

POLICY COMMITTEE MINUTES - 31 OCTOBER 2016

Present: Councillor Lovelock (Chair for items 42-53 and 55)

Councillors Davies, Duveen, Eden, Gavin, Gittings, Hopper, Hoskin, Jones, Page (in the Chair for item 54), Stevens, Terry and White.

Apologies:

Councillor Skeats.

42. EXCLUSION OF THE PRESS AND PUBLIC

Resolved -

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of item 43 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

43. LAND AT RICHFIELD AVENUE

The Director of Environment and Neighbourhood Services submitted a report to seek approval of a proposal to use a site at Richfield Avenue for new leisure and play service facilities.

Resolved -

That the proposals set out in section 5 and explained in further detail in Appendix A be approved.

(Exempt information as defined in paragraph 3).

44. MINUTES

The Minutes of the meeting held on 26 September 2016 were agreed as a correct record and signed by the Chair.

45. QUESTIONS

Questions on the following matters were submitted by members of the public:

	Questioner	Subject	Reply
1.	Peter Burt	Arthur Hill Pool	Cllr Lovelock
2.	Peter Burt	Equal Pay Claims	Cllr Lovelock
3.	Roger Lightfoot	Arthur Hill Pool	Cllr Gittings
4.	Robin Bentham	Trustees of Mapledurham Playing Fields	Cllr Lovelock
5.	Robin Bentham	Trustees of Mapledurham Playing Fields	Cllr Lovelock
6.	Robin Bentham	Mapledurham Playing Fields	Cllr Lovelock

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7.	Phil Vaughan	New Swimming Pool - Palmer Park	Cllr Gittings
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Questions on the following matters were submitted by councillors:

	Questioner	Subject	Reply
1.	Councillor Ballsdon	Section 106 Contributions	Councillor Davies
2.	Councillor White	Refugee Children	Councillor Lovelock

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

46. POLICE & CRIME COMMISSIONER AND CHIEF CONSTABLE PRESENTATIONS

Anthony Stansfeld, Thames Valley Police & Crime Commissioner (PCC), and Francis Habgood, Chief Constable of Thames Valley Police (TVP), attended the meeting to give presentations and answer questions from members of the Committee.

The presentation by the Police & Crime Commissioner covered the PCC Elections, the new political team nationally, finances, a review of Special Capabilities, security threats at a national level and local level, possible integration with the Fire & Rescue Service, and consultation on the PCC five Year Plan.

In the Chief Constable's presentation he outlined TVP's commitments, which were:

- An emergency service that keeps people safe and brings offenders to justice
- Working together to build stronger, more resilient communities
- A modern police force that meets the needs of our communities
- A skilled and trusted workforce

His presentation also covered crime levels in Reading for violence against the person and burglary dwelling, TVP's operational priorities for 2016/17, and other issues specific to Reading.

Members of the Committee asked questions on matters including Community Safety funding, police powers to deal with traveller incursions, crime rates compared to Reading's statistical neighbours, and the future of Reading police station.

Resolved -

That the Police & Crime Commissioner and Chief Constable be thanked for their presentations.

47. NEW COUNCIL HOMES SPEND APPROVAL - CONWY CLOSE

Further to Minute 12 of the meeting of the Housing, Neighbourhoods and Leisure (HNL) Committee held on 18 November 2015, the Director of Environment and Neighbourhood Services submitted a report seeking spend approval for the proposed development of new council homes at Conwy Close.

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The report noted that the HNL Committee had agreed a proposal to deliver new Council homes at Conwy Close. The proposed development had now been designed and a planning application submitted to the local planning authority. The application was for a total of 57 new council homes, which was 17 more homes than originally planned. The land subject to the proposed development had been appropriated to the Housing Revenue Account (HRA), and the cost of the development excluding land appropriation costs was estimated to be up to £11m. A recent review of the HRA business plan had confirmed that sufficient funds were available to meet the full scheme cost.

