

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

Present: Councillor Lovelock (Chair)

Councillors Duveen, Eden, Ennis, Gavin, Hacker, Hopper, Hoskin, Jones, Page, Skeats, Terry and White.

Apologies: Councillor Stevens.

65. 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 66 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.

66. PROPERTY RATIONALISATION PROGRAMME

The Director of Environment and Neighbourhood Services submitted a report giving an update on progress of the property rationalisation programme and setting out proposals for Phase 2 of the programme. The report set out exempt information, including detailed costings and estimated disposal values, to be taken into account by the Committee when considering a report on Property Rationalisation Programme in public session.

Resolved -

That the additional information in the report be taken into account when considering the Property Rationalisation Programme report in public session (see Minute 71 below).

(Exempt information as defined in paragraph 3).

67. MINUTES

The Minutes of the meeting held on 15 January 2018 were agreed as a correct record and signed by the Chair.

68. QUESTIONS

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

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Peter Burt	Assessment of bids for Arthur Hill Pool	Cllr Hacker
2.	Peter Burt	Arthur Hill Pool Site - Draft Local Plan	Cllr Page

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

3.	Roger Lightfoot	Swimming Timetables	Cllr Hacker
4.	Roger Lightfoot	Funding of new Swimming Pools	Cllr Hacker

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

69. REPLACEMENT OF WATER STORAGE, MAINS WATER SUPPLIES AND DISTRIBUTION PIPEWORK TO COLEY HIGH RISE TOWER BLOCKS AND INSTALLATION OF SPRINKLER FIRE SUPPRESSION SYSTEM

The Director of Environment and Neighbourhood Services submitted a report on the project to replace the existing water storage facility, water supply mains and distribution pipework at the Coley High Rise Flats in Wensley Road, incorporating the installation of a new fire suppression sprinkler system to each block of flats.

The report explained that a review had concluded that the water supply pipework had exceeded its operational lifespan as had the water storage tanks, and that the tank linings were decaying. The main water supply system along with the water storage facilities therefore required replacement. By including a sprinkler system installation within the water main replacement project, it would provide an opportunity to procure the works in the most cost effective way and to minimise potential tenant disturbance. Retrofitting of sprinkler systems in high rise blocks was not a current legal requirement, but it might become a requirement in the future subject to recommendations arising from the review of regulations and public inquiry following the Grenfell Tower fire.

The report sought authority to award a contract for the works, which were to be undertaken over two phases, and approval for capital expenditure of up to £2.5m (including a contingency sum of circa 10% of the estimated project cost) and for the submission of a planning application for the ground level water storage tank and pumping station.

Resolved -

- (1) That the Head of Housing and Neighbourhood Services, in consultation with the Lead Councillor for Housing, be authorised to award a contract for the replacement of water storage, mains water supply and distribution pipework and the installation of fire suppression sprinkler systems to flats at Coley High Rise, Wensley Road, Reading, following the selection of a contractor after a successful competitive tender exercise;
- (2) That capital expenditure of up to £2.5m in the Housing Revenue Account, across the financial years 2018/19 and 2019/20, be approved;
- (3) That the submission of a planning application for the required ground level water storage tank and pumping station be approved.

70. LIBRARY SERVICE OFFER 2018/19: SAVINGS PROPOSALS

The Director of Environment and Neighbourhood Services submitted a report on proposals to deliver savings from the library service previously agreed by the Committee at its meeting on 17 July 2017 (Minute 18 refers), and setting out proposals for additional savings to reflect the current financial position of the Council.

The report noted that a comprehensive review of the Library Service in 2016 had delivered £290,000 of savings and that a new agreed service model had been implemented from April 2017. An additional £78,000 of savings had then been identified and achieved through service efficiencies. The 2015/16 Libraries Review had established a baseline for a future library service offer, and the data, information and views expressed by users at that time had assisted with the development of the current proposals, alongside updated data for library usage and the latest general demographic statistics.

