding a site for Market Field School to expand within the A120 corridor. Young people with special educational needs were often failed and written off by the educational system and it was difficult to get their conditions recognised and treated, and for the necessary educational support to be put in place. Therefore, the services provided by Market Field School were vital. She would look to work with local councillors to set up a clinic where these issues could be addressed and provide better opportunities for young people. If Councillors supported Market Field School in finding

a site then this would help make Colchester a better place for its young people.

Councillor Cory, Leader of the Council and Portfolio Holder for Strategy, and Councillor T. Young, Portfolio Holder for Business and Culture, responded and expressed their support. There needed to be a change in mindset at a national level on these issues and it was important to lobby members of parliament to put pressure on national government.

Councillor G. Oxford attended and with the consent of the Chairman addressed Cabinet to express his support for the Centurion newsletter, which would help keep residents informed of the work of the Council in a non-partisan way. He also explained that the first batch of signs recording that Colchester was Britain's first city, would be unveiled soon.

Councillor Laws attended and with the consent of the Chairman addressed Cabinet and thanked them for the additional resource that had been found for cleaning the town centre. It was noted that the grouting on the pavements on the High Street needed to be repaired and hoped this would be raised with Essex County Council. He also thanked Cabinet for their support on heritage issues. However, the introduction of the Centurion newsletter, soon after the adoption of the Breaking Point motion, was disingenuous.

Councillor Cory, Leader of the Council and Portfolio Holder for Strategy, explained that the Centurion newsletter was part of a wider initiative to ensure that residents were better informed and to help instil civic pride. Councillor Goss, Portfolio Holder for Waste, Environment and Transportation, explained that he had raised the issue of grouting with Essex County Council but that it would require significant funding.

### **302. Strategic Plan Spending Priorities**

The Strategic Director submitted a report a copy of which had been circulated to each Member.

Councillor Willetts attended and with the consent of the Chairman and addressed Cabinet. The purpose of the spending priorities had been to deliver radical change for residents and increase local control of services. The plan had evolved into something less ambitious and over a longer timescale. It was now made up of a number of minor projects. This was a significant scaling back of the original plan. For example, the Council had not taken back any powers from Essex County Council and no progress had been made on a number of the priorities or key projects.

Councillor Cory, Leader of the Council and Portfolio Holder for Strategy, explained that the spending priorities had not been scaled back. Significant progress had been made on a number of priorities and there had been a new emphasis on listening and engaging. Essex County Council had not engaged in the way the administration had hoped, but progress was being made on transport issues and the Council had invested in the Local Highway Panel.

Councillor King, Portfolio Holder for Resources, stressed that significant progress had been made in relation to each of the priorities. He was pleased with the cooperation the administration had received from the opposition on a number of issues.

*RESOLVED* that:-

- (a) The progress and further detail against the eight priority themes be noted.
- (b) The amended funding allocations set out in section 10 of the Assistant Director's report be agreed.

#### *REASONS*

These priorities reflect those set out in the Strategic Plan and the allocation of resources will enable them to be moved forward more quickly.

#### *ALTERNATIVE OPTIONS*

A different set of actions could be agreed however it is felt that these are of the highest importance.

No additional actions could be instigated however there is a significant amount of one-off money available that should be put to use for the benefit of Colchester.

### **303. 2019/10 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 believed that businesses were not always aware of the support available to them and it would be sensible to bring all that information together in one place on the Council's website. The Council needed a clearer Economic Strategy. He expressed concern about the risks of borrowing and would welcome the opportunity to discuss with the Portfolio Holder for Resources. He also sought clarity on whether there were plans for a further rollout of wheeled bins within the borough.

Councillor King, Portfolio Holder for Resources, Councillor T. Young, Portfolio Holder for Business and Culture, and Councillor Goss Portfolio Holder for Waste, Environment and Transportation, responded. There were no plans for a further roll out of wheeled bins at present but it was open to ward councillors to survey residents and if there was support within their ward, this could be considered. The administration would look to see if it could better signpost business to the support available.

Councillor King, Portfolio Holder for Resources, introduced the report. He explained that he was confident that he would be in a position to bring forward a balanced budget in January 2019 and that whilst the position for 2019.20 was challenging the level of services could be maintained.

