

25 November 2016

To: Councillor Lovelock (Chair)
Councillors Davies, Duveen, Eden, Gavin,
Gittings, Hopper, Hoskin, Jones, Page,
Skeats, Stevens, Terry and White

Your contact is: Simon Hill - Committee Services

NOTICE OF MEETING - POLICY COMMITTEE - 5 DECEMBER 2016

A meeting of the Policy Committee will be held on Monday 5 December 2016 at 6.30pm in the Council Chamber, Civic Offices, Reading. The Agenda for the meeting is set out below.

Please Note - the Committee will first consider items in closed session. Members of the press and public will be asked to leave the Chamber for a few minutes.

ITEMS FOR CONSIDERATION IN CLOSED SESSION

The following motion will be moved by the Chair:

"That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following items on the agenda, as it is likely that there would be disclosure of exempt information as defined in the relevant Paragraphs of Part 1 of Schedule 12A (as amended) of that Act"

<u>ACTION</u>	<u>WARDS AFFECTED</u>	<u>PAGE NO</u>
1. DECLARATIONS OF INTEREST FOR CLOSED SESSION ITEMS	-	-
2. INVESTMENT PROPERTY ACQUISITIONS POLICY Councillor Lovelock / Director of Environment and Neighbourhood Services	BOROUGHWIDE	A1
3. STATION HILL DEVELOPMENT - POTENTIAL ACQUISITION OF LAND FOR PLANNING PURPOSES Councillor Page / Head of Legal and Democratic Services	ABBEY	A24

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ITEMS FOR CONSIDERATION IN PUBLIC SESSION

4. CHAIR'S ANNOUNCEMENTS

5. DECLARATIONS OF INTEREST

Councillors to declare any interests they may have in relation to the items for consideration in public session.

6. MINUTES

To confirm the Minutes of the Policy Committee meeting on 31 October 2016. B1

To receive the Minutes of the Heights Free School Sub-Committee (now The Mapledurham Playing Fields Trustees Sub-Committee) meeting on 11 October 2016. B13

7. PETITIONS AND QUESTIONS

To receive any petitions from the public and any questions from the public and Councillors.

8. DECISION BOOK REFERENCES

9. BUDGET PROPOSALS 2017-2020 TO NARROW THE BUDGET GAP BOROUGHWIDE C1

Councillor Lovelock / Corporate Management Team

This report sets out a range of income generation and saving proposals to further reduce the budget gap and feed into setting the budget for 2017-2020.

10. PUBLIC HEALTH BUDGET 2017/18 BOROUGHWIDE D1

Councillor Hoskin / Director of Adult Social Care and Health Services

This report sets out the public health budget for 2017/18, taking account of the grant reduction, and sets out action the council will take to manage the reduced allocation and additional savings being proposed.

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| 11. | STATION HILL DEVELOPMENT - POTENTIAL ACQUISITION OF LAND FOR PLANNING PURPOSES | ABBEY | E1 |
| Councillor Page / Head of Legal and Democratic Services | | | |
| This report seeks approval for the acquisition of land for planning purposes by agreement under Section 227 of the Town and Country Planning Act 1990 (as amended) enabling the operation of powers under Section 203 of the Housing and Planning Act 2016 to facilitate the carrying out of the redevelopment of land at Station Hill. | | | |
| 12. | ADVERTISING AND SPONSORSHIP | BOROUGHWIDE | F1 |
| Councillor Lovelock / Director of Environment and Neighbourhood Services | | | |
| This report seeks approval for amendments to the Council's current Advertising and Sponsorship Policy. | | | |
| 13. | BUDGET SAVING PROPOSAL - CONSULTATION RESULTS FOR CHANGES TO CONCESSIONARY FARES SCHEME | BOROUGHWIDE | G1 |
| Councillor Page / Director of Environment and Neighbourhood Services | | | |
| This report summarises the results of a consultation on changes to the concessionary fares scheme and recommends implementing the proposed changes. | | | |
| 14. | BUDGET MONITORING | BOROUGHWIDE | H1 |
| Councillors Lovelock & Page / Head of Finance | | | |
| This report sets out the budget monitoring position for the Council to the end of October 2016. | | | |

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Members of the public who participate in the meeting will be able to speak at an on-camera or off-camera microphone, according to their preference.

Please speak to a member of staff if you have any queries or concerns.

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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

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6.	Robin Bentham	Mapledurham Playing Fields	Cllr Lovelock
7.	Phil Vaughan	New Swimming Pool - Palmer Park	Cllr Gittings

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

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Neighbourhood Services submitted a report seeking spend approval for the proposed development of new council homes at Conwy Close.

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

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'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 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

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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 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

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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.

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.

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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 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;

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- (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 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

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£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.

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 -

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- (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 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

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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 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

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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:

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).

HEIGHTS FREE SCHOOL SUB-COMMITTEE MINUTES - 11 OCTOBER 2016

Present: Councillor D Edwards (Chair); Councillors Ayub, Hoskin, Steele, R Williams and Woodward

Apologies: Councillor Grashoff

4. MINUTES

The Minutes of the meeting of the Sub-Committee held on 12 July 2016 were agreed as a correct record and signed by the Chair.

5. PROPOSAL FROM THE EDUCATION FUNDING AGENCY

At the invitation of the Chair, the Sub-Committee received spoken representations from:

Rebecca Leach and Clare Reese-Jones in support of the EFA's proposal

Elisa Miles and Mark Corbett, in opposition to the EFA's proposal

Councillor Ballsdon, Chairman of Mapledurham Playing Fields Management Committee and local Ward Councillor

Gordon Watt on behalf of an alternative community-led proposal from Mapledurham Playing Fields Foundation, entitled 'Fit4All' (Item 4 below refers)

Ben McCarthy and Alex Metcalfe on behalf of the Education Funding Agency

Members of the Sub-Committee questioned Mr Watt and Mr McCarthy on their presentations.

Further to the discussion at the previous meeting (Minute 3 refers), the Head of Legal and Democratic Services submitted a report advising the Sub-Committee of a revised proposal which had been received from the Education Funding Agency (EFA) in respect of the acquisition of part of Mapledurham Recreation Ground/Playing Fields (the Ground) for the purpose of building a new school for the Heights Free School. The report advised the Sub-Committee that it had delegated authority, with the support of Officers, to discharge the functions as sole charity trustee for the Recreation Ground Charity at Mapledurham (the Charity), and had a duty to make all decisions in what it considered to be the best interests of the Charity in order to advance its charitable objects. Therefore, any decision made in respect of the EFA proposal was required to be in line with all relevant charity law and other legal restrictions.

The report explained that the EFA proposal required the transfer of 1,231 acres of land at the Ground, within a total specified area of 2.7 acres. The Plan attached to the report at Appendix 1, showed the total specified area in question.

The revised proposal from the EFA was attached to the report at Appendix 2. The report explained that within its revised proposal the EFA had identified a draft initial layout showing the indicative area of where the 1.231 acres would be located. The proposal confirmed that the EFA had no intention of building in a way that inhibited access to the

pavilion or playing fields. However, it was possible that during the planning process and further detailed work the layout of the school may need to change, albeit that it would remain within the 2.7 acres.

The report stated that despite being asked to do so, the EFA had not been prepared to confirm where the 1.231 acres of land they required for the school would be located within the wider area. This was because they considered that the greater area of 2.7 acres would provide them with some flexibility should some changes be needed to the initial design lay-out. The report explained that the revisions made by the EFA to the proposal considered at the July 2016 meeting were as follows:

- The 2.7 acre area requested had been re-drawn to provide for at least a 3 metre gap between the site and the existing Pavilion and tennis courts;
- The school hall and MUGA would be available for community use, subject to charges to users at affordable rates;
- The Charity would provide the school with access to one sports pitch, for which it would pay a nominal usage charge, which met the Grass Pitch Quality Standard. There was an obligation on the Charity to bring one pitch up to this standard;
- Recognition that the future management arrangements for the Ground would be for the Council as trustee of the Charity to determine, and reiteration that the school would be willing to cooperate with any such arrangements out in place.

The report explained that the proposal included a total payment from the EFA to the Charity of £1,360,000. In this regard, the EFA considered the purchase price for the unspecified 1.231 acre site to be £30,775 (at £25,000 per acre based on their Red Book Valuation).

The report stated that the EFA's proposal had been made on the basis that it was open for acceptance for a period of 16 weeks until 14 October 2016 and therefore the EFA was looking to the Council, as trustee of the Charity, to make a decision on the proposal by this date. The EFA recognised that it was not possible for a final decision to be reached by this date because much information remained outstanding and a process of consultation, with the public and Charity Commission, was required. However, the report stated that the EFA had a timetable for applying for planning permission in order to get the school ready for occupation in September 2018 which required an 'in principle' decision by 14 October 2016 so they could proceed with design work and the planning application. The report made clear that if the Sub-Committee decided to progress the EFA offer, then the Charity would not be contractually committed to proceed with the sale until contracts had been exchanged.

The following papers were attached to the report

Appendix 1 - revised Plan showing boundary change to 2.7 acre site

Appendix 2 - Revised EFA proposal

Appendix 3 - A new home for the Heights - consultation proposal by the Heights Free School for a site at the Mapledurham Playing Fields

Appendix 4 - Mapledurham Playing Fields Foundation - letter dated 29 September 2016 and enclosed leaflet on 'Fit4All'.

The legal implications of the proposals were detailed in section 9 of the report.

The report explained that on 29 September 2016, the Chair had received a letter from Mr Gordon Watt, Chairman of the Mapledurham Playing Fields Foundation, setting out and attaching what was described as an alternative proposal to that submitted by the EFA, under the heading 'Fit4All'. This proposal was to undertake the enhancement, management and operation of the Mapledurham Playing Fields with a 25 year lease. The Sub-Committee noted that a report on the alternative 'Fit4All' proposal appeared on the agenda as a separate item and asked officers to introduce this and all the reports before decisions were made so that the Sub-Committee could have regard to all relevant information in reaching its decisions.

