

POLICY COMMITTEE MINUTES - 26 SEPTEMBER 2016

Present: Councillor Lovelock (Chair)

Councillors Davies, Duveen, Eden, Gavin, Gittings, Hopper, Hoskin, Jones, Page, Skeats, Stevens, Terry and White.

29. 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 items 30-31 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.

30. LAND IN SOUTH READING

The Director of Environment and Neighbourhood Services submitted a report seeking authority to vary the restrictive covenant on the Reading Football Club site to enable a major redevelopment, subject to planning consent being obtained.

Resolved -

That the Committee agree to the variation of the restrictive covenant, in accordance with the terms set out in paragraph 4.3 of the report, subject to planning consent being obtained.

(Exempt information as defined in paragraph 3).

31. MUNICIPAL BOND AGENCY - SECURED LOAN FINANCE (FOR LGA)

The Head of Finance submitted a report seeking a delegation to the Head of Finance (Chief Finance Officer) and Head of Democratic & Legal Services to make a secured loan to the Local Government Association linked to the first bond issue of the Municipal Bond Agency.

Resolved -

That the Head of Finance and Head of Legal & Democratic Services, in consultation with the Interim Managing Director, Leader of the Council and Chair of Audit & Governance Committee, be authorised to arrange a loan of up to £10m to the Local Government Association, to be secured as set out in the report and linked to the Municipal Bond Agency's first bond issue.

(Exempt information as defined in paragraph 3).

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32. CHAIR'S ANNOUNCEMENTS

The Chair announced that a petition submitted to the Council on the proposed closure of Arthur Hill Pool had exceeded 1500 signatures, and that the petitioners had requested that a report on the topic be included on the agenda of the next full Council meeting on 18 October 2016, in accordance with paragraph 8(6)(e) of the Council's Standing Orders. The Committee would therefore not consider the report on Arthur Hill Pool which had been submitted to this meeting.

The Chair also reported that the item on Cleaning and Clearing of Void Properties would be deferred to a future meeting.

33. MINUTES

The Minutes of the meeting held on 18 July 2016 were agreed as a correct record and signed by the Chair.

34. QUESTIONS

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

	Lead Petitioner	Subject	Reply
1.	Jo Hammond & Katie Deegan	Save Palmer Park Library	Councillor Gittings
2.	Peter Burt	Save Arthur Hill Pool	Councillor Gittings

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

	Questioner	Subject	Reply
1.	Kizzi Murtagh	Keep Arthur Hill Baths Open	Councillor Gittings

Questions on the following matters were submitted by councillors:

	Questioner	Subject	Reply
1.	Councillor White	Letting Agents' Charges	Councillor Davies

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

35. UPDATE ON THE COUNCIL'S FINANCIAL POSITION

Further to Minute 21 of the meeting held on 18 July 2016, the Corporate Management Team submitted a report giving an update on the Council's financial position.

The report noted that a package of savings of £19.84m had been approved, subject to consultation, at the meeting of the Committee on 18 July 2016, and that these savings were now being progressed with responses to consultation to be reported back in due course. Over the summer the financial outlook had been updated taking

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account of in-year budget monitoring, including an assessment of the delivery impact of savings measures agreed to date and a review of key assumptions. The budget monitoring report to the end of July 2016 (see Minute 42 below) showed a significantly worsened financial position since the previous meeting, which was particularly acute in Children's Services, and had adversely affected the budget forecast. Currently the total estimated budget gap before implementation of any savings over the period 2017 to 2020 was almost £41.5m. Savings of £23.4m had been agreed to date with a remaining estimated gap of £18.6m; further proposals would be submitted for consideration by the Committee to bridge this gap and put in place a sustainable budget for the period 2017-2020.

The report referred to a four-year financial sustainability plan and it was further explained at the meeting that the Government had offered a multi-year financial settlement to local authorities on the condition that they submitted their financial sustainability plan by 14 October 2016. Councils that did not accept the offer would be subject to the existing annual process for determining the level of central funding that they would receive. The Committee agreed that the draft sustainability plan should be considered at the meeting of Council on 18 October 2016, notwithstanding that this was a few days after the government's deadline.

Resolved -

- (1) That the updated financial outlook be noted;
- (2) That it be noted that because of the worsened financial position, as set out in the Budget Monitoring report (Minute 42 below refers), further budget savings proposals would be required to keep expenditure and resources balanced;
- (3) That the Corporate Management Team bring forward further measures over the autumn period to bridge the remaining budget gap between 2016-20;
- (4) That a draft financial sustainability plan be submitted to the Council meeting on 18 October 2016.