*RESOLVED* that:-

- (a) The current 2019/20 revenue budget forecast which at this stage shows a budget gap of £213k and the forecast variables and risks be noted.
- (b) The updated savings be included in the 2019/20 budget forecast.

- (c) The action being taken to finalise the budget be noted.
- (d) The 2019/20 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 2019/20 as set out at Appendix C of the Assistant Director's report be approved.
- (f) All fees and charges as set out in Appendix F of the Assistant Director's report be agreed and to continue to delegate to Assistant Directors the authority to vary fees and charges in-year as set 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 2019/20.

The Assistant Director's report relates to the budget update. 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.

**Councillor T. Young (in respect of his position as Director of North Essex Garden Communities Ltd) and Councillor King (in respect of his position as substitute Director of North Essex Garden Communities Ltd) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).**

#### **304. North Essex Garden Communities Ltd – Shareholder Approvals and Updates**

The Strategic Director Policy and Place, Section 151 Officer and Monitoring Officer submitted a report a copy of which had been circulated to each Member.

Paul Griffith addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). He sought clarification as to whether it would be prudent if Councillor T. Young, as a member of the NEGC Board, did not vote on this item. There was a lack of transparency as it was not clear how NEGC spent the funding it received. In view of the risks that were outlined in the Strategic Director's report, it would be more sensible to for the Cabinet to pause and reflect before providing further funding to NEGC. At the very least it should await a response from the Inspector to the authorities' joint letter.

The Monitoring Officer explained that as the Council's appointee to the NEGC Board,

Councillor T. Young had a non-pecuniary interest in this matter was therefore able to participate and vote on the proposals.

Councillor T. Young, Portfolio for Business and Culture, explained that an infrastructure first approach to delivering housing had been agreed and NEGC was the delivery vehicle to ensure this would happen. NEGC would be needed no matter where the garden communities were delivered. It was doing a good job and had the relevant expertise. All its directors were democratically elected so it was accountable.

Councillor Cory, Leader of the Council and Portfolio Holder for Strategy, explained that he supported the proposals in the report but considered it was premature to commit further money until the Inspector had responded to the authorities' joint letter and indicated that work could continue on garden communities principles. He proposed a caveat that no further funding would be provided to NEGC until a response had been received from the Inspector to the authorities' joint letter. He had discussed this with the other authorities and they were content with this approach.

Councillor Laws attended and with the consent of the Chairman addressed the Cabinet and welcomed the caveat proposed by the Leader of the council.

Councillor Willetts attended and with the consent of the Chairman addressed the Cabinet, and expressed his concern that the risks set out at paragraph 9.1 of the Business Plan was hazy. It did not acknowledge the possibility of optimism bias, which was identified in Treasury guidance as a potential risk in such large scale projects. In addition the risk of a change in political control in one of the Councils on the project had also not been evaluated.

Councillor King, Portfolio Holder for Resources, explained that he believed the NEGC business plan had identified the risks appropriately. The loss of political support had been identified. The Council's risk register would be reviewed and amended if necessary.

Councillor Luxford Vaughan attended and with the consent of the Chairman addressed the Cabinet. Further funding should not be provided NEGC as there had been no response to from the Inspector to the letter from the authorities. In addition an objective Sustainability Appraisal was to be completed, and until this was done and sites identified no detailed work could be done. The support for Garden Communities was predicated on infrastructure funding, and the position on that would not be clear until early 2019. Therefore there was no need to provide further funding, and decisions on this should await the resolution of these issues. It was noted that £130,000 was proposed for engagement work, but that a public relations firm had been commissioned to conduct this. The funding would be used to try and sell an unsound strategy. At this stage work should be concentrated on gathering the evidence base.

Councillor Barber attended and with the consent of the Chairman addressed the Cabinet. The proposed caveat to the decision was welcomed. In terms of the public engagement, he asked whether this could be done more economically and effectively by the Councils. There needed to greater opportunity for oversight by the Local Plan Committee of the work it had requested on the evidence base.