The report set out the recommended options to achieve savings, which were as follows:

- Reducing opening hours at Central Library by 10 hours per week, at Caversham Library by 8 hours per week, at Battle Library and Tilehurst Library by 5 hours per week, and at Whitley Library by 3 hours per week;
- Letting or sharing space with partner organisations at Battle Library and Tilehurst Library allowing these libraries to be single staffed;
- Removing evening and weekend opening all year at Palmer Park Library but opening for 15 hours per week instead of currently 21 per week, using library staff in the College holiday times;
- Removing business support post and Digital and Volunteer Lead posts;
- Reducing the library stock fund by 30% to reflect lower levels of usage at sites;
- Other internal changes.

The report noted that Southcote Library would move to the extended community centre in 2018 to form a new 'hub' with an already agreed reduction to library staffing. The hub would have one reception and flexible staffing cover with Children's Centre and Library Service staff on site. Opening hours would not therefore be reduced in this location, but staffing arrangements were likely to be reviewed once the hub was live.

It was considered that the proposed service offer would meet and even exceed the legal requirement for the library service to be 'comprehensive and efficient', specifically through maintaining a reasonable level of access for people with different lifestyles and availability at different locations throughout Reading, avoiding library closures, libraries and other services co-locating to make better use

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

of buildings, increasing the use of volunteers and opportunities for creative partnerships, encouraging financial and book donations (introduced in Autumn 2017) and continuing to extend and develop the online loans offer. If agreed the proposals would be implemented from Autumn 2018 and could deliver annual savings of £217,000.

The report sought approval for a public consultation on the proposed options for reductions in opening hours, and a draft Consultation Document was attached to the report at Appendix 1, with a Public Consultation outline plan attached at Appendix 2. An initial draft Equality Impact Assessment was attached to the report at Appendix 3.

Resolved -

- (1) That the proposal to implement, and where necessary consult on, options to deliver a net annual saving of £217,000 in respect of Reading's Library Service, as set out in the report, be approved;**
- (2) That officers be authorised to carry out a public consultation on the following options, using the consultation document attached to the report at Appendix 1:**
 - A: Reduce opening hours at Reading Central from 46 to 36 per week;**
 - B: Reduce opening hours at Caversham from 35 to 27 per week;**
 - D: Reduce opening hours at Battle from 27 to 22 per week;**
 - E: Reduce opening hours at Whitley from 21 to 18 per week;**
 - G: Reduce opening hours at Tilehurst from 27 to 22 per week;**
 - H: Reduce opening hours at Palmer Park from 21 to 15 per week.**
- (3) That the following options be implemented:**
 - C: Co-location of external agencies at Battle Library and reduce to single staffing;**
 - F: Co-location of external agencies at Tilehurst Library and reduce to single staffing;**
 - I: Remove 0.5 FTE Business Support post (subject to staff consultation);**
 - J: Remove 1.0 FTE Digital & Volunteer Lead post (subject to staff consultation);**
 - K: Reducing library stock fund to reflect lower levels of usage at libraries;**
 - L: Internal changes.**
- (4) That the Head of Housing and Neighbourhoods, in consultation with the Head of Legal & Democratic Services and the Lead Councillor for Culture, Sport and Consumer Services, be authorised to conclude lease agreements to facilitate co-location at Battle and Tilehurst libraries.**

71. PROPERTY RATIONALISATION PROGRAMME

Further to Minute 23 of the meeting held on 18 July 2016, the Director of Environment and Neighbourhood Services submitted a report providing an update on progress of Phase 1 of the property rationalisation programme and setting out for approval proposals for Phase 2 of the programme.

The report explained that Phase 1A of the programme including the relocation of the Family Contact Centre from Amethyst Lane and the registration section of the Births, Deaths and Marriage Service from Yeomanry House to the Civic Centre had been completed. It summarised progress of Phase 1B which included works at the Town Hall and Museum and a new building at Henley Road Cemetery.