Resolved -

- (1) That the EFA's revised offer, at Appendix 2 to the report, be received;
- (2) That the EFA be informed that there is a lack of clarity within its proposals which results in the members of the Sub-Committee being asked to make a decision without full facts of the effect of the proposal on the Ground, in particular concerning the location of the 1.231 acres that it is proposed to be transferred for the school site, and its impact on the playing areas and sports pitches at the Ground;
- (3) That notwithstanding this unsatisfactory circumstance, the Sub-Committee is satisfied that, in principle and without creating any binding legal commitment, the EFA's revised offer is capable of being in the best interests of the Charity (i.e. because it is considered to be capable of enhancing the amenity value of the Ground) and accordingly advises the EFA that they are prepared to continue to discuss the revised proposal, subject to the EFA:
 - (i) Clarifying the location of its 1.231 acre site at the earliest opportunity.
 - (ii) Seeking planning consent for its proposed development on the Ground in consultation with the Sub-Committee on the likely effect of the various design options upon the amenity value of the Ground, so that the planning application that is submitted is acceptable to the Sub-Committee.
- (4) That, subject to the EFA carrying out the actions identified in resolution (3) above, the Sub-Committee shall:
 - (i) Obtain and consider a report from Bruton Knowles pursuant to section 117 Charities Act 2011, which should also address the amenity value of the Ground in respect of (and as a consequence of) the EFA proposal (including in particular any enhancement of the amenity value attributable to the EFA proposal).

- (ii) Consult with the public and the Charity's Management Committee on the basis set out in section 9 of the report.
- (iii) Consult with the Charity Commission on the basis set out in section 9 of this report.

6. MAPLEDURHAM PLAYING FIELDS AND PAVILION

The Director of Environment & Neighbourhood Services submitted a report on the current position and possible next steps for the pavilion at Mapledurham and how the proposals made by the EFA may affect the pavilion.

The Sub-Committee was advised that the location of the proposed school could have an impact on the suitability of the pavilion in its current location and implications for the number of sports pitches available for community use and the related facilities required within the pavilion. The report stated that should refurbishment work be undertaken on the pavilion and a proposal from the EFA be implemented that necessitated replacement of the pavilion, the funds expended would be lost. Therefore before any work was undertaken to the pavilion, confirmation was required that any developments would not compromise use of the pavilion to the extent that it would need to be relocated. The Sub-Committee were advised that WADRA had recently confirmed that the monies raised towards the replacement or refurbishment of the pavilion would only be made available if the EFA proposal did not go ahead.

Resolved -

That a decision on refurbishing or replacing Mapledurham pavilion is made only after the Sub-Committee is confident in the implications of a proposal from the EFA or other potential interested parties.

7. FIT 4 ALL- PROPOSAL FOR MAPLEDURHAM PLAYING FIELDS FOUNDATION

The Chief Valuer submitted a report on a detailed proposal received from the Mapledurham Playing Fields Foundation to enhance the facilities and operations at Mapledurham Playing Fields without the need to sell land to fund these enhancements. The proposal, under the heading 'Fit4All' was attached as Appendix 1 to the report.

The Sub-Committee noted that the proposal had been received on 3 October 2016 - the day the agenda for the meeting had been published - and accordingly officers had not been able to evaluate the proposal in time for this meeting. However, it was noted that the letter from Mr Watt indicated that the proposal was intended to be considered *instead of* rather than *in addition to* the EFA proposal. Officers suggested that officers be authorised to discuss this matter in greater detail with Mr Watt and the representatives of the 'Fit4All' proposal and report back to the next meeting of the Sub-Committee.

In discussion, the Sub-Committee noted the concerns of local community representatives regarding the potential precedent for development that could be implied if the Charity permitted the sale of part of the Playing Fields for a school site. Officers committed to investigate and report back to the Sub-Committee on the implications should a Deed of Dedication be entered into.

Resolved -

That the "Fit4All" presentation be noted and officers be authorised to discuss the detail of the proposals with Mr Watt and representatives of the 'Fit4All' proposal and report back to the next meeting of the Sub-Committee.

(The meeting started at 6.30 pm and finished at 7.45 pm).

READING BOROUGH COUNCIL

REPORT BY THE CORPORATE MANAGEMENT TEAM

TO:	POLICY COMMITTEE		
DATE:	5 DECEMBER 2016	AGENDA ITEM:	9
TITLE:	BUDGET PROPOSALS 2017-2020 TO NARROW THE BUDGET GAP		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	PORTFOLIO:	POLICY & FINANCE
SERVICE:	ALL	WARDS:	BOROUGHWIDE
LEAD OFFICER:	SIMON WARREN	TEL:	0118 937 2067
JOB TITLE:	INTERIM MANAGING DIRECTOR	E-MAIL:	simon.warren@reading.gov.uk
LEAD OFFICER:	RACHEL MUSSON	TEL:	0118 937 2398
JOB TITLE:	INTERIM STRATEGIC FINANCE DIRECTOR	E-MAIL:	rachel.musson@reading.gov.uk

1. PURPOSE AND SUMMARY OF REPORT

- 1.1 At the meeting of Policy Committee on 26 September 2016 the latest financial position was reported. The estimated budget gap at that point before implementation of any savings already agreed for the period 2017-2020 was £41.5m. £23.4m of savings had been agreed previously and is in the course of being implemented. The September report noted that in order to address the remaining gap further budget proposals for income generation and savings would be brought forward to future meetings.
- 1.2 The same figures formed the basis of a report to Council in October which set out the Council's Financial Sustainability Plan that had been submitted to Government, and indicated that our approach to identifying further savings to cover the estimated £18.4m gap over the next 3 years (£9.6m in 2016/17) was in four broad areas; managing demand, increases in productivity, strategic commissioning and reductions in service.
- 1.3 The budget for 2017/18 is currently being built by officers in line with the budget guidelines agreed by Policy Committee in July, and although this work is well advanced it is not yet complete, with some key areas still needing detailed consideration. Work on service budgets is sufficiently advanced to be able to confirm the assumptions underpinning the September and October reports were broadly correct.
- 1.4 The £18.4m budget gap for the period 2017-2020 assumes that all savings agreed to date (including those agreed in September and October) will be delivered. This report sets out a range of income generation and saving proposals to further reduce this gap and feed into setting the budget for 2017-2020. Agreeing these proposals at this time allows for consultation to

be undertaken where necessary and implementation to commence ahead of the new financial year in order to maximise the contribution towards closing the budget gap in 2017/18.

- 1.5 In order to achieve the substantial savings needed the measures being brought forward include cuts in services or service reductions and different models of delivery. We also propose reviewing the Council's management structure to ensure it is effective and efficient as well as reducing agency staff costs (which in some cases will mean some posts will no longer be able to be covered when vacant). We continue a programme of digitisation to enable a switch to self-serve for staff and customers. Major transformation programmes are underway in Adults and Children's Services and we are developing businesses where appropriate to generate income.
- 1.6 If approved, subject to consultation where appropriate, the proposals set out in Appendix 1 will deliver savings and additional income of £10.5m (£8.0m in 2017/18) over the period 2017-2020.
- 1.7 Based on the estimate in this report, and if all the proposed savings are agreed and delivered, we still have to identify further savings of at least £8m (including £1.6m in 2017/18) to bridge the forecast financial gap between 2017-20.
- 1.8 However the Council's budget position continues to be extremely challenging. There is continuing severe pressure on children's social care expenditure to tackle rising demand for services which will need to be taken into account in building the budget for 2017/18 to ensure the needs of children and families are properly and safely met. In addition there is uncertainty about the future arrangements for children's services which will be dependent on the outcome of the Children's services commissioner's review and his recommendation to government.
- 1.9 As indicated above, the forecast gap will change as we refine our estimates, and consider the impact of changing circumstances, or receive more information in preparation for setting the budget in February 2017. If the budget gap widens additional budget reduction measures will need to be identified.
- 1.10 Appendix 1 to this report sets out the income generation and saving proposals to close the budget gap.
 - Where it is indicated that the proposal will require public consultation we will follow the required statutory consultation process and/or a consultation process with individual arrangements with outcomes and recommendations for a final decision to be reported to the relevant committee or sub-committee.
 - Where public consultation is not required we will if the proposal is agreed by this committee proceed to implementation including staff consultation where appropriate.

2. RECOMMENDED ACTIONS

- 2.1 Policy Committee is requested to approve the budget proposals as set out with the report and authorise officers to undertake public consultation and any individual equality impact assessments as necessary with the outcomes and recommendations being reported back for decision at the relevant committee or sub-committee (with Policy Committee approving any variations to these proposals that change the saving).

3. FINANCIAL CONTEXT

- 3.1 The Council continues to operate in very difficult conditions. Earlier reports to 23 February 2016, 18 July 2016 and 26 September 2016 Policy Committees have highlighted the continuing budget challenge. The Council had set very demanding savings targets to balance the budget over the period 2016-2020 with a gap remaining both immediately and in future years. An assessment of the position over the summer and autumn has evidenced further deterioration to the in-year budget position.
- 3.2 As set out to Council in October, our current forecast assumes all agreed savings are delivered, and includes very limited amounts for unplanned additional costs in comparison to what has been included in the budget for pressures in recent years. It shows that there remains a £18.4m forecast funding gap over the period 2017-2020. DCLG have subsequently confirmed that our planned approach is acceptable, so we can assume grant will be at least at the previously advised levels to 2019/20.
- 3.3 This means that to make the necessary savings and to meet the legal requirement for the Council to set a balanced budget within the funding available over the medium term we will need to continue to review the services we provide and how we provide them.
- 3.4 Following the publication of the OFSTED Report in the summer, a commissioner has been appointed to consider future arrangements for Children's Services. No additional allowance has been made in the forecast for the possibility the commissioner may recommend future alternative arrangements that are more expensive than the existing delivery model.
- 3.5 Specific risks are also associated with budget monitoring for 2016/17 which has slightly worsened since the September Policy Committee and October Council reports were prepared. In several service areas there are on-going growth and demand pressures. Furthermore, we have yet to be advised of the outcome of the actuarial review of the Pension Scheme which will affect contributions for the next three years and we will also need to finalise our forecasts of council tax and business rate income following the Local Government Finance Settlement in December.
- 3.6 Officers are continuing to work to identify mitigating savings and efficiencies to reduce the forecast overspend in the current financial year,

though it is proving increasingly difficult to find measures that are deliverable in year.

4. PROPOSAL

4.1 Proposals to help bridge the budget gap and enable the Council to build a sustainable budget for 2017-2020 have been developed and are set out for consideration and agreement subject to consultation in Appendix One.