Councillor T. Young, Portfolio Holder for Business and Cultured stressed that NEGC was working very effectively. It was securing funding from government. The Councils needed to

retain their expertise. No other realistic method of delivering the required housing numbers had been brought forward. By necessity not all the information could be brought into the public domain at this stage, but if members wanted further information they should approach the Leader or Local Plan Committee members. Councillor King, Portfolio Holder for Resources, stressed that importance of the professional expertise in NEGC. If funding was not provided it would destroy relationships and with partners and would stall momentum on the Local Plan. The greater risk would be in not proceeding with the funding.

Councillor Cory, Leader of the Council, and Portfolio Holder for Strategy proposed that the recommendations in the report be approved, subject to a caveat that no further funding would be provided to NEGC until a response had been received from the Inspector to the authorities' joint letter that confirmed that he was content for the authorities to continue in accordance with garden communities principles.

*RESOLVED* that:-

(a) The implementation of an Interim Business Plan (subject to confirmation of government funding) for NEGC Ltd for 2018/19, including the associated Budget as set out in Appendix A of the Strategic Director's report be approved;

(b) The Financial Procedure Rules for NEGC Ltd as set out in Appendix B of the Strategic Director's be approved;

(c) The Section 151 Officers be authorised to agree any future allocation of the project funds held by Colchester Borough Council between NEGC Ltd and the North Essex Authorities;

(d) £100k be committed from the Garden Communities Budget upon a formal request by way of a NEGC Board resolution, subject to the receipt of a response from the Planning Inspector to the authorities' joint letter confirming that he was content for the authorities to continue in accordance with garden communities principles.

(e) It be noted that a report will be considered at a future Cabinet meeting in respect of funding assumptions for 2019/20; and

(f) The preparation of a full options appraisal of the Garden Communities delivery options be agreed to enable members to take future decisions on potential Development Corporation proposals, with linked oversight arrangements between the North Essex Authorities.

*REASONS*

To seek Cabinet's on-going support, working together with Braintree District Council, Essex County Council and Tendring District Council, to progress the concept of 'garden communities' and to approve the interim business plan for 2018/19 for NEGC Ltd and governance arrangements for the project.

*ALTERNATIVE OPTIONS*

No further options are being presented within the context of this report, as the alternative decision would be not to approve the Interim Business Plan, Budget and Financial Procedure Rules.

### **305. Matters relating to Land Transfer at Queen Street**

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

Councillor King, Portfolio Holder for Resources, introduced the proposals, which formalised the position on the agreement with Alumno. This was absolutely normal practice and provided openness and transparency. This was entirely separate to the planning process. In view of the concerns that had been expressed the Chief Executive, Adrian Pritchard was invited to address Cabinet. He confirmed that in any such development, the Council would meet and negotiate with commercial developers. This was always subject to planning permission and if the developer failed to obtain planning permission, the agreement would fall.

*RESOLVED* that:-

- (a) The long leasehold disposal of the site, as identified outlined red on the site plan at Appendix A to Strategic Director's report be agreed.
- (b) To approve the amendments to the terms of the transaction since the Cabinet Decision on 5<sup>th</sup> March 2014 be approved, which include the "preferred developer" Building Partnerships taking on a development management function for the project and Alumno Group Limited and Alumno Student (Essex) Limited becoming long leaseholders of the scheme. The not for publication Appendix B sets out the revised terms of the transaction in detail.
- (c) Authority be delegated to the Strategic Director, Policy and Place in conjunction with the Portfolio Holder for Resources to conclude legal documentation for the long leasehold sale of the site substantially in accordance with the approved heads of terms

### *REASONS*

To complete the next phase in the regeneration of the St Botolph's area and in particular bring this derelict site back in to economic use with a new development comprising a new hotel, a mix of retail, restaurant and studio uses, along with purpose built student accommodation.

The proposed development will complement the new Curzon Cinema development at Roman House, the Creative Business Centre at 37 Queen Street and the Firstsite gallery.

To provide a capital receipt to the Council to support schemes within the Revolving Investment Fund.

### *ALTERNATIVE OPTIONS*

The Council could conclude that the financial terms or regeneration objectives offered are not satisfactory and seek to remarket the site. However, as a site in the heart of the town centre, the land has many constraints to development including ground conditions, archaeology and a challenging retail and restaurant market so when taking these into account and considering previous marketing exercises, it has been demonstrated market value is being obtained and the proposals meet the Council's vision for the site.