The report explained that officers were currently identifying a main contractor to deliver the new homes using the Homes and Communities Agency procurement framework. This was a two-stage process; stage one had been completed and a number of contractors had submitted an expression of interest. The interested parties would be invited to complete the stage two tender documentation during November 2016, and the report sought approval to enter into a contract with the approved bidder, subject to planning permission being granted.

It was reported at the meeting that the planning application was due to be considered at a meeting of the Planning Applications Committee on Wednesday 9 November 2016.

Resolved -

- (1) That the current position regarding Conwy Close be noted and spend approval of up to £11m to deliver 57 new Council homes be granted subject to the proposed development gaining planning permission;**
- (2) That the procurement proposal be noted and, subject to the proposed development gaining planning permission, the Director of Environment and Neighbourhood Services, in consultation with the Lead Councillor for Housing and the Heads of Finance and Legal and Democratic Services, be authorised to enter into a contract with the winning tenderer.**

47. CONTRACT AWARD - CLEANING AND CLEARING OF VOID RESIDENTIAL PROPERTIES

The Director of Environment and Neighbourhood Services submitted a report seeking approval for the award of the Voids Cleaning Contract following a competitive tendering exercise.

The report noted that the Council currently managed over 5,600 Council properties which were let throughout the Borough, and required a contractor for the provision of a range of cleaning and related services for these properties when they became 'void' (available for re-let). Over the course of a typical year approximately 360 to 500 of the Council's rental properties, including permanent and temporary accommodation, would become voids. In addition, Environmental Health and Social

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Services referred approximately 15 properties occupied by vulnerable adults per annum for cleaning, which was a statutory requirement under various legislation.

The report explained that the nature of work required at a property often combined a range of services including: internal clearance of properties including rubbish, goods and furniture; disposal of waste; itemised inventory of goods remaining; movement of goods to storage facility; domestic cleaning (pre-repair works and pre-tenancy let); specialist cleaning and de-contamination; and pest control and deodorising. Void turnaround times were very tight in order to keep rent loss to a minimum and ensure that people were housed as quickly as possible, and the specification for this contract required that jobs were completed within 24 hours.

The report stated that the Council had considered carrying out the work in-house, but that an option appraisal had identified that an external contractor would be better able to manage the requirement for a rapid turnaround and to manage the relatively variable and unpredictable volumes of work that were required. The Council had recently invited tenders for a new contract, these had been evaluated and the Committee was asked to award the contract to the successful tenderer. There was no volume of work guaranteed under the contract, and the actual spend each year would depend on the number of voids arising and the precise work required for each property. The tender exercise had set competitive prices for the full range of potential services that could be required, and the contractor would be paid at the tendered price for the actual work to be carried out.

Resolved -

That a contract for the Clearing and Cleaning of Void, Occupied and Tenanted Properties be awarded to ServiceMaster Contract Services By Deeland Limited, for an initial period of four years with an option to extend for a further two year period in accordance with the Public Contracts Regulations 2015.

48. REVIEW OF LEISURE FACILITIES AND FUTURE PROVISION

Further to Minute 53 of the meeting held on 30 November 2015, the Director of Environment and Neighbourhood Services submitted a report providing an update on progress with a procurement process to seek external support and investment to improve the Borough's leisure facilities. The report also included an update on the facilities to be provided and the delivery of a demountable pool at Rivermead.

The report explained that the urgent works required at Central Pool, as reported to the meeting on 30 November 2015, had been completed in January 2016, with the aim of enabling the pool to remain operational until a planned closure in December 2017. The condition of the building and plant was being closely monitored and the pool continued to be well used. Alongside this, work had continued with Greenwich Leisure Limited (GLL) and their design consultants to provide a demountable pool at Rivermead. GLL had agreed in principle to manage the demountable pool and Heads of Terms for a management agreement were in the process of being agreed. The

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work had been tendered for and the project was on schedule for the pool to be operational from January 2018. Attached to the report at Appendix 1 were indicative images of comparable pools.