4.2 In order to achieve the substantial savings needed this has meant that the Council must consider cuts in services or service reductions and different models of delivery. We are also reviewing the Council's management structure to ensure it is effective and efficient as well as reducing agency staff costs (which in some cases will mean some posts will no longer be able to be covered when vacant). We continue a programme of digitisation to enable a switch to self-serve for staff and customers. Major transformation programmes are underway in Adults and Children's Services and we are developing businesses where appropriate to generate income.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 These proposals take account of our service priorities while our budget is being reduced but recognise that the Council is required to make some difficult choices in order to set a sustainable budget for the period 2017-2020.

6. EQUALITY IMPACT ASSESSMENT

6.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

6.2 The equality duty is relevant to the development of the Budget proposals. An initial assessment of the potential for impact on groups protected under the Equality Act has been undertaken for each proposal.

6.3 Where full equality impact assessments are required these will be informed by consultation feedback and provided to the relevant committee or sub-committee making the final decision on the proposal to ensure that Councillors are in a position to take these into account in the decision making process.

7. LEGAL IMPLICATIONS

7.1 There is a legal requirement to set a balanced budget and to consult on major issues. The Council will ensure that all appropriate consultation

takes places for both the staff and the public as further savings proposals are brought forward for consideration.

- 7.2 Local authorities are under a Duty to Consult (Section 3(2) of the Local Government Act 1999) representatives of a wide range of local persons.
- 7.3. The Equality Act 2010 places an 'Equality Duty' on public bodies, to understand how their plans to introduce new, or change existing, policies, procedures or services will affect groups protected under equality legislation (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.) the effect of their policies and practices on equality.

8. FINANCIAL IMPLICATIONS

- 8.1 Our financial situation has worsened significantly during 2016/17. There is an urgent need to agree some more savings that can be implemented as soon as possible to enable a budget to be set for 2017/18.
- 8.2 Given the scale of the savings already made over recent years this means the Council must make some difficult choices to ensure our forward financial plan is sustainable.
- 8.3 The key financial assumptions are set out in the table below:

£'000's	2017/18	2018/19	2019/20	Total
Total Estimated Budget Gap	24,401	10,349	7,175	41,925
Savings Agreed prior to this committee)	-14,851	-6,002	-2,587	-23,440
Income Generation and Savings Proposals to this committee	-7,974	-1,314	-1,200	-10,488
Remaining Gap	1,576	3,033	3,388	7,997

- 8.4 As indicated above, the remaining forecast gap is subject to change, depending upon the conclusion of the budget build, and any further information that emerges before the budget must be set.
- 8.5 For example there may be detailed announcements following the Chancellor's Autumn Statement on 23 November that could impact on the gap.
- 8.6 The Council's budget position remains extremely challenging with the added uncertainty of potential additional costs from the outcome of the work of the commissioner who has been appointed to consider future arrangements for Children's Services. No additional allowance has been made in the forecast at this point for future alternative arrangements that may be more expensive than the existing delivery model.

- 8.7 In addition there continue to be significant pressures in year on social care expenditure in children's services with high volumes of demand. Work is continuing to manage this as effectively as possible while meeting the needs of children and families. This means as we continue to prepare to set the Council's budget in February 2017 for the financial year 2017/18 the budget gap is likely to widen again and further savings will need to be found.

9. BACKGROUND PAPERS

- 9.1 Agenda and minutes 23 February 2016 Council
- 9.2 Agenda and minutes 18 July 2016 Policy Committee
- 9.3 Agenda and minutes 26 September 2016 Policy Committee
- 9.4 Report to Council on financial sustainability, October 2016
- 9.5 Local Government Finance Settlement 2016/17

APPENDIX 1 - Saving and Income Generation Proposals

Income Generation (Recurrent)			£'000's			Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19		
1	Invest in Commercial Property	Strategy to develop a commercial property portfolio. This is scalable depending on availability of appropriate properties. A separate report is included in the 5th December Policy Committee agenda.	500	500			Equality Duty not relevant. No Consultation Required
2	Out of Hours Car Parking Charges	Raise income from out-of-hours car parking on Council sites, for example use at evenings and weekends.	100	50	50		May provide scope to increase the disabled parking provision. Equality Duty not relevant. No Consultation Required
3	Dividend from Reading Transport Ltd	Provisional Dividend from Reading Transport Ltd, subject to trading position.	300	100	100	100	Equality Duty not relevant. No Consultation Required
4	Additional Income from Advertising	Further income to be generated from advertising . A separate report is included in the 5th December Policy Committee agenda.	150	150			Equality Duty not relevant. No Consultation Required
5	Increased Income Generation for Registration and Bereavement Services	Increase income within cemeteries, develop memorialisation across the bench and tree estate, license the Forbury Gardens bandstand and Caversham Court for weddings, and recruit and train a memorial mason apprentice to deliver masonry.	91	91			There is limited access to the Forbury Gardens bandstand and Caversham Court. Staff
6	School Business Development	Increase the take up of a range of support and direct services to schools	300	300			Equality Duty not relevant. No Consultation Required
TOTAL			1,441	1,191	150	100	

Revenue Savings (Recurrent)			£'000's			Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19		
7	Transport and Streetcare - Grass cutting	Discontinue cutting amenity grass adjacent to woodland areas. Reduce frequency of amenity grass cutting.	27	27			An Equality Impact Assessment is required. Public and Staff
8	Transport and Streetcare - Cleansing Efficiency Saving	Reduction in workforce through improved ways of working leading to efficiency savings.	53	53			An Equality Impact Assessment is required. Staff
9	Transport and Street Care Capitalising Salaries	Funding of four posts by utilising Integrated Transport Block capital grant allocation.	170	170			Equality Duty not relevant. No Consultation Required
10	Reduce Councillor Training	Reduction in external training and deliver training sessions through internal team	4	4			Equality Duty not relevant. No Consultation Required
11	Environment Contracts Renegotiation	Savings through renegotiation of existing contracts.	500	100	400		An Equality Impact Assessment is required. Staff
12	Council Tax Support Scheme	Proposals to amend the local Council Tax Support Scheme and Council Tax Major Works Discount have been agreed for public consultation at the previous Policy Committee.	766	766			An Equality Impact Assessment and Consultation have been carried out.

Revenue Savings (Recurrent)		£'000's					Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19	19/20		
13	Reduction in Agency Workers and Consultants	That a focussed recruitment exercise is carried out to fill substantive posts currently filled by agency workers or consultants. That there is a targeted approach to prioritise categories where the agency/consultant rate is significantly higher than the substantive rate.	2,000	500	1,000	500	Equality Duty not relevant.	No Consultation Required
14	Contract Management Savings	Re-negotiation of contracts/review of contract management for greater savings, with reduction in spend in future years.	1,050	350	350	350	Equality Duty not relevant.	No Consultation Required
15	Delaying the Council's Management Structure	Review of the Council's management structure to move towards a more efficient operating model. This includes working towards a model that allows for greater accountability and decision making and the removal of unnecessary additional management structures.	500	500			Equality Duty relevant. No adverse impact identified.	Staff
16	Stopping printed publications	Stop subscriptions to publications / newspapers across all Directorates. The legal services team will retain a reduced budget for the Law Library.	48	48			Equality Duty not relevant.	No Consultation Required
17	Reduction in Social Care package costs through Integration	Utilising a multidisciplinary team will provide additional support options for service users rather than defaulting to traditional models of care.	400	400			More appropriate personalised packages of care expected to be delivered, as part of review process and in line with current legislation. An Equality Impact Assessment is not required as services will be maintained to meet the Council's statutory duties and therefore there clients would not be adversely affected.	No Consultation Required
18	Mobile Working	Improve Mobile Working and use of IT by providing front line staff, Social Workers and Occupational Therapists, with IT equipment to enable mobile working when visiting customers, and by using one IT system across Social Care and Health.	200	200			Individual staff needs to be considered. Equality Duty relevant. Equality Impact Assessment to be completed as part of project milestones.	Staff
19	Community Reablement Team and The Willows	Commission the service currently provided by the Community Reablement Team with a revised specification. A revised specification will increase flexibility and allow a more robust contract monitoring focus to deliver outcomes for the client.	800	800			Initial Equality Impact Assessment indicates clients and carers would not be affected negatively; however this needs to be completed fully - Equality Duty relevant. Equality Impact Assessment to be completed as part of project milestones.	Public and Staff

Revenue Savings (Recurrent)		£'000's					Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19	19/20		
20	Decommission non-mandatory Public Health services	Stop or find more cost effective ways of delivering a range of non-mandatory services funded from the Public Health Grant.	143	143			A full Equality Impact Assessment will be completed and form part of the milestone plan. Consideration needs to be given to the implication on the health of the population as a result of reducing preventative service, also the potential impact to escalating costs further down the health/social care pathway where preventative service are removed.	No Consultation Required
21	Reading Your Way	De-commission the service currently provided by Reading Your Way, which is group and one-to-one support for personal recovery from mental health problems, delivered primarily through peer mentoring. Sessions include drop-ins, social and sporting activities, hospital outreach and two women's groups.	76	76			All of the service users have mental health problems and are likely to fit the definition of 'disability' within the terms of the Equality Act 2010. However, the severity of users' mental health problems will vary, and closing this service will affect the users differently. Equality Duty relevant.	Public
22	Reshaping the Wellbeing Public Health Team	Delivering a West of Berkshire Public Health Local Authority Service or PAN Berkshire Public Health model.	100	100			Provide a more person-centred approach to health and wellbeing delivery. Equality Duty relevant. Equality Impact Assessment to be completed as part of project milestones.	Staff
23	Remodel Adult Social Care Initial Screening Function	To review and transfer where appropriate the initial screening for Adult Social Care to improve the customer journey and make more efficient use of relevant staff.	100	100			Provide a more person-centred approach to health and wellbeing delivery. Equality Duty relevant. Equality Impact Assessment to be completed as part of project milestones.	Public & Staff
24	Combined Transport and SEN Home to School Transport	Combine the Transport Teams across Directorates	30	0	30		Equality Duty relevant.	Staff
25	Creation of Access to Resource Team	Creation of a single service for access to resources in children's services (including Special Education Needs and Disability). The main functions will be: foster carer recruitment, children's placements, commissioning of placement and support services, invoice processing and contract management	812	312	250	250	Equality Duty relevant.	Staff
26	Reduce Agency Social Worker Spend	Improve recruitment and retention of permanent Social Workers	1,200	1,200			Equality Duty not relevant.	No Consultation Required
27	Combined Drugs Workers, Multi-systemic Therapy and Options Team	Review and re-launch a range of preventative services under a single arrangement. The services under consideration are: Drugs Workers, Multi-systemic Therapy and the Options Team.	50	25	25		Equality Duty relevant. Little impact as continue to prioritise frontline delivery.	Staff