36. WASTE OPERATIONS - INTRODUCTION OF DOMESTIC GREEN WASTE COLLECTION CHARGES

The Director of Environment and Neighbourhood Services submitted a report seeking approval for a proposed charging structure for the opt-in green waste collection service for domestic properties in Reading from 1 April 2017.

The report explained that the Council currently offered a free opt-in fortnightly green waste collection and disposal service to 16,228 properties with green bins and 2,400 properties with green bags, at a cost of £300k per annum. In the current financial climate it was no longer considered economically viable to offer a free collection service, and it was therefore proposed to introduce a charge of £50 per bin

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and £15 per bag per annum for collection of green waste, in line with the charging policies of neighbouring boroughs. The initial supply of the green bins and bags were already subject to a charge of £36.10/bin and £11.35/bag which would continue. Service users with more than one bin would pay the full charge for the first bin and a 50% reduction would be applied to additional bins.

The report also proposed that concessions of 25% be available for the collection service. Officers were currently working to identify the best delivery mechanism for concessions and a proposal would be reported to a future meeting of the committee.

Resolved -

- (1) That charges for an opt-in Green Waste collection and disposal service be introduced from 1 April 2017;
- (2) That the charges be set at £50 per bin and £15 per bag per annum;
- (3) That a 25% discount be offered to service users on low incomes, subject to an assessment process;
- (4) That officers be authorised to undertake public consultation and any necessary individual equality impact assessments, with the outcomes and recommendations being reported back for decision at the relevant committee or sub-committee;
- (5) That the progress of the changes and a proposal for concession be reported to a future meeting of the Committee.

37. STATION HILL DEVELOPMENT - POTENTIAL ACQUISITION OF LAND FOR PLANNING PURPOSES

The Director of Environment and Neighbourhood Services submitted a report seeking approval for the acquisition of land for planning purposes by agreement under Section 227 of the Town and Country Planning Act 1990 (as amended) ("Section 227") enabling the operation of powers under Section 203 of the Housing and Planning Act 2016 ("Section 203") to facilitate the carrying out of the redevelopment of land at Station Hill ("the Station Hill 3 Site").

The report noted that outline planning permission had been granted by the Council on 9 January 2015 for the comprehensive redevelopment of land at Station Hill ("the 2015 Permission"). The development would comprise offices, a range of town centre uses including retail and related uses, leisure and residential units, associated infrastructure, public realm works and ancillary development. On 26 July 2016 outline planning permission had been granted for the Telecom House land allowing it to be included as an extension to the Station Hill development ("the 2016 Permission"). A plan of the area showing the two adjoining sites was attached to the report at Appendix 1. Both the 2015 Permission and the 2016 Permissions had been granted after the prior execution of a Section 106 Agreement that had secured

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substantial planning benefits to the Borough, which were summarised in Appendix 2 to the report.

The report explained that Sackville wished to commence substantive construction works in early 2017 at the latest in order to begin delivering the completed buildings in 2019, so that the delivery of the Station Hill 3 Scheme coincided with Crossrail and anticipated demand for offices. The Station Hill 3 Site was a gateway to Reading for visitors arriving by rail, and delivery of the scheme (including the high quality public realm and ground floor active frontages) promptly was vital to enhancing this key area. Both schemes comprised tall buildings which affected adjoining properties ("the Affected Properties") that had accrued common law rights to light, which was not uncommon for town centre schemes of this nature and scale. A list of 31 properties which had been assessed as being able to sustain potentially actionable alterations in light as a result of the construction of the Station Hill 3 Scheme was attached to the report at Appendix 4.

The report explained that Sackville had been seeking to agree terms with owners/occupiers of the Affected Properties since March 2014, and that whilst Deeds of Release or Heads of Terms had been executed or agreed in most cases, there were still three properties in respect of which Sackville had been unable to reach agreement. Sackville had advised the Council in a letter dated 31 May 2016 ("the Request Letter"), which was attached to the report at Appendix 3, that the owners of four Affected Properties (now three) might wish to maintain action or claims, and that therefore there was concern that the development programme was at risk due to the inability to settle these remaining rights of light claims, with the prospect that those with a relevant interest were able to pursue injunctive relief and stall or prevent the development. Sackville had therefore asked in the request letter if the Council would be prepared to consider intervening by utilising the powers under Section 227 (power to acquire land by agreement for planning purposes) to enable reliance on the powers of Section 203 (power to override easements and other rights).