The report stated that the feasibility of locations for a new competition pool to replace Central had been assessed, and that land adjacent to Rivermead was the Council's preferred location at this stage. The existing leisure facilities and activities in this area, set against the backdrop of the River Thames and adjoining parkland, provided an opportunity to develop a recreational and leisure destination or hub, of which a new competition pool and additional dry-side facilities would be a key part. The agreed minimum specification for the new competition pool was an 8 lane 25m pool with a separate flexible diving/learning pool.

The report noted that the meeting on 30 November 2015 had approved a proposal for officers to undertake detailed feasibility work for the provision of a new 25m 6 lane 'community' swimming pool at Palmer Park, as a replacement facility for Arthur Hill pool, which the meeting of Council on 18 October 2016 had agreed to close in December 2016 (Minute 27 refers). Site investigations had indicated that there were no issues with ground condition that would impede development of a pool adjacent to the existing facilities. An indicative illustration of a new pool linked to the existing facilities at Palmer Park Stadium was attached to the report at Appendix 1.

The report explained that base specifications for the two proposed new pools would be set out as part of the 'employer's minimum requirements' for the procurement process, with scope for bidders to offer different or enhanced solutions. It was proposed that the procurement be a competitive dialogue process for a 'Design, Build, Operate and Manage' contract. The stages of this procurement process were set out in the report, and an outline timetable was attached to the report at Appendix 2. The proposed timetable included the award of a contract to a new leisure operator by January 2018 who would then run the existing facilities from spring 2018, and aim to deliver the new facilities early in 2020. This was considered achievable but would be dependent on the complexity and deliverability of the selected contractor's proposed solutions.

The report noted that this was a large and complex procurement requiring a large amount of work in advance of formally seeking tenders, in order to be compliant with procurement regulations. The Council had therefore appointed an external dedicated project manager and a leisure specialist consultancy to support and provide expert advice, and Hampshire County Council were providing specialist legal advice. These resources had been integrated into an internal project team of Council officers.

The report also explained that Sport England had identified Reading's proposed new facilities as strategically significant and a potential project for them to fund with a capital contribution of £1.5 - 2m. Funding from Sport England would be awarded subject to a funding application process and the facilities meeting their specification requirements. Sport England's capital projects team were supporting the project at no cost to the Council.

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Resolved -

- (1) That the work undertaken to date to deliver a demountable pool at Rivermead and to progress the procurement process for investment to secure the improvement of the Borough's leisure facilities be endorsed;**
- (2) That the procurement strategy as outlined in the report be endorsed;**
- (3) That the overall timetable for the procurement process and delivery of new facilities be noted;**
- (4) That the continuing support of Sport England for the Council's planned replacement of Central and Arthur Hill swimming pools be noted and welcomed.**

(Councillor White declared a non-pecuniary interest in the above item. Nature of interest: Councillor White was the Chair of Newtown GLOBE which had submitted a bid to continue operating Arthur Hill Pool under the Community Right to Challenge.)

49. MID-YEAR REVIEW OF FEES AND CHARGES

The Director of Environment and Neighbourhood Services submitted a report setting out a mid-year review of existing fees and charges for implementation from 1 November 2016. The report included a table summarising the predicted additional income generated by the revised fees and charges for the period 1 November 2016 - 31 March 2017, and the proposals for revised Fees and Charges by Service Area were set out with commentary in Appendix 1 attached to the report.

The report explained that the review of fees and charges formed an integral part of the Council's overall budget setting process as it assisted with the delivery of saving targets. Each service had considered benchmarking/market pressures, the rate of inflation and cost recovery in proposing fees for November 2016. A number of services had not proposed any changes as part of this review, which was broadly due to either benchmarking identifying no scope for fee increases without loss of business, or the service completing a broader review of fees and charges through a separate process. Detailed explanation was set out in Appendix 1.

Resolved -

That the increase of fees and charges, as outlined in Appendix 1, for implementation from 1 November 2016, be approved.