Revenue Savings (Recurrent)			£'000's			Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19		
28	Domestic Abuse commissioned services	<p>Subject to public consultation, a rebalancing of investment is proposed with a shift towards non-accommodation based support services and a reduction in Council-funded refuge bed spaces in line with similar authorities.</p> <p>This would result in an indicative reduction to the total domestic abuse services budget of £403k by £58k (to £345k). Part of the desired level of saving to include Public Health funding reductions.</p>	18	9	9	An Equality Impact Assessment is required.	Public
TOTAL			9,047	5,883	2,064	1,100	

Revenue Savings (Non-recurrent)			£'000's			Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19		
29	Continuing Health Care	Renegotiation of previous Continuing Health Care applications that have been rejected.	700	700		Equality Duty not relevant.	No Consultation Required
TOTAL			700	700	0	0	

Capital Receipts			£'000's			Equality Considerations	Consultation
No.	Saving Title	Description	TOTAL	17/18	18/19		
30	Civic Regalia Collection	Explore the possibility of disposing of some material held within the Civic Regalia Collection. Work will need to be carried out to trace the provenance of items and identify whether the council is legally free to dispose of an item. Agreements on disposal made with donors will also need to be taken into account; other factors include public benefit and local historical importance. Expert advice will be obtained and the views of stakeholders will be sought.	200	200		Equality Duty not relevant.	Public
TOTAL			200	200		0	

Total recurring	10,488	7,074	2,214	1,200
Total non-recurring	0	900	-900	0
TOTAL	10,488	7,974	1,314	1,200

READING BOROUGH COUNCIL

DIRECTOR OF ADULT CARE & HEALTH SERVICES

TO:	POLICY COMMITTEE		
DATE:	5 DECEMBER 2016	AGENDA ITEM:	10
TITLE:	PUBLIC HEALTH BUDGET 2017/18		
LEAD COUNCILLOR:	COUNCILLOR HOSKIN	PORTFOLIO:	HEALTH
SERVICE:	ALL	WARDS:	BOROUGHWIDE
LEAD OFFICERS:	WENDY FABBRO	TEL:	ext 72072
JOB TITLE:	JO HAWTHORNE		ext 73623
	DIRECTOR OF	E-MAIL:	Wendy.fabbro@reading.gov.uk
	ADULT CARE &		jo.hawthorne@reading.gov.uk
	HEALTH SERVICES		v.uk
	HEAD OF		
	WELLBEING		

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out the public health budget for 17/18, it takes account of the grant reduction (2.5%) and the action the council will take to manage the reduced allocation in funding. In addition it includes the additional savings being proposed to support the council's financial deficit.
- 1.2 The report also draws attention to the potential cut in funding from the Police and Crime Commissioner which will put additional pressure on the public health budget should the decision be taken to remove or reduce the funding which supports the Drug Treatment service in Reading.
- 1.3 The report also sets out three irrecoverable debts within the drug and alcohol team which amount to £71,654.40.
- 1.4 Appendices 1 provide a detailed budget position for programmes funded from the Public Health Grant for 17/18.

2. RECOMMENDED ACTION

- 2.1 To agree the budget and programmes to be funded from the Public Health Grant for 17/18 and to note the services impacted to deliver the service within budget.
- 2.2 To agree that officers commence work on delivering the action to manage the grant reduction.
- 2.3 To note that if any of the proposals are not accepted it will impact the value of savings public health can contribute to the wider council's savings plans.

2.4 That the three irrecoverable debts in the drug and alcohol team totalling £71,654.40 be written off, as set out in more detail in section 8.4 of the report.

3. FINANCIAL/POLICY CONTEXT

3.1 In line with the Government's plans to reduce public health funding until at least 2020/21, the Department of Health confirmed the 17/18 grant allocation in February 2016. Readings public health ring fenced grant allocation for 17/18 is £10,016,000.

3.2 To meet the reduction in 16/17, savings of £639,711 were made, by restructuring staff and removing training, reducing activities and limiting all non-contractual activity for programmes. In order to deliver services within the available budget for 17/18, programmes of activity will need to be decommissioned.

4.0 OPTIONS

4.1 All public health grant spend across the council, both for services commissioned directly by public health locally and through the shared team, as well as all additionally funded services provided across the council have been reviewed with the Director of Public Health.

4.2 Officers across the council have reviewed services that will be impacted as a result of the reduced funding. Appendix 1 details the baseline budget and proposed savings against the services that will no longer be funded through the Public health grant.

4.3 As there is already significant pressure on the council to find savings and there is no alternative funding within council's budget these services will be decommissioned unless external funding can be sourced.

4.4 If the proposals within this report are accepted then the 17/18 forecast spend is £9,970,926, leaving a surplus of £45,074. This does not take into account any reduction in the PCC funding, the drug and alcohol treatment service currently receives a £284,635, a 10% reduction has been confirmed overall for the council, and we are awaiting the final figures against specific programmes.

4.5 As with all directorates and departments across the council, the Public Health team continues to support the council find ways to manage the current financial position. As part of the councils savings targets £21,800 will be available to the wider council to support programmes which contribute to Public Health Outcomes and meet the grant conditions.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The approach taken to dealing with the Department for Health's Public Health Grant reduction should still enable the council, within available resources, to meet Corporate Plan priorities where there is a significant public health aspect, such as:

- i. Safeguarding and protecting those that are most vulnerable;
- ii. Providing the best start in life through education, early help and healthy living; and
- iii. Keeping the town clean, safe, green and active.

6. LEGAL IMPLICATIONS

6.1 The grant must be used only for meeting eligible expenditure incurred or to be incurred by local authorities for the purposes of their public health functions as specified in Section 73B(2) of the National Health Service Act 2006 ("the 2006 Act").

6.2 The functions mentioned in that subsection are:

- functions under section 2B, 111 or 249 of, or Schedule 1 to, the 2006 Act
- functions by virtue of section 6C of the 2006 Act
- the Secretary of State's public health functions exercised by local authorities in pursuance of arrangements under section 7A of the 2006 Act,
- the functions of a local authority under section 325 of the Criminal Justice Act 2003 (local authority duty to co-operate with the prison service with a view to improving the exercise of functions in relation to securing and maintaining the health of prisoners)

7. EQUALITY IMPACT ASSESSMENT

7.1 Where service delivery will be impacted or decommissioned an EIA will be completed.

8. FINANCIAL IMPLICATIONS

8.1 Revenue Implications

The report sets out that the public health grant has decreased by 2.5% in 17/18 and identify areas where spending will be reduced. In 18/19 the public health grant will reduce by a further 2.6%.

8.2 Value for Money

There is a requirement to ensure that public health service expenditure delivers value for money and this has been considered when identifying Public Health commissioned projects/services to reduced or decommission.

8.3 Risks

Police and Crime Commissioner Financial support beyond 2016/17 is uncertain and notice has been given around the intention to review all

grants. Should this grant reduce or be cut in full for 17/18 it will create a budget pressure for the council.

Should any of the proposals not be accepted or proposed reduction targets are not met, this will have a knock on effect on the value of savings that the public health budget can contribute to the council's savings programme.

Any unexpected costs will create a budget pressure in year. There are a number of demand lead services funded by the public health grant, any significant increase in demand will create an overspend in 2017/18.

8.4 Write offs

Financial regulations require Committee approval for a debt write off above £20,000. The write off of the debts will be managed in the 2016/17 Drug and Alcohol final budget position.

Table A: Debt to be written off

(a.)	West Berkshire Council - 2013-14 Contribution towards Alcohol Posts	£41,894.00
(b.)	West Berkshire Council - 2013-2014 Contribution towards GPwSI Service	£25,136
(c.)	Wokingham Borough Council - 2011 Creche Sessions	£4,624.40

(a. & b.) West Berkshire Council

Reading Drug and Alcohol Team sought agreement in 2013 to extend the optional one year contract for the Tier 3 Specialist Substance Misuse Service Contract with KCA UK. The Council acted as Host Authority for this contract which was jointly commissioned service with NHS Berkshire West Primary Care Trust (the PCT), Wokingham Borough Council and West Berkshire Council, collectively Berkshire West. This joint commissioning was managed via a Section 75 (of the National Health Service Act, 2006) arrangement as described in the Cabinet report seeking agreement to enter into this arrangement dated the 7th of September 2009.

From April 2013, West Berkshire Council declined to use the optional final year of the contract so the extension was required to provide a service to the residents of Reading and Wokingham alone. Therefore the two invoices for the 2013-14 Contribution towards Alcohol Posts and the 2013-2014 Contribution towards GPwSI Service should not have been raised and issued to West Berkshire.

(c.) Wokingham Borough Council

Reading Drug and Alcohol Team issued an invoice to Wokingham Borough Council for £4624.40 for the use of 2 places within the crèche facilities in Reading. There was no formal contract agreement in place to collect these monies back from Wokingham and Reading's legal Team have been unsuccessful in recovering this debt.