The report explained that in order to use powers under Section 203 it would be necessary for the Council to acquire an interest in the Station Hill 3 Site at a nominal consideration. The effect of this would be to override any right to light claim and enable the development to proceed in accordance with the 2015 and 2016 Permissions, without the threat of it being stalled or prevented by an injunction. The owners/occupiers of the Affected Properties would be entitled to compensation under the statutory scheme expressed in Section 204 of the 2016 Act, and the Council's liability to pay compensation and any other financial liabilities and costs incurred would be fully indemnified by Sackville.

The report set out further detail on the planning and policy background and on rights to light issues. The First Schedule attached to the report explained the operation of Section 203 of the Housing and Planning Act 2016, and the Second Schedule attached to the report explained the case for the application of the Section 203 power, gave a summary of representations made on behalf of the objecting landowners, considered

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Human Rights issues, and examined whether acquisition would facilitate the carrying out of the Station Hill 3 Scheme.

Affected owners/occupiers had been invited to submit comments and representations to the Council and this correspondence was attached to the report at Appendix 5. Three additional letters were tabled at the meeting, as well as a letter which had been incomplete in the published agenda papers.

It was proposed at the meeting that the Committee agree in principle to authorise acquisition of an interest in the site, as recommended in the report, but that this decision only be confirmed at the meeting of the Committee scheduled for 28 November 2016, in the event that during this further time the parties had not reached negotiated agreements. A resolution to this effect was circulated to the Committee and agreed.

At the invitation of the Chair, Simon Perkins of McKay Securities (20-30 Greyfriars Road), and Gordon Ingram, representing Sackville, addressed the Committee on this item.

Resolved -

- (1) That it be agreed in principle to authorise acquisition of an interest in the Station Hill 3 Site by the Council under Section 227 of the 1990 Act, in order to engage powers under Section 203 of the 2016 Act for the planning purposes of facilitating the carrying out of the Station Hill 3 Scheme authorised by the 2016 Permission (in its current form or as it may be varied or amended) and subsequent disposal of that interest to Sackville (or an associated company) under Section 233 of the 1990 Act;
- (2) That the Director of Environment and Neighbourhood Services submit a report to the meeting on 28 November 2016 to seek approval to confirm the 'in principle' decision of the Committee set out in resolution (1) above, provided that the Council was satisfied that Sackville had used all reasonable endeavours to remove injunction risks by negotiating the release of affected rights of light by agreement with the owners of the remaining three Affected Properties and that those entitled to such rights of light were not prepared by agreement (on reasonable terms and within a reasonable timescale) to permit infringements of those rights in time to achieve the development programme as expressed in the Request Letter.

38. CONTRACTS FOR HOMELESSNESS SUPPORT SERVICES

The Director of Environment and Neighbourhood Services submitted a report setting out details of current contract arrangements for Homelessness Pathway Supported Living Non-Registered Services, Outreach Service for Rough Sleeping in Reading, and the Floating Support Service to Prevent Homelessness, collectively referred to as

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homelessness support services. The report sought approval to extend existing contracts for these services until 2018, and outlined a proposal to then re-commission all homelessness support services from 2018/19.

The report explained that the Council commissioned the Homelessness Pathway Supported Living Non-Registered Services to meet the needs of vulnerable single homeless residents and to support the reduction of rough sleeping numbers in the borough. There were currently five contracts in place for these services with external providers which were due to end on 31 March 2017, and the report sought authorisation to enter into interim contract arrangements with the following current providers: Bournemouth Churches Housing Association, Launchpad Reading, Riverside and The Salvation Army. For the service currently contracted to Ability Housing Association the Council would be entering into a new contract with a different provider by March 2017.

The Council commissioned the Outreach Service for Rough Sleeping contract to reduce the number of rough sleepers in the borough, and this was due to expire on 31 December 2016. The report sought authorisation to extend contract arrangements for this service with the current provider, St. Mungo's. The Floating Support Service to Prevent Homelessness contract was due to expire on 30 June 2018, and would be reviewed to allow alignment with the re-commissioning of all homelessness support services.

The report explained that all homelessness support services would be fully reviewed and an analysis of existing services and need carried out. Once this had been completed a full procurement and competitive tender exercise would take place. It was intended that homelessness services would be reconfigured and that the staged model of delivery would be adapted to provide more flexible support services to better meet the needs of individuals, in line with best practice and to allow potential savings to be achieved.