50. PROPOSED CHANGES TO LOCAL COUNCIL TAX SUPPORT SCHEME AND REMOVAL OF COUNCIL TAX DISCOUNT FOR PROPERTIES UNDERGOING MAJOR WORKS

The Managing Director submitted a report setting out a range of options to make amendments to the local Council Tax Support Scheme for 2017/18, and proposing the

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removal of the council tax discount awarded on empty properties undergoing major works from April 2017.

The report summarised the current Council Tax Support Scheme as it related to persons of working age, persons of pension age, and non-dependent deductions. Eight options for amending the scheme were set out, with details of the potential savings associated with each one. The report recommended that Option 6 be endorsed, which was to: remove earned income disregards from the scheme; introduce two new flat rates for non-dependant deductions; and increase the minimum contribution from 20% to 25% for all working age customers. These combined changes would see more customers not qualifying for support, based on their income and household circumstances, and generate a potential saving of around £930,000. This was the preferred option as it would in effect replicate changes to earned income disregards within Tax Credits & Universal Credit, which now incentivised working in their schemes. Applying two flat rates for non-dependants would also introduce more clarity and simplify the Scheme making it easier to understand.

The report further explained that, within the current scheme, customers could be temporarily absent from their homes for 13 weeks (or 52 weeks in certain cases) without it affecting their Council Tax Support award. This replicated the previous rule within Housing Benefit, but Housing Benefit legislation had now been changed so that if a person was absent from the UK for a period of more than four weeks their benefit would cease. It was therefore proposed that the Council Tax Support scheme be amended to reflect the changes in Housing Benefit, with exceptions for certain occupations such as mariners and the armed forces. The four weeks could be extended to eight weeks in special circumstances.

The report also explained that the Council currently offered a major works discount of 50% for 12 months followed by a full charge. At this present time there were 115 major works discounts at an annual cost of £35,000. It was proposed to remove this discount entirely, in line with many other local authorities.

Resolved -

- (1) That the options for changes to the Council Tax Support Scheme for implementation from 1 April 2017 be noted;**
- (2) That option 6, to implement the Earned Income disregards and Non-dependant deductions with a 25% minimum contribution from 1 April 2017, be endorsed as the preferred option for consultation;**
- (3) That the Council Tax Support scheme be amended to reflect the changes in Housing Benefit so that if a person was absent from the UK for a period of more than four weeks their benefit would cease;**
- (4) That the amended Council Tax Support Scheme be recommended for the 2017/18 and 2018/19 financial years, and not subject to change**

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unless there were significant changes in the Housing Benefit Scheme that would warrant the same changes needing to be reflected in the Council Tax Support Scheme for ease of administration or unexpected financial implications; and that this be subject to further review and a formal decision making process;

- (5) That the proposal to remove the Council Tax discount for major works to properties while they were empty be approved and implemented from 1 April 2017;
- (6) That consultation on the preferred options for changes to the Council Tax Support Scheme and Council Tax Discount begin on 1 November 2016 for a period of eight weeks.

51. JOINT MINERALS AND WASTE LOCAL PLAN - JOINT WORKING ARRANGEMENTS

The Director of Environment and Neighbourhood Services submitted a report setting out the arrangements that were being made for the preparation of a Minerals and Waste Local Plan (MWLP) for local authorities in the Central and Eastern Berkshire area. The report set out a proposal for the preparation of the plan and sought approval for a proposed Joint Working Agreement.

The report explained that Minerals and Waste was a strategic area of planning and as such was better planned on a wider scale than an individual local authority. Bracknell Forest, Reading, Windsor & Maidenhead and Wokingham were therefore pursuing a joint Plan, to be produced on their behalf by Hampshire County Council (HCC). HCC was the Minerals and Waste Authority for Hampshire and had a team of specialist planners with a track record of the successful completion and adoption of local plans on behalf of groups of authorities in Hampshire.