### **306. Local Council Tax Scheme 2019-20**

The Assistant Director Customers submitted a report a copy of which had been circulated to each Member together with minute 184 of the Scrutiny Panel meeting of 16 October 2018.

Councillor King, Portfolio Holder for Resources, introduced the proposals. The Local Council Tax Support Scheme provided support to the most vulnerable residents of the borough. It was one of the most generous schemes in the county. The scheme was largely unchanged from the previous year, and would provide some stability in benefit provisions whilst Universal Credit was introduced. The scheme would be reviewed again for the following financial year when the impact of Universal Credit would be taken into consideration.

*RESOLVED* that the Local Council Tax Support Scheme for 2019-2020 be agreed

*RECOMMENDED TO COUNCIL* that the Local Council Tax Scheme 2019-20 be adopted.

#### *REASONS*

Legislation requires that the scheme, effective from 1 April 2019, is agreed by March 2019.

The only amendments from the current scheme being the prescribed regulations and mandated national legislative amendments. It is recommended that current working age entitlement is maintained for the fiscal year effective from 1 April 2019.

#### *ALTERNATIVE OPTIONS*

Changes could be made to the scheme. However stability to the scheme is being recommended due to the introduction of Universal Credit from 4 July 2018. This will provide residents with some consistency within the context of a fundamental change to other forms of benefit and support.

Stability of scheme entitlement will also allow for a review of banded income schemes, and other alternatives ahead of the fiscal year 2020/21

### **307. Officer Pay Policy Statement 2019-20**

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

Councillor King, Portfolio Holder for Resources, introduced the report. This provided transparency to residents and staff about the Council's pay structure. It also demonstrated

the Council's commitment to good working practices, such as apprenticeships and the payment of the Living Wage to staff and contractors.

*RECOMMENDED TO COUNCIL* that the Officer Pay Policy Statement 2019/20 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.

### **308. Colchester Northern Gateway Sports Park – Appointment of Contractor**

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

Councillor Barlow, Portfolio Holder for Commercial Services, stressed that these proposals were a key step in the delivery of this major project. It would deliver a 76 acre site and would cost in the region of £20million. It would contribute to a number of council priorities. He thanked officers and the previous portfolio holder, Annie Feltham, and it was a testament to their work that it had reached this stage major controversy. Work had begun onsite. The Council would retain control of the sports hub which would ensure the site was run for the benefit of the residents of Colchester.

*RESOLVED* that:-

- (a) The decision on part B of the agenda for this meeting paper to appoint the contractor to deliver the main sports park contract be noted.
- (b) The review of the scheme costs, revised funding decision and financial details of the scheme and associated decisions as set out in the Assistant Director's report and the report on part B of the agenda be noted.
- (c) The revised scheme cost be approved and to *RECOMMEND TO COUNCIL* its inclusion at this level in the capital programme.
- (d) The release of the Section 106 funds received as set out in Assistant Director's report be approved and that the remaining expected sums be used for this project.
- (e) The long term borrowing of this project of £2.827m be agreed and this sum be included within the Treasury Management Strategy and Prudential Indicators.

(f) The potential revenue implications of this scheme arising from the borrowing and cashflow position be noted and these be reflected in the 2019/20 budget and Medium Term Financial Forecast.

### *REASONS*

This is an important milestone in the delivery of the Northern Gateway Sports Hub and is a major step in creating a destination of regional significance for sport. The appointment of contractor and acceptance of the revised budget requirement and funding package will enable the 76 acre sports hub project to progress and allow the buildings, civils and infrastructure elements of the project to commence.

The advance pitch works contract for the grass pitches was let ahead of the main contract to ensure they were completed and allowed enough growing time. These have now been completed three weeks ahead of schedule.

This contract will see the buildings, the civils, the cycle track and all remaining works to the site completed, as well as improvements to the highway.

To appoint a contractor who can deliver a high quality scheme within the defined programme.

As the scheme has progressed through the design stages and has achieved planning consent the budget requirement has increased, and the funding package has changed, these are set out in the financial section of the Assistant Director's report.