Ref	Services	Projected Budget Build 17/18(£)	Proposed reduction in 2017/18 (£)	Budget After Reduction 2017/18 (£)	RAG	Commentary
SLG	SLG Savings Target*	0	0	21,800	AMBER	Contribution to the councils savings targets.
601	Balance of PH Funding cover 15/16 Council savings target not allocated	300,000	0	300,000	GREEN	No change
101-207	Local Team restructure	586,917	75,912	511,005	GREEN	Vacancy on hold, interim staff no longer in post.
301	Mental health - first aid	7,000	0	7,000	GREEN	No change
301	CALM (Shared Berkshire wide)	1,700	1,700	0	GREEN	This was a one year contract from July 2015 to July 2016 which was paid in 2015/16. CALM is a national charity and still provides phone and online help services.
302	Physical Activity (beat the streets)	53,500	53,500	0	GREEN	CCG's are looking for alternative funding, BCF funding being considered.
303	Preventative element of care act and making every contact count MECC	20,000	10,000	10,000	GREEN	Based on last years spend the reduction will still enable training to take place.
304	NTG - Reducing the risk of loneliness - people whose first language is British Sign Language and people with an acquired Hearing Impairment (from 01.06.2016)	22,000	0	22,000	GREEN	No change
304	NTG - Reducing the risk of loneliness - people with a Learning Disability or who are on the Autistic Spectrum (from 01.06.2016)	17,000	0	17,000	GREEN	No change
304	NTG - Reducing the risk of loneliness - people with a Physical Disability (from 01.06.2016)	15,000	0	15,000	GREEN	No change
304	NTG - Reducing the risk of loneliness - people with a Visual Impairment (from 01.06.2016)	22,000	0	22,000	GREEN	No change
304	NTG - Reducing the risk of loneliness - isolated members of minority ethnic communities (from 01.06.2016)	37,000	0	37,000	GREEN	No change
304	NTG - Reducing the risk of loneliness - people who are becoming frail or isolated through old age or the effect of long term health conditions (from 01.06.2016)	72,000	0	72,000	GREEN	No change
304	NTG - Handyperson service (from 01.06.2016)	20,000	20,000	0	GREEN	BCF funding is being sought
306	NTG - Reading Samaritans – full year funding	2,000	0	2,000	GREEN	No change
307	Floating support	319,300	0	319,300	GREEN	No change
307	Free Swim for Children	93,200	0	93,200	RED	Possibility of introducing a charging structure for young peoples swims in the future.
307	Children Services (Teenage Parent Support)	45,000	0	45,000	GREEN	No change
307	Children's Services (Health Sex & relationship Education [SRE] Coordinator)	54,000	0	54,000	GREEN	No change
307	Children's Services (Primary Mental Health Worker)	60,000	0	60,000	GREEN	No change
307	Children's Services (children's centres)	102,500	0	102,500	GREEN	No change
307	Anti-social behaviour sex workers and street drinking	12,000	12,000	0	AMBER	Restructure and possible redundancy.
307	SOURCE YOT Team	85,000	0	85,000	GREEN	No change
307	Early help services/universal services for children reorganisation and landing of the new responsibilities for health visiting and Family Nurse Partnership	25,000	25,000	0	GREEN	Health visitor service is now under local authority responsibility. Budget no longer required.
307	Health walks	8,000	8,000	0	AMBER	Alternative funding is being sought, the target, well-established health walks would continue to be self-sufficient regardless, but with no funding it is likely that we wouldn't be able to retain our 'Walking for Health' accreditation as they require a designated person to Co-ordinate
307	Winterwatch	75,000	15,000	60,000	GREEN	reduction in management support costs, service will still be delivered.
308	Community Alcohol Partnership	34,000	0	34,000	GREEN	No change
308	Drink Aware (Alcohol Kits)	1,000	1,000	0	GREEN	Alternative free promotional material will be sought to support this campaign, for instance dry January etc
309	Tobacco Control Alliance (3rd of a post with West Berks LA)	9,500	0	9,500	GREEN	No change
310	Flu vouchers for frontline staff	5,000	0	5,000	GREEN	No change
311	C card Condom Distribution (Children and young people)	10,000	0	10,000	GREEN	No change
311	Condom Distribution TVPS	10,000	10,000	0	GREEN	Funding removed as will bring this service into the wider support contract that is being developed with TVPS.
312	Implementation of Healthy Weight Strategy	30,000	0	40,000	GREEN	Slight increase to fund the outcomes of the healthy weight strategy, which will help tackle the obesity problem in Reading
313	Breast Feeding Peer Support	40,000	10,000	30,000	AMBER	Reduce by £10k, provision still viable but will be more targeted with no home visits.
314	IRIS - Domestic Violence (GP training and awareness)	40,000	40,000	0	AMBER	Service will be decommissioned. No PH funding will be available to contribute to the councils overall DV strategy. (separate proposal).
315	HIV Peer Support	42,000	0	42,000	GREEN	No change
315	HIV Testing	750	0	1,000	GREEN	Slight increase
401	Alcohol Screening	40,000	40,000	0	AMBER	Decommission as does not meet need or desired outcomes. Not deemed to be best value for money.
402	Health Checks (PCC)	80,000	0	80,000	GREEN	No change
403	Drug Misuse	15,000	0	15,000	GREEN	No change
404	IUCD	90,000	0	90,000	GREEN	No change

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405	Nexplanon (long-acting reversible contraception)	80,000	0	80,000	GREEN	No change
406	Contraception (EHC)	5,000	0	5,000	GREEN	No change
407	Sexual health Out of Area	90,000	0	90,000	GREEN	No change
501	Joint Team and Informatics Support	156,000		160,000	GREEN	Predicted increase in costs to cover additional work being undertaken on behalf of local authorities.
502	Smoking Cessation	355,000	0	355,000	GREEN	No change
503	WM - Let's Get Going	22,000	0	22,000	GREEN	No change
504	WM - Eat 4 Health	85,203	39,000	46,203	GREEN	Budget for additional courses will be removed
505	School Nursing (Children (5-19) - National Child Measurement Programme)	642,222	0	642,222	GREEN	No change
506	GUM – out of area block payments	7,000	0	7,000	GREEN	No change
506	GUM – out of area block payments.	13,500	0	13,500	GREEN	No change
506	GUM – Out of Area block payments.	3,000	0	3,000	GREEN	No change
507	Sexual Health	1,404,368	0	1,404,368	GREEN	No change
508	GUM and FP West	47,520	0	47,520	GREEN	No change
509	IT Platform for GUM Services	3,000	0	3,000	GREEN	No change
510	Children's Death Overview Panel Berkshire	7,590	0	7,590	GREEN	No change
511	Library	1,000	0	1,000	GREEN	No change
512	GP data collection system (CSU)	14,000	14,000	0	GREEN	Invoicing is now being undertaken by Bracknell, this system is no longer required.
513	Web system for Pharmacy contracts	3,193	0	3,193	GREEN	No change
514	Health Visitors and FNP	2,863,000	211,975	2,651,025	RED	FNP has been decommissioned and the future 0-19 service is being considered.
515	Oral Health Survey	10,000	0	10,000	GREEN	No change
				0		
2067	DAAT	2,207,000	0	2,207,000	GREEN	No change, PCC reduction in funding will impact the budget waiting for confirmation on amount.

Commitment	10,521,963	587,087	9,970,926
Allocation 17/18			£10,016,000
Surplus			£45,074
DAAT PCC cut based on 10% reduction			£28,464
Surplus			£16,611

READING BOROUGH COUNCIL

REPORT BY HEAD OF LEGAL AND DEMOCRATIC SERVICES

TO:	POLICY COMMITTEE		
DATE:	5 DECEMBER 2016	AGENDA ITEM:	11
TITLE:	STATION HILL DEVELOPMENT - POTENTIAL ACQUISITION OF LAND FOR PLANNING PURPOSES		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICES:	VALUATION AND LEGAL	WARDS:	ABBAY
LEAD OFFICERS:	BRUCE TINDALL	TEL:	0118 9372594
JOB TITLE:	CHIEF VALUER	E-MAIL:	bruce.tindall@reading.gov.uk
LEAD OFFICERS:	CHRIS BROOKS	TEL:	0118 9372302
JOB TITLE:	HEAD OF LEGAL & DEMOCRATIC SERVICES	E-MAIL:	steven.quayle@reading.gov.uk

1. **PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 This report seeks approval from the Policy Committee 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, Reading RG1 1NF as shown edged black on the plan at **Appendix 1** and referred to in this report as the Station Hill 3 Site.

Members will recall considering a comprehensive report on this matter at their meeting held on 26th September this year and Members should bring and consider that report and its Appendices ("the Previous Report") alongside this report as it contains relevant information that remains unchanged namely the paragraphs on (a) Planning and Policy Background (b) the Rights to Light Issues and the Request (c) Consideration and Discussion (the issues are updated in the First Schedule of this report) (d) EIA and Human Rights (e) Legal Implications (f) Financial and Risk Implications and the First Schedule (which summarises Section 203). The Previous Report can be found on the Council's website at:

<http://www.reading.gov.uk/article/9598/Policy-Committee-26-SEP-2016> (full Station Hill report at item 10)

- 1.2 At the meeting on the 26th September Members resolved Minute 37 as follows:-

(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.

- 1.3 The purpose of this report is to update Members on the progress of negotiations between the Owners of the Station Hill 3 Site (now Station Hill North BV and Station Hill South BV (the successors in title to Sackville)) and the Affected Owners of the remaining three properties referred to in paragraph 4.5 of the Previous Report.

2. RECOMMENDED ACTION

- 2.1 It is recommended that the Policy Committee resolves with effect from 31st December 2016 to (a) authorise acquisition of an interest for a nominal consideration in the Station Hill 3 Site by the Council under Section 227 of the Town and Country Planning Act 1990 Act in order to engage powers under Section 203 of the Housing and Planning Act 2016 Act for the planning purposes of facilitating the carrying out of the Station Hill 3 Scheme authorised by the 2015 and 2016 Permissions (in their current form or as may be varied or amended) provided a suitable Deed of Indemnity in favour of the Council is in place and (b) the subsequent disposal of that interest to Station Hill North BV and Station Hill South BV (or an associated company) under Section 233 of the Town and Country Planning Act 1990 and that the terms and completion of the acquisition and disposal referred to above be delegated to the Chief Valuer and the Head of Legal and Democratic Services.
- 2.2 It is further recommended that the Policy Committee resolves that Station Hill North BV and Station Hill South BV shall undertake to use all reasonable endeavours to conclude Deeds of Release with the owners of Affected Properties on the Heads of Terms that have been agreed or where a settlement has been agreed in principle prior to or as at the date of this meeting.