Phases 2A & 2B of the programme were focused on further increasing capacity in the Civic Office and the Whitley Health Centre, in order to enable the co-location of Children's Services staff and support teams. This would also facilitate the release of the Hamilton Centre for disposal, and a report would be submitted to the Committee seeking formal disposal once a marketing exercise had been completed.

Phase 2C of the programme was focused on proposals to refurbish and adapt 19 Bennet Road in order to reduce ongoing revenue costs and future capital maintenance liabilities. The proposed option included expansion of the warehouse space on the ground floor, and an associated reduction and refurbishment of the mess and changing rooms. On the first floor, the proposal included a refit and reconfiguration of the offices to provide additional desk capacity and increase utilisation. Condition improvement works, including the upgrade of the building services and replacement of windows, were also included to address the significant current maintenance liabilities and risks. The report noted that the proposals could enable the possible future release of 2-4 Darwin Close, and this would be reported to a future meeting of the Committee.

The detailed costs of the programme had been considered by the Committee in private session (Minute 66 above refers).

Resolved -

- (1) That £844k capital investment to the Civic Office and Whitley Health Centre to increase capacity and enable the co-location of Children's Services HQ teams within the Civic Office, and the release of the Hamilton Centre for disposal, be approved;**
- (2) That £5.76m capital investment for the refurbishment and adaptation of 19 Bennet Road to protect the ongoing revenue budget be approved;**
- (3) That the disposal of the Hamilton Centre, subject to a marketing exercise and further report to this Committee, be approved in principle;**

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

- (4) That the proposal to submit a report to the Committee on the future of 2-4 Darwin Close be noted;**
- (5) That the progress on the relocation of Births, Deaths and Marriage Service, the proposed works at the Town Hall, and the proposed works to Henley Road Cemetery, to enable the release of Yeomanry House for disposal, be noted;**
- (6) That the increased scope of works to the rationalisation of the Town Hall and the combining of previously approved spend approvals from the capital programme and planned maintenance budgets be noted;**
- (7) That the procurement proposals as set out in the report be noted and that the Director of Environment and Neighbourhood Services, in consultation with the Leader and Deputy Leader, the Strategic Finance Director and the Head of Legal and Democratic Services be authorised to enter into contracts with the winning bidder for the works to the Civic Offices, Town Hall, Cemetery, Whitley Health Building and 19 Bennet Road.**

72. PROJECT FUNDING AWARDS - C-ITS AND SMART CITY CLUSTER

Further to Minute 66 of the meeting of Traffic Management Sub-Committee on 11 January 2018, the Director of Environment and Neighbourhood Services submitted a report informing the Committee of two capital funding awards for transport-related projects (Co-operative Intelligent Transport Systems (C-ITS) and Smart City Cluster) and seeking spend and scheme approval. Details of both projects had been reported to the Traffic Management Sub-Committee which had endorsed a recommendation to Policy Committee to grant approval. The report submitted to Traffic Management Sub-Committee was attached to the report at Appendix 1.

The report explained that procurement of the smart city platform would build on existing contracts where possible and economically advantageous, and that where it was not possible to integrate these projects into existing contracts a full procurement process would be undertaken. The report therefore sought delegated authority to enter into contracts as required.

Resolved -

- (1) That scheme and spend approval be given for the C-ITS (£250k) and Smart City Cluster (£1.73m) funding awards, totalling £1.98m of grant funding to deliver the objectives of the two projects;**
- (2) That the Head of Transportation & Streetcare, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Legal & Democratic Services and the Head of Finance, be authorised to enter into such various contracts as would be required to deliver the project objectives.**

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

73. SCHOOL ADMISSION ARRANGEMENTS 2019/20

The Director of Children's Services, Education & Early Help Services submitted a report asking the Committee to determine the admissions arrangements for Community Primary Schools in Reading for the school year 2019/20, and the coordinated schemes for primary, junior and secondary schools.