### *ALTERNATIVE OPTIONS*

Not to appoint a contractor; however, this would mean the project could not be delivered within the required timeframe and the project would have to be re-tendered, meaning a delay of at least 6 months. By not appointing a contractor at this time the wider Northern Gateway project including moving the Rugby Club from Mill Road would be delayed and a number of other external funding opportunities and linked projects, including substantial forecast capital receipts could be put at risk.

Not to accept the revised budget requirement and funding package; however, this would also mean that the project as in its current form could not be delivered within the current programme. In addition a new scheme and a new funding strategy would have to be devised.

### **309. Northern Gateway Sports Park – Financial Operational Plan**

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

*RESOLVED* that:-

(a) The financial update and forecast of the Northern Gateway be noted and appropriate provision be made in the 2019/20 budget for the net costs.

(b) The additional opportunities be noted and the continued pursuance of these possible funding streams be approved.

(c) The estimated net costs and income be included within the Medium Term Financial Forecast it be noted that an update on these projections will be provided alongside the 2020/21 budget strategy.

### *REASONS*

As the capital construction project has commenced it is vital that the Council have a good understanding of the running costs of this brand new facility for Colchester.

Work will continue to further refine the operating model up until opening of the Sports Park and Cabinet need to be aware of the different future income streams which are currently being pursued.

### *ALTERNATIVE OPTIONS*

The financial plan has been produced based on a number of assumptions that are considered to be realistic. There are limited opportunities to improve the position further by reducing costs or increasing income within the current scope of the model.

Cabinet has previously considered the options in respect of operating the new facility and it was agreed that the in house model should be pursued, so other options are not examined in the Assistant Director's report.

### **310. Increasing the Supply of Affordable Housing through the use of Right to Buy Receipts**

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

Councillor Bourne, Portfolio Holder for Housing and Communities explained that that the Council lost approximately 40 council houses a year through the Right to Buy scheme. This scheme would allow the purchase of up to 20 properties through the use of right to buy receipts. The Council would have full allocation rights for these properties and they would be exempt from Right to Buy so would be a permanent addition to the Council's housing stock.

Councillor T. Young, Portfolio Holder for Business and Culture, paid tribute to the work of Councillor Bourne in bringing forward the scheme. The Council would rather develop and build its own Council housing and there could be an opportunity to do this through the lifting of the cap, but in interim this was a valuable scheme.

*RESOLVED* that:-

(a) The use of up to £1.2 million from the Council's reserve of retained right to buy receipts for the purchase of up to 20 properties to deliver additional affordable housing, in partnership with Heylo Housing, be approved.

(b) To approve expenditure of £200,000 for other costs associated with this scheme be approved, which represents the proportion (70%) of costs such as repairs and legal costs associated with the purchased which are not funded from the retained right to buy receipts and which will be met from other Housing Revenue Account resources.

(c) The financial implications of this proposal ne included in the Housing Revenue Account estimates report which will be considered by Cabinet at its January 2019 meeting.

(d) Authority be delegated to the Assistant Director Policy and Corporate, in consultation with the Portfolio Holder for Housing and Communities, to negotiate the terms and purchase price of individual properties and to enter into the shared ownership lease for these properties.

(e) Affordable rents be charged on the properties that are purchased in order to ensure the viability of the project.

(f) The properties be let to tenants for an initial period of ten years on a fixed term tenancy.

(g) The viability and potential out-right purchase, disposal of the properties or continuation of the Council as a shared owner no later than 9 years after purchase be reviewed.

## *REASONS*

There are over 4,000 households on the Council's Housing Register seeking affordable housing. The Council continues to seek new and innovative ways to increase the supply of affordable housing and provide good quality, affordable and stable homes for Colchester's residents who are in housing need.

In August 2012 the Council entered into an agreement with the Government to allow the Council to retain receipts arising from the right to buy. The agreement requires an undertaking from Colchester Borough Council that retained right to buy receipts will be spent on replacement affordable homes. Retained RTB receipts should not make up more than 30% of total spend on replacement stock. The Council has three years from the time the receipt was received to spend it, any unused receipts must be repaid to the Government along with interest at 4% above base rate.

The recommended decisions contained within this report will enable the Council to deliver an additional 20 affordable homes and spend up to £1.2 million of RTB receipts, which are due to be paid back to the Government in 2019/2020 along with the estimated £180,000 in interest.