3. BACKGROUND

- 3.1 The relevant background information in the Previous Report that remains unchanged is set out in paragraph 1.2 above. This report simply sets out the progress made to date between the Owners of the Station Hill 3 Site and the remaining Affected Owners since the last meeting and amends where appropriate the recommendation.
- 3.2 The 3 remaining Affected Properties, the Affected Owners and their representatives as at 26th September were:-
- 20-30 Greyfriars Road (McKay Securities PLC represented by Shoosmiths)
 - 8-10 Greyfriars Road (CIP Property Ltd represented by Pinsent Masons)
 - 39-40 Friar Street (Winstone Group represented by GVA)
- 3.3 Officers are pleased to report that since the meeting in September substantial progress has been made in all three cases. On 28th October the Council were informed that matters had been settled in the case of **20-30 Greyfriars Road** and that a Deed of Release had been completed on the 27th October 2016. On 11th November 2016 Officers were advised by Messrs Pinsent Masons that their client CIP Property Ltd, who is the Affected Owner of **8-10 Greyfriars Road** had, subject to contract, agreed terms with the Owners of the Station Hill 3 Site which resolved the rights of light issues between them. The terms of the agreement are now being documented by the parties.
- 3.4 However no agreement has been reached in respect of **39-40 Friar Street**. The latest e-mail from GVA on behalf of the Winstone Group suggest that progress is being made although hindered by the failure of the Owners of the Station Hill 3 Site to produce the developers financial appraisal and the technical assessment results for other properties.
- 3.5 The latest correspondence between the representatives of the Owners of the Station Hill 3 Site and GVA on behalf of the Winstone Group in respect of current negotiations on 39-40 Friar Street have been circulated separately to Members attached to a Part 2 Report as such correspondence contains exempt/confidential information.
- 3.6 The Consideration and Discussion issues that remain relevant to the Affected Owners of 39-40 Friar Street are set out in detail in the First Schedule to this report.

4. **CONTRIBUTION TO STRATEGIC AIMS**

- 4.1 The Station Hill 3 Scheme meets priorities 4 and 5 of the Corporate Plan as it helps contribute to keeping the town clean, safe, green and active and provides new development and infrastructure to help the economy.

5. **COMMUNITY ENGAGEMENT AND INFORMATION**

- 5.1 The Station Hill 3 Scheme applications for outline planning permission were the subject of full public consultation by the Local Planning Authority prior to the decisions being made which resulted in the 2015 and 2016 Permissions.

5.2 All owners of Affected Properties have been consulted on the proposal which is the subject of this report.

6. INTERNAL CONSULTATIONS

6.1 The Head of Planning, Development and Regulatory Services had been consulted in the preparation of the Previous Report.

7. CONCLUSIONS

7.1 The exercise of the power is only to be used as a last resort. It is considered that, on balance, the acquisition of the Station Hill 3 Site for the planning purpose of the development which is the subject of the Station Hill 3 Scheme should now be approved on the following basis:-

- It is a development which is in the public interest both in respect of the current need to regenerate what is a prominent town centre site, largely unused and derelict and the public benefits that it will bring to the town as a whole.
- The planning position is settled given the planning background and the recent approval of reserved matters.
- Whilst the Winstone Group have stated that they would not invoke an injunction and have no intention of doing so the threat of an injunction is an ever present and construction of Station Hill will be thwarted until such time as there is no possibility of such an action.
- As said in the Previous Report it is accepted that the development programme is a reasonable one but given the lengthy negotiations which have taken place to date it is considered that an agreement in principle and on reasonable terms with the Affected Owner of 39-40 Friar Street should be achievable by the end of the year. If it is not then the development programme will then be at risk which is not in the public interest given the expressed importance of the Scheme.
- The Winstone Group will be entitled to statutory compensation under Section 204 of the 2016 Act in the event that no agreement is reached by the end of the year.
- All relevant considerations have been fully and properly addressed and on balance the outcome of these matters supports the recommendations in Section 2 of the report.

8. BACKGROUND PAPERS

The Previous Report to Policy Committee on 26th September 2016

FIRST SCHEDULE

Introduction

1. This appears to be a case for the application of the Section 203 power if Members consider that the Station Hill 3 Scheme is being delayed or is likely to be delayed by the continuing dispute over third party rights to light. This is plainly a much needed development in the public interest both in respect of the current need to regenerate what is a prominent town centre site, largely unused and derelict (the demolition phase has been undertaken recently at a cost in the order of £10m). The 2015 and 2016 Permissions when read together with the policy material supporting them clearly establishes the public interest in the execution of the Station Hill 3 Scheme. The benefits of the Station Hill 3 Scheme are summarised at paragraph 3.7 of the Previous Report and in respect of the planning obligations in Appendix 2 to that report.
2. Further explanation is to be found in the Previous Report supporting the resolution of the Policy Committee in 2015 (Appendix 6) and the Request Letter (Appendix 3). The respective reports to the Planning Application Committee that resolved to grant the 2015 and 2016 Permissions spell these matters out in some detail. The reports disclose that the matter has been the subject of careful scrutiny which has included taking professional advice on the affect of the proposals on the sunlight and daylight enjoyed by neighbouring premises (which would have included 39-40 Friar Street) to identify the impacts on a case by case basis. The resultant analysis concluded that on balance such harm as was identified was not sufficient to justify the refusal of the application for planning permission under consideration. No material has been placed before the Council by anyone including the Winstone Group to suggest that there has been any substantive change in circumstances so that it should not continue to rely upon the assessment made of the issue when granting the 2015 and 2016 Permissions.
3. In addition the supporting evidence set out in the Request Letter (Appendix 3) and the August 2016 Report (see Appendix 5(a)) if accepted by Members, identifies why early resolution of these outstanding disputes is required if the development is to proceed in time so that it can assist the town to gain the benefits associated with the advent of Crossrail in 2019 and the anticipated increased demand for new purpose built commercial floorspace of the quality of that comprised in the scheme.
4. The report to the Policy Committee of July 2015 had regard to what was then referred to as the "*generally accepted practice*" in the use of these powers that the policy test for compulsory acquisition of the land in point was met namely, that there was "*a compelling case in the public interest*" demonstrated to engage the power.
5. The primary relevant consideration for the exercise of the Section 203 power in this case is whether there is compelling case in the public interest for the Council to exercise the power so that the Council would be authorised to compulsorily acquire the site if it so desired.

The compelling case

6. A number of considerations come into play under this heading. First, whether the development that the exercise of the power is intended to support is itself in the public interest. The fact that it complies with the statutory development plan, is seen as a key strategic site in the town and has recently been granted planning permission puts this point beyond question unless there has been some material change in circumstances since the last grant of permission. No such change is suggested in the representations from the Winstone Group and so this test is satisfied. In addition the use of Section 227 to enable the operation of Section 203 will facilitate the carrying out of the Station Hill 3 Scheme which will contribute to the achievement and improvement of the economic well-being of Reading as a whole (for example the provision of retail units and offices) and of the environmental and social well-being of this part of Reading (for example through the provision of public realm and productive use of a largely unused and derelict site).
7. Secondly, it is convenient to consider the related question namely, the significance of the fact that action under Section 203 is intended to interfere with the legal rights to light owned by the relevant landowners. Here it is important to note that the primary concern of the planning system is with the quality of light enjoyed by the Affected Properties in terms of providing appropriate amenity for their use, whether residential, office or commercial, not with the scale of compensation that may be appropriate to be awarded to the owners for the interference with their rights of light. It has been seen from the reports to the Planning Applications Committee that the consideration of the effect on amenity was part of the assessment of the likely effects of the proposal at the time of the grant of the permissions both in 2015 and 2016. The effect on a private right which falls short of justifying a reason for refusal is a material consideration in the decision making process, but not one that would ordinarily bear sufficient weight so as to prevent the Council from taking action under Section 203.
8. The planning system allows for compensation to be paid, in qualifying cases, to those whose amenities are adversely affected by such proposals. That is how the statutory scheme allows for account to be taken of this harm, including the engagement of the First Article to the First Protocol human rights of the landowner, if appropriate. The effect of the exercise is to override the right to seek an injunction and claim damages for the interference with the right in question and to substitute for those common law rights the right to seek compensation under the statutory scheme expressed in Section 204 of the 2016 Housing and Planning Act.
9. When considering the potential harm to the owner of the right to light it is appropriate to take into account that on balance it was considered appropriate by the Council acting as Local Planning Authority to grant planning permission in the public interest despite the perceived impact to the flow of light to the Affected Properties. It is also appropriate for Members to take account of the fact that if it exercises this power the owner of the right to light which is overridden will qualify for the payment of compensation assessed by a means considered appropriate by Parliament for that purpose. The harm potentially arising to the owner of the relevant rights to light is not monetary since the scheme under the section must be presumed to offer fair compensation to those adversely affected in this way. The exercise of the power would however

deprive that owner from seeking an injunction to prevent the development proceeding in the manner authorised in the 2015 and 2016 Planning Permissions in order to protect its private law right to light. But this is the situation that previously Section 237 of the 1990 Act and now Section 203 of the 2016 Act were enacted to avoid.

10. The benefits of the Station Hill 3 Scheme summarised at paragraph 3.7 of the Previous Report and in respect of the planning obligations in Appendix 2 need to be balanced against the interference with rights to light. As demonstrated by Sackville in the Request Letter the Station Hill 3 Scheme cannot be altered to avoid right to light infringements and if the scheme does not proceed the benefits identified will not be delivered. However the Winstone Group as the Owner of the Affected Property would be compensated under the statutory scheme.
11. The third consideration is whether there is a need to act now or whether it would be appropriate to delay any consideration of the application of the Section 203 power to a later date to allow more time for the discussions to continue to a fruitful conclusion if at all possible.
12. In considering this question Members should note that the avoidance of continuing delay is part of the harm that Section 203 was enacted to avoid. Whilst as a generality it may be reasonable to give the parties a period of grace before taking action to 'clean' the title of these private rights, there is no such statutory requirement. Members are also entitled to take the view that it is not competent to judge where the merits lie in the disputes between the owners of the Station Hill 3 Site and the owners of 39-40 Friar Street, the Winstone Group. Unlike the Court, the Council is not equipped in any sense to determine such disputes. The principal question for Members is whether any such dispute is likely to impede the progress of the Station Hill 3 Scheme to such an extent that it is appropriate to take action under the Section 203 power to prevent further delay that would harm the public interest in the production of the development that has been granted planning permission. There is therefore an overall judgment to be made weighing all the factors including the representations of the Winstone Group objecting attached in the Part 2 Report to see whether there is a compelling case to act in the public interest.

Summary of Representations made on behalf of the Winstone Group

13. The previous representations were summarised in the Previous Report and it can be seen from the latest representations how matters have evolved over time. The key points made are as follows:-
 - They are close to agreement.
 - There is no threat of an injunction.
 - They have been denied the developers financial appraisal and the technical assessment results for other properties.
 - They are prepared to sign a confidentiality agreement in respect of financial appraisal and the technical assessment results.
 - There is no need to use the statutory powers.