The report explained that the Admissions Policy for Community Primary, Infant and Junior Schools 2019-2020, attached to the report at Appendix A, had no significant changes from the proposals for 2018/19, which had been agreed by Policy Committee on 13 February 2017. There had been no significant changes to the schemes since consultation had been carried out in 2015 on the 2016/17 Admission Policy. The Primary and Secondary School Co-ordinated schemes, attached to the report at Appendices B and C, had been approved following the consultation in 2015 and there had been no significant changes since then. The schemes for 2019/20 had been amended to reflect appropriate dates, and the only addition was the inclusion of dates on which the late offers would be made, to provide clarity for parents.

The report also sought approval for the 'Relevant Area', which set out the organisations that must be consulted for any admissions arrangements for schools in Reading, and was attached to the report at Appendix D.

Resolved -

- (1) That the scheme attached to the report at Appendices A and B be determined as the admissions arrangements for community schools in Reading and the local arrangements for complying with the national co-ordinated primary school admission procedures for the allocation of primary school places for residents of Reading Borough;**
- (2) That the scheme attached to the report at Appendix C be determined as the local arrangements for complying with the national coordinated secondary admissions procedure for the allocation of secondary school places for residents of Reading Borough.**
- (3) That the 'relevant area', setting out the organisations that must be consulted for any admissions arrangements for schools in Reading, be determined as attached to the report at Appendix D.**

73. ELECTORAL REGISTRATION AND ELECTIONS UPDATE

Further to Minute 89 of the meeting held on 14 March 2016, the Electoral Registration Officer submitted a report providing an update on the results of the 2017/18 annual canvass and the 2018 electoral register published on 1 December 2017. The report also included information on Individual Electoral Registration and the Local Elections that would take place on 3 May 2018.

Details of the numbers of individually registered electors, by polling district and ward, were attached to the report at Appendix A.

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

Resolved -

That the report be noted.

74. BUDGET MONITORING

The Director of Finance submitted a report setting out the projected Council revenue budget outturn position for 2017/18 based on actual, committed and projected expenditure for the Council as at the end of December 2017. It also contained information on the capital programme, capital receipts and the Housing Revenue Account.

The report explained that it was projected that the revenue budget would be underspent by £1.2m as at the year end, and at this point in time there were no projected commitments against the remaining contingency of £1.6m, but that the budget remained under pressure. In particular, the total of negative variances was £9.8m, which included some projection of further pressures on care places through to the year-end. Many of the positive variances and mitigations were not ongoing, so would not provide relief for any of the negative variances that were ongoing into 2018/19 and beyond. This produced a pressure in 2018/19 of £7.245m at this stage, and this pressure along with a further projection were built into the budget for 2018/19.

Resolved -

That it be noted that, based on the position at the end of December 2017, budget monitoring forecast that the budget would be underspent by £1.2m, without using the remaining contingency of £1.6m.

75. BUDGET 2018/19 AND MEDIUM TERM FINANCIAL STRATEGY

The Director of Finance submitted a report setting out proposals for the General Fund revenue budget for 2018/19 and Medium Term Financial Strategy (MTFS) for the period to 2020/21, alongside proposals for capital expenditure and the Housing Revenue Account. The Committee was asked to make a recommendation to the full Council meeting on 28 February 2018.

The following documents were attached to the report:

- Appendix 1 - Additional savings proposals for 2018-21
- Appendix 2 - Calculation of Council Tax
- Appendix 3 - Fees and Charges Summary Statement
- Appendix 4 - Treasury Management Strategy Statement
- Appendix 5 - Outline Capital Strategy 2018/19
- Appendix 6 - General Fund and Summary Cost Centre Budget
- Appendix 7 - Discretionary Rate Relief 2017/18 update & 2018/19
- Appendix 8 - Capital Programme
- Appendix 9 - Dedicated Schools Grant
- Appendix 10 - HRA Budget 2018/19

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

Attached to the report at Appendix 1 were further proposals for savings and/or income generation which were submitted for approval by the Committee. Detailed background information on these 'Proposal for Change' had been circulated to members of the Committee. The proposals amounted to £3.6m in 2018/19, £3.9m in 2019/20 and £4.4m in 2021/21, and if agreed would allow for a balanced budget to be set for 2018/19 and for a balanced MTFS. Implementation of the proposals would be subject to statutory consultation where required and the consideration of Equality Impact Assessments where appropriate. It had not been possible to identify ongoing savings for each year of the MTFS, so some use of balances was 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, if agreed, would underpin the "going concern" statement that needed to be provided to the Council's external auditors, EY.

The Director of Finance stated at the meeting that the Council was making progress with regards to the closure of the 2016/17 accounts and had submitted audit packages to EY who were undertaking a review over five weeks. A number of complex issues were being worked through and some of these pre-dated 2016/17; it would not be possible to sign off the accounts before the Budget was considered at the 28 February full Council meeting but the Director would provide as much assurance as possible to the Council before consideration of the Budget.

The Committee were also asked to approve the proposed garage rent increase and the use of capital receipts to cover the estimated remaining equal pay settlement and a Delivery Fund to provide the capacity required to enable sustainable changes in the Council to be implemented and savings to be delivered.

Resolved -

- (1) That the savings proposals as described in the covering schedule in Appendix 1 be agreed, having taken into account and noted the background information in the accompanying 'Proposals for Change', for inclusion in the 2018/19 revenue budget and MTFS, and that Directors, in consultation with the relevant Lead Councillors and statutory officers, be authorised 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;**
- (2) That a 4.0% garage rent increase be approved, in line with normal rent policy for garages (CPI + 1%);**

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

- (3) 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, in consultation with the Director of Resources, be authorised to deploy this Fund in accordance with the Council's constitution;

Recommended -

- (1) With regard to setting the Council Tax for the Reading Borough Council area:
- 1) That the following, as set out in the report by the Strategic Director of Finance and in the Medium Term Financial Strategy, noting the Equality Impact Assessment, be approved:
 - a) The Council's General Fund Budget 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) 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) Calculate that the Council Tax requirement for the Council's own purposes for 2018/19 as £1,579.99 (as set out below);
 - 4) That the following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Act:
 - a) £390,542,725 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act
 - b) £303,880,000 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)

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

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 for the Thames Valley has 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:

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 the Royal Berkshire Fire & Rescue Service have 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:

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
42.90	50.06	57.21	64.36	78.65	92.96	107.26	128.72

- 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:

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1217.75	1420.71	1623.68	1623.68	2232.54	2638.46	3044.38	3653.26

- (2) That Council approve the Treasury Management Investment Strategy, Initial Capital Strategy and the Prudential Indicators set out in Appendix 4 and approve the MRP Statement to apply from 2018/19 in Annex A of the strategy, and in particular in connection with the apportionment of interest between the HRA & General Fund Council is asked to authorise 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, 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, noting that these appropriations will impact the apportionment of interest as set out in the strategy;
- (3) That Council (in connection with its consideration of the budget and calculations of Council Tax above) take account of 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 in particular paragraph 6.1.f;
- (4) That Council approve the changes to Fees and Charges outlined in Appendix 3 of the report, and set out in detail on the Council's website, and authorise officers to take the action necessary to implement these changes;
- (5) That the Housing Revenue Account budget for 2018/19 as set out in Appendix 10 of the report be approved, and in line with the Government mandatory requirement a 1% rent reduction from the week beginning Monday 2 April to all HRA tenancy rents be authorised (noting that re-let of vacant HRA housing properties will be at target (formula) rent on all relets as agreed last year);
- (6) That the permitted PFI stock exemption to the annual 1% rent reduction for social rented housing not be applied for the financial year 2018/19, but the position be reviewed for 2019/20 in due course;
- (7) That the appointment of Jackie Yates to the post of Director of Resources, starting from 19 March 2018, be noted;

POLICY COMMITTEE MINUTES - 19 FEBRUARY 2018

- (8) 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.**

(The meeting started at 6.30pm and closed at 7.50pm).