A Joint Working Agreement was being drafted between the four Berkshire Authorities and HCC, under which HCC would carry out most of the work to prepare and progress a joint MWLP, to a point where it could be adopted by each of the participating authorities. The report sought endorsement to commission the work for the Central and Eastern Berkshire area through a Joint Working Agreement, and outlined governance arrangements which included joint management arrangements and the possibility of establishing a Joint Committee to oversee production of the Plan.

The report set out HCC's proposed timetable for development of the Plan and explained that the cost to undertake these works would be somewhere between £900,000 and £1.13 million over the four-year period. It was proposed that these be shared equally between the four authorities, which equated to £56-70k per authority per annum.

The report stated that production of an MWLP was a statutory requirement, and failure to have an adopted MWLP in place or an agreed timetable to deliver a Plan in the future would be a factor in establishing whether the Council's emerging Local Plan could be found 'sound' when it was examined in the future.

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Resolved -

- (1) That the content, timeframe and cost of the HCC proposal to prepare a Minerals and Waste Local Plan for the Central and Eastern Berkshire area be noted;
- (2) That the proposed Joint Agreement between Royal Borough of Windsor and Maidenhead, Wokingham Borough Council, Bracknell Forest Council and Reading Borough Council with Hampshire County Council under Section 113 of the Local Government Act 1972 be approved, and that the Director of Environment and Neighbourhood Services, in consultation with the Lead Councillor for Strategic Environment Planning and Transport, Head of Finance and the Head of Legal and Democratic Services, be authorised to finalise the detailed arrangements and enter into the necessary agreement/s.

52. CHANGE OF SUB-COMMITTEE NAME

The Monitoring Officer submitted a report on a proposal to change the name of 'The Heights Free School Sub-Committee' to 'The Mapledurham Playing Field Trustees Sub-Committee'.

The report noted that, at the Policy Committee meeting on 1 December 2014 (Minute 55 refers), it had been agreed to establish the 'Heights Free School Sub-Committee' to discharge the Council's functions as trustee and landowner of sites which the Education Funding Agency (EFA) had identified as possible sites for The Heights Free School.

A proposal from the EFA was now before the Sub-Committee, and as this related to the Mapledurham Playing Fields, and did not affect the other potential sites within its terms of reference, it was proposed to change the name of the Sub-Committee from 'The Heights Free School Sub-Committee' to 'The Mapledurham Playing Fields Trustees Sub-Committee'. It was anticipated that the change of name would better reflect the purpose of the Sub-Committee to consider and respond to the EFA proposal as trustee of the Mapledurham Playing Fields.

Resolved -

- (1) That 'The Heights Free School Sub-Committee' be renamed 'The Mapledurham Playing Fields Trustees Sub-Committee', to exercise the functions set out in paragraph 3.3 of the report and in Article 7.12 (paragraph 1.2) of the Council's Constitution;
- (2) That the Council's Constitution be updated to reflect the change in name of the Sub-Committee.

(During the debate of the above item the membership of the Sub-Committee was raised; at this point Councillor Hoskin declared a prejudicial interest, left the

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meeting, and took no further part in the debate or decision. Nature of interest: Councillor Hoskin was a member of the Sub-Committee).

53. DELEGATIONS REGISTER - STRATEGIC FINANCE DIRECTOR (SECTION 151 OFFICER)

The Monitoring Officer submitted a report seeking approval for changes to the Council's register of delegations and Constitution following the appointment of a Strategic Finance Director as Section 151 Officer.

The report noted that Personnel Committee, at its meeting on 6 October 2016 (Minute 10 refers), had noted the engagement of an interim Strategic Finance Director and formally appointed the post-holder as the designated Section 151 Officer. As a result of this appointment, and to reflect the new management structure within the Finance Service, the Committee was asked to approve that all references in the Council's Delegations Register to the 'Head of Finance' be replaced with the 'Strategic Finance Director', as being the proper officer to discharge the functions contained within the Delegations Register currently assigned to the 'Head of Finance'. The Council's Constitution would also need to be updated to reflect the appointment of a Strategic Finance Director as the Section 151 Officer with the Head of Finance acting as the Deputy Section 151 Officer.