Resolved -

- (1) That the proposal to re-commission all homelessness support services from 2018/19, including supported accommodation, outreach services for rough sleeping and floating support services to prevent homelessness, be noted;
- (2) That the Head of Housing and Neighbourhoods, in consultation with the Lead Councillor for Housing, be authorised to enter into interim contracts for all Homelessness Pathway Supported Living Non-Registered Services with the current providers (Bournemouth Churches Housing Association, Launchpad Reading, Riverside and The Salvation Army) for a period of 12 months until 31 March 2018;
- (3) That the Head of Housing and Neighbourhoods, in consultation with the Lead Councillor for Housing, be authorised to enter into a

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contract extension for the Outreach Service for Rough Sleeping with the current provider (St. Mungo's) for a period of 15 months until 31 March 2018.

39. TEMPORARY AGENCY STAFF MANAGED SERVICE CONTRACT AWARD

The Director of Adult Care & Health Services submitted a report seeking approval for the award of a contract for a temporary agency staff managed service contract following a competitive tendering exercise.

The report explained that the Council had used a managed service provider (MSP) to provide agency staff for the past four years, and that overall the performance of the contract had been good. The use of temporary agency staff was a cost-effective and flexible way of managing the requirement for short-term additional resource to supplement the Council's general workforce.

The report set out the benefits of using an MSP and explained that entering into a contract for a managed service for the supply of temporary agency staff did not commit the Council to any particular level of expenditure, and that the MSP were offered no guarantees on the volume of business that would be procured under the contract. The managed service contract ensured that the Council's recruitment of temporary agency staff was achieved at the best available rates and on contract terms that were better than those available for ad-hoc contracts. In 2015/16 expenditure under the contract showed a saving of £445,000 when compared with the charge rates that had been paid in the year before the current contract had been implemented.

The report explained that the new contract was likely to require a three-month mobilisation period and that therefore the Committee was requested to authorise officers to award the contract as soon as the procurement process had concluded, which was anticipated to be in early October 2016.

Resolved -

That the Director of Adult Care and Health Services, in consultation with the Leader of the Council, the Head of Legal and Democratic Services and the Head of Finance, be authorised to award a contract for a Temporary Agency Staff Managed Service for a period of three years with an option to extend for a further one year in accordance with the Public Contracts Regulations 2015.

40. DEPUTIES SERVICE

The Director of Adult Care & Health Services submitted a report seeking approval for a revised Deputy Office Policy and a number of changes to fees and charges for Deputy Office services. The following documents were attached to the report:

- Appendix A - Deputy Office Policy

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- Appendix B - Deputy Office Charging Schedule
- Appendix C - Deputy Office Budget 2013 - 2016
- Appendix D - Deputy Office Expenditure and Income Projections 2016 - 2018
- Appendix E - Draft Consultation Questionnaire

The report explained that the Council had a Deputy Office which acted as a deputy for 124 Reading residents and Appointee for a further 125 Reading residents. The provision of appointeeship and deputyship services were not statutory duties for local authorities, but was recognised good practice. In their absence, demand on other Council services would increase and social workers would need to commission or deliver some tasks.

The report explained that the current Deputy Office policy and procedures had been published in 2009, and that the charges outlined in the Policy were applicable to deputy cases only. A local threshold had been applied to charging and therefore the Council had not been charging as allowed under the Court of Protection (CoP). Most other local authorities had adopted the CoP Charging Directive for the deputyship service, and charging for appointee services was by local determination, with most authorities charging on a full recovery cost basis.

The report explained that a current cohesive updated policy was required before any changes to charging could take effect. Attached for approval at Appendix A was a revised Deputy Office Policy and at Appendix B a Charging Schedule, which set out a number of proposed changes to fixed fees and charges for the deputy office services. The updated policy would continue to align the Council's charges with any charging directive made by the CoP (both now and in the future), would formally introduce charging for appointees and set out that the Council would seek disbursement for professional services provided by the Office. A six week consultation on the new Policy and charges was proposed.

Resolved -

- (1) That the revised Deputy Office Policy (Appendix A), aligned to corporate objectives and assuring the appropriate use of means testing to determine charges for the service that residents and families could elect to engage, be approved;
- (2) That the proposal to carry out a six week consultation to inform the Equality Impact Assessment be endorsed;
- (3) That the Director of Adult Care & Health Services and the Head of Wellbeing, in consultation with the Lead Councillor for Adult Social Care, the Managing Director, and the Heads of Finance and Legal and Democratic Services, be authorised to agree the revised Deputy Office Policy following a review of the consultation outcome and recommendations.

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41. 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 July 2016.

Resolved -

That it be noted that, based on the position at the end of July 2016, budget monitoring forecast an overspend of around £6.8m.

(The meeting started at 6.30pm and closed at 8.26pm).