## *ALTERNATIVE OPTIONS*

The Council can decide to not proceed with the proposals in this report is option but will then risk of repaying up to £1.2 million in right to buy receipts and having to pay an estimated £180,000 in interest to the Government. The opportunity to secure additional affordable housing using this money will also be lost.

### **311. Request to delegate the responsibility for agreeing the award of the Void properties and Insurance works contract to the Portfolio Holder for Housing & Communities**

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

*RESOLVED* that authority be delegated to the Portfolio Holder for Housing and Communities for agreeing the interim arrangements and, in due course, the award of a new voids properties and insurance works contract.

#### *REASONS*

The current contractor has given contractual notice to terminate the contract.

In order to maintain a service to return empty residential properties (voids) to a lettable condition and to carry out works resulting from insured events, interim arrangements need to be put in place while re-procuring the contract.

The sudden nature of the contractor giving notice, the relatively short timescales involved and the need to return voids to a lettable condition in a minimum timescale indicate that delegating authority to the Portfolio Holder for Housing and Communities is the most suitable approval process to ensure the best chance of mobilising a new contract with a smooth transition.

#### *ALTERNATIVE OPTIONS*

An alternative option is not to put in place any interim back-up arrangements. However, it is clear from the contract that large insurance jobs will not be undertaken if there is any likelihood that they will not be completed by 12 April 2019. There is the same clarity over voids works not being started. Consequently, this option is not considered to be prudent.

There is an option to wait to progress new contract procedures; but there may be delays in the public sector procurement processes that would mean a new contract would not start immediately after the expiry of the existing contract. Failure to put in place interim measures, and to procure a new contract, would result in increased losses in rental and service charge income and a failure to tenant vacant properties. This option is not considered a prudent way forward.

### **312. Contract Award for Highways Repairs to Unadopted Roads**

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

*RESOLVED* that:-

(a) Henderson & Taylor (Public Works) Limited be appointed to deliver the highways repairs to unadopted roads.

(b) The Council enter into a 3 + 1 year JCT Standard Form of Intermediate Building contract 2016 with the successful contractor.

#### *REASONS*

The procurement approach agreed was one with the Council acting as the awarding body for any contracts placed and Colchester Borough Homes (CBH) acting as the employer's agent (Contract Administrator).

Out of this exercise, 2 contractors submitted bids following issue of the invitation to tender for the works. Tenders were returned and opened by officers on 8 October 2018 an evaluation exercise took place based on the criteria set out in the tender documents which included assessment of price and quality (method statement and references); out of this a final recommendation was concluded.

The procurement approach agreed by Cabinet on 1<sup>st</sup> December 2010 as part of the Asset Management Strategy is to let a JCT Form of Contract for this and similar types of work.

#### *ALTERNATIVE OPTIONS*

Not to accept the tender of the proposed contractors. This would impede the delivery of service to residents.

### **313. Air Quality in Colchester**

Cabinet considered draft minute 16 of the Policy and Public Initiatives Panel meeting of 7 November 2018.

*RESOLVED* that:-

(a) Air Quality initiatives, such as AirText, be further publicised to members of the public.

(b) Research be conducted as to whether there is Section 106 money available for use on provisions to assist cyclists, such as shelters and infrastructure.

(c) Local Schools be contacted through Essex County Council to highlight the importance of using sustainable transport to travel to school and to suggest that additional facilities are provided for cyclists.

#### *REASONS*

The reasons for the recommendations from the Panel were set out in draft minute 16 from Panel.

#### *ALTERNATIVE OPTIONS*

It was open to Cabinet not to approve the recommendations from the Policy and Public Initiatives Panel.

### **314. Appointment of the Deputy Mayor 2019-20**

The Chairman announced that this item had been deferred until the next meeting of the Cabinet.

### **315. 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.**

### **316. Matters relating to Land Transfer at Queen Street**

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

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

### **317. Colchester Northern Gateway Sports Park – Appointment of Contractor**

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

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

**318. Northern Gateway Sports Park – Financial Operational Plan**

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

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

**319. Contract Award for Highways Repairs to Unadopted Roads**

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