The report asked the Committee to agree the proposed changes acting on behalf of all Committees of the Council and full Council itself, in accordance with Article 7 (paragraph 7.7) of the Council's Constitution.

Resolved -

- (1) That all references to the 'Head of Finance' within the Council's register of functions delegated by it and its Committees to officers be replaced with the 'Strategic Finance Director', as being the proper officer to discharge the functions contained within the Delegations Register currently assigned to the 'Head of Finance';**
- (2) That the Monitoring Officer arrange for the Council's Constitution to be updated to reflect the appointment of a Strategic Finance Director as the Section 151 Officer with the Head of Finance acting as the Deputy Section 151 Officer.**

54. HOMES FOR READING - BOARD AUTHORITY TO ALLOT SHARES

Further to Minute 55 of the meeting of Council on 22 March 2016, setting out the arrangements for the establishment of Homes for Reading Ltd (HfR), the Head of Finance submitted a report on arrangements for the initial capitalisation of the company, and seeking authority for the HfR board to allot shares to the Council.

The report noted that the Council meeting on 22 March 2016 had established Homes for Reading Ltd and approved the Shareholder Agreement. The HfR Board had now formed, and the company required share capital to cover its initial administrative

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and set up costs. The outline business plan envisaged that the company would fund dwelling purchases from equity (share) and loan finance, with the loans being secured on the properties purchased. Until the company had purchased a property it was not reasonable for the Council to offer loan finance, as it would not be secured, so initial share capital of £50,000 was proposed.

The report explained that, to enable a reasonably efficient purchase process for property, it was recommended that the Council authorised the company to increase its share capital by 5 million £1 shares, but that these be issued part paid to the value of 1p each. The Council would purchase these shares for £50,000 by part paying 1p for each the shares, and as the company began to buy property it would ask for an appropriate number of shares to be fully paid (i.e. the remaining 99p would be paid) in order to increase its share capital. By issuing part paid shares in this way, which became fully paid as the company purchased property, it was expected that HfR would be able to purchase around 50 properties without requiring another report to Policy Committee seeking authority to issue and allot further shares.

The report sought authority for the Board to allot the proposed shares to the Council, and also for the disapplication of Pre-Emption Rights.

Resolved -

- (1) That Homes for Reading be authorised to increase its share capital by 5 million £1 shares;**
- (2) That Homes for Reading be permitted to issue 5 million part paid by 1p each shares to the Council, so the company was initially capitalised to the sum of £50,000;**
- (3) That, in accordance with section 551 of the Companies Act 2006 (CA 2006), the Directors (Directors) be generally and unconditionally authorised to allot shares in the Company to the Council up to an aggregate nominal amount of £5,000,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 March 2018 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority revokes and replaces all unexercised authorities previously granted to the Directors;**
- (4) That, subject to the passing of resolution 1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall:**

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be limited to the allotment of equity securities up to an aggregate nominal amount of £5,000,000; and expire on 31 March 2018 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

(Councillors Lovelock, Hopper and Davies declared pecuniary interests in this item, left the meeting and took no part in the debate or decision. Nature of interest: the Councillors were Directors of Homes for Reading. Councillor Page took the Chair for this item).

55. BUDGET MONITORING 2016/17

The Head of Finance submitted a report setting out the result of the detailed budget monitoring exercise undertaken for 2016/17, based on the position to the end of August 2016.

The report summarised the Directorate budget monitoring exercises, which were also set out in more detail at Appendix 1.

Resolved -

That it be noted that, based on the position at the end of August 2016 budget monitoring forecast an overspend of around £7.49m, which was an increase of £0.65m from the July position.

(The meeting started at 6.30pm and closed at 8.59pm).

SIGNED:

DATE: