

## COUNCIL MEETING MINUTES - 28 FEBRUARY 2018

**Present:** Councillor R Williams (Mayor);

Councillors David Absolom, Debs Absolom, Ayub, Brock, Chrisp, Davies, Dennis, Duveen, Eden, D Edwards, K Edwards, Ennis, Gavin, Gittings, Grashoff, Hacker, Hopper, Hoskin, James, Jones, Khan, Livingston, Lovelock, Maskell, McDonald, McElligott, McKenna, O'Connell, Page, Pearce, Robinson, Skeats, Stanford-Beale, Singh, Steele, Stevens, Terry, Tickner, Vickers, White, J Williams and Woodward.

**Apologies:** Councillors Ballsdon, McGonigle and Rodda.

### 31. MINUTES

The Minutes of the meeting held on 23 January 2018 were confirmed as a correct record and signed by the Mayor.

### 32. QUESTIONS FROM MEMBERS OF THE PUBLIC IN ACCORDANCE WITH STANDING ORDER 9

	<u>Questioner</u>	<u>Subject</u>	<u>Answer</u>
1.	Adele Barnett-Ward	Transport Infrastructure in Reading	Cllr Page
2.	David McKenzie	Consultation on Resident Parking in Park Ward	Cllr Page
3.	David McKenzie	Helping the Homeless	Cllr Ennis
4.	Andrea Elliott	Libraries	Cllr Hacker
5.	Andrea Elliott	Public Health	Cllr Hoskin
6.	Andrea Elliott	Consultancy and Agency Staff	Cllr Lovelock
7.	Billie Reynolds	Staff Terms and Conditions - Incorrect Document	Cllr Lovelock

(The full text of the questions and replies was made available on the Reading Borough Council website).

### 33. QUESTIONS FROM COUNCILLORS IN ACCORDANCE WITH STANDING ORDER NO 10

	<u>Questioner</u>	<u>Subject</u>	<u>Answer</u>
1.	Cllr Pearce	Secondary School Places	Cllr Jones
2.	Cllr Davies	Bus Service Changes	Cllr Page

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3.	Cllr Duveen	Accessing the Council Tax Support Scheme	Cllr Lovelock
4.	Cllr Duveen	Missed Bin Collections	Cllr Terry
5.	Cllr Steele	Pot Holes on the Borough's Roads	Cllr Page
6.	Cllr Steele	Staff Appraisals	Cllr Lovelock
7.	Cllr O'Connell	Fly-Tipping	Cllr Terry
8.	Cllr Hoskin	Council Tax	Cllr Lovelock
9.	Cllr Hopper	CIL Contributions	Cllr Page
10.	Cllr Stanford-Beale	Coordinating Roadworks with Private Contractors	Cllr Page

As there was insufficient time, pursuant to Standing Order 9(4), written replies to Questions 7-10 above would be provided in accordance with Standing Order 11(3).

(The full text of the questions and replies was made available on the Reading Borough Council website).

### 34. BUDGET 2018/19 & THE MEDIUM TERM FINANCIAL STRATEGY

The Strategic Finance Director submitted a report presenting the proposals for the General Fund revenue budget for 2018/19 & Medium Term Financial Strategy (MTFS) for the period to 2020/21, alongside proposals for capital expenditure over the same period.

The report stated that it was essential that the Council had robust plans to be financially sustainable so that it could continue to shape and influence the future of Reading and play its part in protecting the most vulnerable by:

- Ensuring that Reading achieved sustainable growth, which provided a wide range of job opportunities for people living in Reading and beyond.
- Ensuring that there were enough new homes and associated infrastructure to meet local needs.
- Protecting and enhancing the life outcomes of vulnerable adults and children.
- Keeping Reading's environment clean, green and safe.
- Ensuring that there were good education, leisure and cultural opportunities for people in Reading.

The report estimated that in order to deliver everything that the Council did now, in largely the way that it was currently done, it would need £43.2m more than was forecast to be available over the period to 2020/21. Proposals, including those presented to the Policy Committee in July, had been developed to seek to bridge that gap. In order to make swift progress, savings proposals of £3.7m, £4.4m and £3.3m, for 2018/19, 2019/20 and 2020/21 respectively, had been agreed by the Policy

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Committee in January 2018 (Minute 64 refers) with appropriate delegation to Directors to implement as soon as possible.

Further proposals for savings and/or income generation had continued to be developed and were agreed at Policy Committee on 19 February 2018 (Minute 75 refers). These proposals would amount to £3.6m in 2018/19, £3.9m in 2019/20 and £4.4m in 2020/21. These proposals would allow a balanced budget to be set for 2018/19 and they would provide for a balanced MTFS. However, as explained in the report, it had not been possible to identify ongoing savings for each year of the MTFS, so some use of balances would be required to enable one-off funding and the over-achievement of savings in earlier years to address deficiencies in later years. Overall, it was expected that the proposals would underpin the “going concern” statement that would need to be provided to the Council’s external auditors, EY, shortly.

In addition to the details of the General Fund revenue budget and MTFS, the report also presented proposals for the Housing Revenue Account (HRA). Budgets had been prepared in accordance with the business plan for the HRA and taking account of variations required due to the impact of any changes in 2017/18. There were also details of the proposed capital programme within the report, the related treasury management strategy, and an outline capital strategy. In addition, the report included details of the Council’s proposed deployment of the Dedicated Schools Grant and an update on the implementation of the Government’s 2017 budget Discretionary Rate Relief Scheme.

The report stated that the Local Government Finance Settlement 2018/19 was approved in Parliament on 7 February 2018 and confirmed the expected figures and also included a late addition to funding in the form of a £150m Adult Social Care Grant nationally for 2018/19 only. This translated into £0.355m for Reading Borough Council. Due to the lateness of the announcement, this sum, which must be earmarked for Adult Social Care, was added to the contingency but was not reflected in any of the tables within the report to the Policy Committee. These had now been amended for the presentation to the Council in Appendix 6.

A motion was moved by Councillor Lovelock and seconded by Councillor Page and CARRIED as set out in the resolution below.

The following amendment was moved by Councillor White and seconded by Councillor J Williams and LOST:

“In recommendation (1), after ‘That’ insert the words ‘subject to (2) below’

Add a new Recommendation (2) as follows:

‘(2) That it be noted that the Labour administration cut £245,000 from homelessness support services in July 2017.

Notes that since 2010 homelessness has increased massively in Reading peaking at a desperate 1033% increase in 2016/2017.

Notes that sadly rough sleeping has continued to increase in Reading and the rate of increase has increased.

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Notes that the spend on expensive and destabilising agency staff and temporary senior managers has increased from £9.7 million in 2015/2016, shockingly to a forecast £14.4 million in 2017/2018. This is up £2 million from last year.

Instructs the Chief Executive to submit a report as a matter of urgency to the Policy Committee, on how to accelerate recruiting more permanent staff. This will save money on agency staff, consultants, and temporary senior managers.

Further requests that Policy Committee invest £245,000 of the savings identified above into homelessness support services, reversing Labour's cut.

Any additional saving over £245,000 will be considered at Policy Committee as part of the work of bringing forward a sustainable delivery plan by quarter 2.

Make all consequential amendments to the numbering and cross-referencing of recommendations.'"

A recorded vote having been demanded, the voting was as follows:

For the motion: 2 Councillors White and J Williams.

Against the motion: 39

Councillors David Absolom, Debs Absolom, Ayub, Brock, Chrisp, Davies, Dennis, Eden, D Edwards, K Edwards, Ennis, Gavin, Gittings, Grashoff, Hacker, Hopper, Hoskin, James, Jones, Khan, Livingston, Lovelock, Maskell, McDonald, McElligott, McKenna, Page, Pearce, Robinson, Singh, Skeats, Stanford-Beale, Steele, Stevens, Terry, Tickner, Vickers, R Williams and Woodward.

Abstentions: 2 Councillors Duveen and O'Connell

### **Resolved -**

- (1) That the following, as set out in the report by the Strategic Director of Finance and in the budget book, noting the statement in the report concerning equality impact assessments, be approved:
  - a) The Council's Medium Term Financial Strategy for the period 2018/21 (Appendix 6);
  - b) The Specific Revenue Estimates for 2018/19 (Appendix 6);
  - c) The Capital Programme for the period 2018-21;
- (2) That it be noted that on 23 January 2018 the Council calculated the Council Tax Base 2018/19 for the whole Council area as 54,850 [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")];
- (3) That the Council Tax for the Council's own purposes for 2018/19 be calculated as £1,579.99 (as set out below);

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- (4) That the following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Act:

- (a) £390,897,725, being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act;
- (b) £304,235,000, being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;
- (c) £86,662,725, being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year. (Item R in the formula in Section 31B(4) of the Act);
- (d) £1,579.99, being the amount at 4(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year;
- (e) Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1053.33	1228.88	1404.44	1579.99	1931.10	2282.21	2633.32	3159.98

being the amounts given by multiplying the amount at 4(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;

- (5) That it be noted that for the year 2018/19 the Police & Crime Commissioner (PCC) for the Thames Valley had stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

### Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
121.52	141.77	162.03	182.28	222.79	263.29	303.80	364.56

- (6) That it be noted that for the year 2018/19 Royal Berkshire Fire & Rescue Service had stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

### Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
42.90	50.05	57.21	64.36	78.66	92.96	107.26	128.72

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- (7) That, having calculated the aggregate in each case of the amounts at 4(e), 5 and 6 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2018/19 for each of the categories of dwelling shown below:

### Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1217.75	1420.70	1623.68	1826.63	2232.55	2638.46	3044.38	3653.26

- (8) That the Treasury Management, Investment Strategy, Initial Capital Strategy and the Prudential Indicators set out in Appendix 4 be approved and the MRP Statement to apply from 2018/19 in Annex A of the strategy be approved, and in particular in connection with the apportionment of interest between the HRA & General Fund the Council authorises the appropriation of non-residential shop units and garage blocks currently held within the HRA (and listed in the background paper on the Council's website together with a borough map showing locations) be appropriated from being held for housing purposes under the Housing Act 1957, to being held for the benefit, improvement and development of the Borough under Section 121 of the Local Government Act 1972, at the start of 2018/19, and for land in Norcot currently held under Section 121 of the 1972 Act to be appropriated for housing purposes under the Housing Act 1957 during 2018/19, noting that these appropriations will impact the apportionment of interest as set out in the strategy.
- (9) That the Council notes the statutory advice of the Strategic Finance Director in accordance with S25 of the Local Government Act 2003 on the robustness of the budget and adequacy of financial reserves in Section 6.1 of the report and takes account of it, in connection with the consideration of the budget and calculations of Council Tax above.
- (10) That the changes to Fees and Charges outlined in Appendix 3 of the report, and set out in detail on the Council's website be approved, and officers be authorised to take the action necessary to implement these changes.
- (11) That the Council notes that the schedule of savings proposals, formerly in Appendix 1, were AGREED by Policy Committee on 19 February 2018 (Minute 75 refers) for inclusion in the 2018/19 revenue budget and MTFS, and that directors were authorised, in consultation with the responsible lead councillor and the statutory officers, to implement the savings in their service areas as soon as practicable, and before the start of the 2018-19 financial year where possible, subject to: a) undertaking and considering the outcome of any necessary statutory consultation for the service in question; b) complying with the Authority's duties under Section 149 of the Equality Act 2010, including undertaking and considering the outcome of an Equality Impact Assessment where appropriate.
- (12) That the Housing Revenue Account budget for 2018/19 set out in Appendix 10 be approved, and in line with the Government mandatory requirement a 1% rent reduction be authorised from the week beginning Monday 2 April to all HRA tenancy rents (noting that re-let of vacant HRA housing properties would be at target (formula) rent on all relets as agreed last year).

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- (13) That the permitted PFI stock exemption to the annual 1% rent reduction for social rented housing be not applied for the financial year 2018/19, but the position be reviewed for 2019/20 in due course.
- (14) That Policy Committee's decision to approve a 4.0% garage rent increase, in line with normal rent policy for garages (CPI + 1%) be noted.
- (15) That the Head of Customer Care & Transformation and Head of Finance, in consultation with the Leader and Chairman of Audit & Governance Committee, be authorised to operate the Discretionary Rate Relief Scheme broadly in line with Appendix 7 to the report in order to ensure the Government resources available are fully deployed in both 2017/18 and 2018/19.
- (16) That the appointment of Jackie Yates' to the post of Director of Resources, starting from 19 March 2018, be noted.
- (17) That the post of Director of Resources be designated to act as the local authority's Chief Finance Officer and Section 151 Officer with the statutory responsibilities under the Local Government Act 1972 and also be the Responsible Officer under Section 113 of the Local Government Finance Act 1992 with effect from 26 March 2018; and the Council's Constitution and Delegations' Register be amended accordingly to reflect this change.
- (18) That Council notes the Policy Committee's decision to agree that the first calls on capital receipts for the MTFs period, including 2017/18, be to cover the estimated remaining equal pay settlement and the Delivery Fund set aside to provide the capacity required to enable sustainable changes in the Council to be implemented and savings to be delivered and that the Chief Executive has the delegated authority in consultation with the Director of Resources to deploy this Fund in accordance with the Council's Constitution.

A recorded vote having been demanded, the voting was as follows:

### For the motion: 30

Councillors David Absolom, Debs Absolom, Ayub, Brock, Chrisp, Davies, Dennis, Eden, D Edwards, K Edwards, Ennis, Gavin, Gittings, Hacker, Hoskin, James, Jones, Khan, Livingston, Lovelock, Maskell, McElligott, McKenna, Page, Pearce, Singh, Terry, Tickner, R Williams and Woodward.

Against the motion: 13 Councillors Duveen, Grashoff, Hopper, McDonald, O'Connell, Robinson, Skeats, Stanford-Beale, Steele, Stevens, Vickers, J Williams and White.

## **36. WARD PRIORITY FUND**

Pursuant to Notice, a motion was moved by Councillor Hopper and seconded by Councillor Robinson.

The following amendment was moved by Councillor Page and seconded by Councillor David Absolom and CARRIED:

"In the second line delete all words after 'locally' and insert:

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‘and notes that a report will be brought forward by the Administration, by Policy Committee in July 2018, setting out the proposed method by which the 15% localised CIL contributions will be deployed.’”

The amended substantive motion was then put to the vote and CARRIED as follows:

### **Resolved -**

This Council notes that 15% of monies received from the Community Infrastructure Levy should be allocated “locally” and notes that a report will be brought forward by the Administration, by Policy Committee in July 2018, setting out the proposed method by which the 15% localised CIL contributions will be deployed.

(The meeting closed at 9.36 pm).