- They are prepared to accept the opinion of a third party to determine the level of compensation.

Officers note the points made and consider that one final short period of grace should be given to see if an agreement can be reached before the Council exercises its statutory powers. In the meantime the threat of an injunction remains leaving progress of the Station Hill 3 Scheme adversely affected given the timescales and benefits referred to in the Previous Report and here. It is important to emphasise that the statutory scheme exists to fairly compensate Affected Owners so that if no agreement is reached by the end of the year that will apply to the Winstone Group.

Human Rights

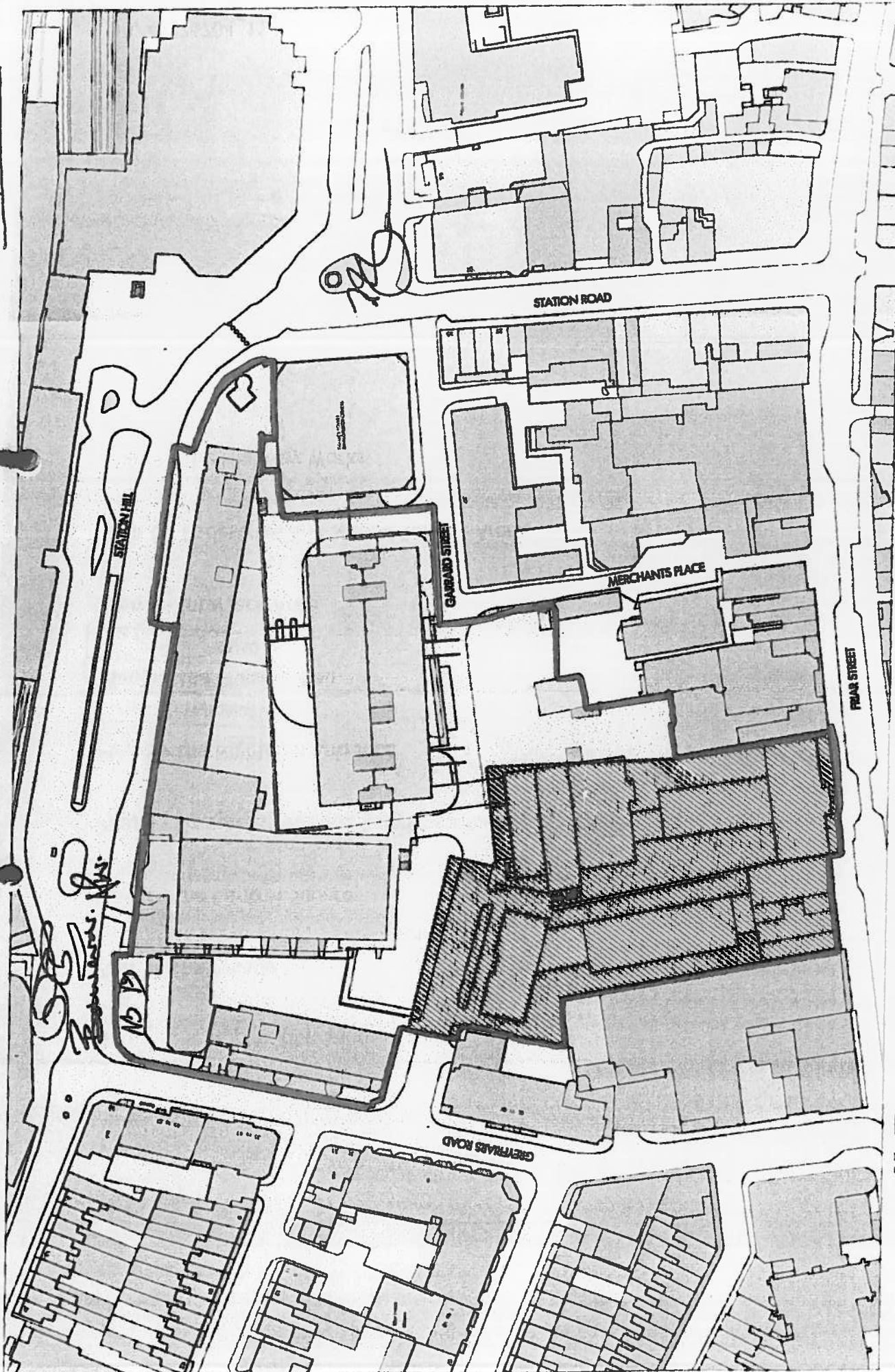
14. Human rights issues arise in respect of the proposed arrangements. An acquiring authority should be sure that the purposes for which a site is to be acquired and for which rights are to be overridden sufficiently justify interfering with the human rights of those whose land interests will be affected.
15. Under the Human Rights Act 1998 the Council is required to act in accordance with the European Convention on Human Rights (ECHR) in deciding whether or not to engage Section 203. Article 1 of the First Protocol of the ECHR provides that every natural or legal person is entitled to peaceful enjoyment of their possessions. Acquisition of property under Section 227 which engages Section 203 to allow interference with rights of light involves interference with a (natural or legal) person's rights under this Article.
16. However, the right to peaceful enjoyment of possessions in that Article is qualified. The deprivation of a person's possessions is permitted where it is in the public interest and subject to the conditions provided for by law and by the general principles of international law.
17. Furthermore in cases, such as this, where rights to light are enjoyed by residential properties, Article 8 is engaged (the right to respect for private and family life and a person's home). Article 8(2) allows for interference which is *"in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the protection of health and morals, or for the protection of the rights and freedoms of others"*.
18. As established by case law, there must be a balancing exercise: the interference with an individual's private rights must be necessary and proportionate to the public interest of facilitating the Station Hill 3 Scheme. In this context "proportionate" means that the interference must be no more than is necessary to achieve the identified legitimate aim. A fair balance must be struck between the rights of the individual and the rights of the public.
19. In the case of the Station Hill 3 Scheme it is considered that, in light of the public benefits of the Station Hill 3 Scheme which are described above, the public interest in facilitating the Station Hill 3 Scheme outweighs the rights of the individuals to peaceful enjoyment of their possessions and, in relation to

residential properties, their right for private and family life and home, and that the proposed engagement of Section 203 would amount to a proportionate interference in all the circumstances. In this regard the availability of statutory compensation to those who are deprived of their rights of light is of relevance to the issue of proportionality, as is the fact that any agreements in principle would in any event be honoured by Station Hill North BV and Station Hill South BV.

Whether acquisition will facilitate the carrying out of the Station Hill 3 Scheme

20. The Council have granted the 2015 and 2016 Permissions having secured the planning benefits summarised at Appendix 2 in the Previous Report. Sackville has set out in detail in the Request Letter and the subsequent correspondence including the Market Report why it is important to commence the scheme sooner rather than later. However this cannot be carried out unless all the owners of the Affected Properties agree to right of light infringements (or the infringements are authorised by Section 203). Given the time that has elapsed but recognising that some progress has been made a period of grace to the end of the year to conclude negotiations is considered appropriate but beyond that there will remain considerable uncertainty as to whether a reasonable start on the substantial construction of the scheme could commence. If the Station Hill 3 Site is acquired so as to engage Section 203 Station Hill North BV and Station Hill South BV will have sufficient confidence to obtain funding and proceed in 2017 to meet their development programme. Therefore the acquisition by the Council at that point will facilitate the carrying out of the Station Hill 3 Scheme.

Appendix 1



STATION HILL, READING
 5106 AGREEMENT: PLAN 01
 APPLICATION BOUNDARY
 098_07_001

ALL RIGHTS RESERVED
 2010
 098_07_001

APPROXIMATE BOUNDARY
 PROPOSED TELECOM HOUSE BOUNDARY APPLICATION BOUNDARY

NO.	REVISION	DATE	BY	APP. BY

ILLUSTRATIVE DRAWING

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	DECEMBER 5 2016	AGENDA ITEM:	12
TITLE:	ADVERTISING AND SPONSORSHIP		
LEAD COUNCILLOR:	CLLR LOVELOCK	PORTFOLIO:	LEADERSHIP
SERVICE:	BUSINESS DEVELOPMENT	WARDS	BOROUGHWIDE
LEAD OFFICER:	MARCUS HERMON	TEL:	87106
JOB TITLE:	BUSINESS DEVELOPMENT MANAGER	E-MAIL:	Marcus.hermon@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek Committee approval for amendments to the Council's current Advertising and Sponsorship Policy that was approved in December 2013. One minor amendment to the existing policy is to accommodate regulations regarding e-cigarettes and vaping, products that were not available at the time of the original policy. In addition, a supplementary schedule to the existing policy is proposed in relation to contracted out or third party commercial arrangements in order to protect the financial position of the Council whilst acknowledging that the advertising industry is bound by nationally agreed standards.
- 1.2 Appendix A - Current Advertising and Sponsorship Policy
Appendix B - Proposed Updated Advertising and Sponsorship Policy
Appendix C - Proposed Supplementary Schedule to the Advertising and Sponsorship Policy

2. RECOMMENDED ACTION

- 2.1 That Committee approves a minor amendment of the existing advertising & sponsorship policy, to reflect updated European Parliament regulations relating to tobacco products, as referenced in section 4.2 below and set out in the revised policy attached as Appendix B.
- 2.3 That Committee approves the proposal to introduce a supplementary schedule to the existing advertising and sponsorship policy in respect of contracted out / third party commercial arrangements, as referenced in section 4.2 below and attached as Appendix C.

3. POLICY CONTEXT

- 3.1 The opportunity for the local authority to generate income from increased advertising and sponsorship activity forms an identified element of future budget savings proposals. This contributes to ensuring the future financial health of the Council and supports the continued delivery of services in the face of economic austerity, cuts to central Government grant and required budget savings.

3.2 Policy Committee approved the adoption of an advertising & sponsorship policy in December 2013 and this is attached as appendix A.

4. THE PROPOSAL

4.1 Current Position:

The Council has a duty to ensure that it achieves best value from the use of its assets. Embracing opportunities presented by advertising and sponsorship will contribute to this objective and if appropriately managed, permit landscape enhancement and or regeneration of Council assets, as well as an enhanced level of income. The Council currently has relatively limited advertising or sponsorship activity and income:

- In 2010 Reading Borough Council entered a contract with JC Decaux for the provision of bus shelters. Advertising rights are integral to this contract, which expires in 2025;
- The Councils Valuations Team currently licence large format advertising on Council assets. Whilst there are a number of large format advertising displays across the Borough, only four of these are located on Council land;
- The Council re-launched its roundabout sponsorship scheme in October 15. The scheme is managed in-house by the Business Development Team and consists of 19 sites with obtained planning consent. Presently 10 of the 19 sites are let.

The Council's Business Development Team has been exploring the scope to increase advertising and sponsorship activity as a means of generating additional income to assist with the Council's budget position and protect front-line services and has identified significant potential.

In December 2013 Policy Committee approved an advertising and sponsorship policy for Reading Borough Council (Appendix A). The policy was reflective of and utilised information from many other local authority policy documents of the time. Under the terms of the policy, there are a number of products/services that the Council would not permit advertising for, including:

- Organisations: Political organisations, Lobby Groups whose aims conflict with Council policy;
- Products: Tobacco, Alcohol, Pornography and adult content, Gambling, betting services, Pay-day loans.

In addition to the Council's own policy, the advertising industry has an established set of national guidelines / principles set out by the Outdoor Media Centre (OMC - rebranded as Outsmart). The industry is also heavily regulated and enforced by both the Advertising Standards Agency and its sister company 'the Committee of Advertising Practice' (CAP). For example, industry guidelines dictate that alcohol and gambling are advertised responsibly with messages such as - 'drink responsibly' & 'when the fun stops, stop'.

In discussions with 'Media Agents', who are the key players in the outdoor advertising industry, Reading is currently viewed as a tier 2 location and whilst this merits consideration and investment, this is more limited than for tier 1 locations, such as: Manchester, Birmingham, Liverpool, London, Bristol and other major cities. It is also clear from these discussions that whilst there would be no issue with the Council's policy approach with regard to promotion of political organisations, tobacco, pornography/adult content or pay-day loans; they have expressed concerns over a blanket ban on the advertising of alcohol and gambling/betting services. These account for a significant proportion of their advertising revenue, including from many companies who are household names, including supermarkets.

4.2 Options Proposed

The Council's advertising and sponsorship policy is considered entirely appropriate in respect of directly managed advertising & sponsorship activities, where there is a much clearer association with the Council, such as roundabout sponsorship. No change to the existing policy is therefore proposed for directly managed activity other than a minor amendment related to tobacco products. In February 2014, the European Parliament approved new regulations for tobacco products, including e-cigarettes. These regulations forbid advertising of e-cigarettes (including Vaping products) in the same manner as traditional tobacco products. The amended wording of the existing policy to accommodate these regulations has been incorporated in the revised policy at Appendix B

However, outside of its modest directly managed activity the Council's influence on the wider advertising market, and people's perceptions and behaviours, is extremely limited. Strictly applying the current policy would therefore have little impact whilst seriously compromising future income. It is therefore proposed that an additional supplementary section is added to the existing policy, as set out in Appendix C, specifically to be used in respect of contracted out advertising arrangements where the Council has no direct commercial relationship with the advertiser of the product and or their agent.

4.3 Other Options Considered

The Council could choose to retain the advertising and sponsorship policy as currently approved (other than the minor amendment with regard to tobacco related regulations that it makes sense to incorporate). In the context of the Council's very difficult financial position, coupled with its limited influence on the advertising market more broadly, foregoing significant income due to a blanket application of its existing advertising and sponsorship policy for contracted out / third party arrangements with regard to alcohol and betting / gambling is not considered to provide any benefits to either the organisation or local residents. This is particularly the case given the existing national regulatory regime for advertising more broadly.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The proposal contributes to the following objectives of the Council's Corporate Plan:

- Providing infrastructure to support the economy
- Keeping the town clean, safe, green and active
- Remaining financially sustainable to deliver service priorities

6. COMMUNITY ENGAGEMENT

6.1 Future advertising development proposals will require formal planning consent to implement. This is a publicly advertised process inviting comment from any/all interested parties.

7. EQUALITY IMPACT ASSESSMENT

7.1 Under the Equality Act 2010, Section 149, a public authority must consider whether the decision will or could have a differential impact on: racial groups; gender; people with disabilities; people of a particular sexual orientation; people due to their age; people due to their religious belief. Approval of the proposal outlined in section 6.1 will not have a differential impact on any of the above.

7.2 It is not considered that that an Equality Impact Assessment (EIA) is relevant to the decision.

8. LEGAL IMPLICATIONS

- 8.1 All advertising development applications will be subject to a formal planning consent application process, as well as pre-application consultation and assessment.
- 8.2 All lease/licence arrangements would be overseen by the Council's Valuation and Legal teams on standardised, pre-approved terms.

9. FINANCIAL IMPLICATIONS

- 9.1 On the basis of exploratory discussions with Media Agents and research of best practice across other local authorities it is clear that amending the Council's current advertising policy offers significant opportunities to increase income and assist the Council in delivering the savings it is being required to make. It is estimated that additional income of £150k is achievable in 2017/18.
- 9.2 Further growth in income is anticipated from 2018/19 although this cannot be quantified at this stage.

10. BACKGROUND PAPERS

- 10.1 'Advertising and Sponsorship Policy' - Report to Policy Committee 2nd December 2013.

READING BOROUGH COUNCIL ADVERTISING AND SPONSORSHIP POLICY

1. Introduction

1.1 Reading Borough Council wishes to generate revenue from hosting advertising and sponsorship content on council assets, whilst, at the same time, providing opportunities for local companies to promote their businesses. These assets include roundabouts, street light standards, vehicles and the council's website as well as publications and events.

1.2 This document is intended to set out a policy for hosting this advertising and sponsorship, aimed at maximising the revenue raised whilst at the same time encouraging local businesses to participate, and ensuring that the content is appropriate and reflects positively on the borough and the reputation of the council. It is also designed to provide guidance for contractors and prospective sponsors and advertisers regarding what is and is not considered acceptable to the council.

2. Detail

2.1 The council has a presumption in favour of permitting advertising and sponsorship whenever possible. However, there is a need to ensure that the process of accepting and displaying advertising and sponsorship does not conflict with policy or operational objectives.

2.2 Such broader objectives can include the need to generate revenue through promoting certain services provided by the council. In this case it would not be appropriate to display advertising for 'competing services'. What constitutes a competing service will change from time to time and should, therefore, be judged on a case-by-case basis. The expectation, however, is that most advertising and sponsorship from local and other businesses will generally be acceptable.

3. General guidelines - Advertising

3.1 The basic principles underpinning the council's policy on advertising are the rules and guidelines laid out by the Advertising Standards Authority (ASA) www.asa.org.uk and those of the British Codes of Advertising and Sales Promotion, www.asa.org.uk/asa/codes/cap_code, together with the Code of Recommended Practice on Local Authority Publicity, www.communities.gov.uk/publications/localgovernment/coderecommended

3.2 These principles hold that advertisements should be:

- Legal, decent, honest and truthful
- Created with a sense of responsibility to consumers and to society
- In line with the principles of fair competition

3.1 The council will not take a 'white listing' approach (i.e. defining permitted advertising) but will instead assume that advertising is permitted unless it falls into a number of prohibited categories, as defined in more detail below.

3.2 Any advertising must comply with all and any relevant regulations and must not conflict with the council's aims and priorities as set out in the Corporate Business Plan.

- 3.3 Reading Borough Council also takes note of the Consumer Protection from Unfair Trading Regulations 2008, which seek to protect consumers from unfair, misleading or aggressive marketing practices and requires all advertisers to comply absolutely with the letter and the spirit of these regulations.
- 3.4 Political organisations will not be allowed to advertise on council assets. Reading Borough Council actively encourages the engagement of citizens and community groups in policy-setting and other democratic processes, but it does not encourage and will generally not permit advertising from what might broadly be called 'lobby groups', which is in conflict with Council policies or priorities. This applies to lobby groups which may be very local and temporary in nature, perhaps centred on a particular planning decision; or those that are national or international and more permanent.
- 3.5 Equally, it would not be appropriate to display advertising which in some way touched on socially contentious issues or which contained messages which could be regarded as contentious. The council reserves the right to decide whether an issue is or is not contentious and if the advertising may or may not be displayed.
- 3.6 Advertising for gambling, betting services or so-called pay-day loans will not be permitted.
- 3.7 Any content or advertising which has an overtly sexual 'tone', which features partial or complete nudity or which appears to promote or give undue publicity to illegal or inappropriate behaviour or lifestyles will also be excluded. The council reserves the right to determine what behaviour it considers inappropriate.
- 3.8 Advertisements that the council considers mocking of groups of citizens or that contains innuendo or subtext which could cause offence will not be accepted, regardless of tone.
- 3.9 In addition to the categories listed above, there may also be some specific controls and policies associated with individual placements, which will be considered on a case by case basis.
4. Disclaimer notice
- 4.1 Acceptance of advertising or sponsorship does not imply endorsement of products and services by Reading Borough Council. In order to make this clear, all Reading Borough Council publications which include advertising or sponsorship should carry the following disclaimer:
"Whilst every effort has been made to ensure the accuracy of advertisements or sponsorships contained in this publication, Reading Borough Council cannot accept liability for errors and/or omissions. We will not accept any responsibility for claims made by advertisers or sponsors and their inclusion in (name of publication) and this should not be taken as an endorsement by Reading Borough Council."

GENERAL GUIDELINES - SPONSORSHIP

5. Definition

- 5.1 For the purposes of this policy, sponsorship is defined as: “an agreement between Reading Borough Council or its agent(s) and the sponsor, where we receive either money or a benefit in kind for an event, campaign, or initiative from an organisation or individual which in turn gains publicity or other benefits.”

6. Objectives

- To ensure that our position and reputation are adequately protected in sponsorship agreements
- To ensure that we adopt a consistent and professional approach towards sponsorship
- To ensure best value is obtained and provided in sponsorship arrangements - including any
- arrangements made where we receive either money or a benefit in kind
- To protect members and individual officers from allegations of inappropriate dealings or relationships with sponsors

7. Principles

- 7.1 We and/or our agent(s) will actively seek opportunities to work with both local and national organisations by identifying sponsorship opportunities of mutual benefit and which are in keeping with our strategic priorities and core values.
- 7.2 We welcome all opportunities to work in such partnerships. We will not, however, put ourselves in a position where it might be said that such a partnership has or might have or may be thought to have:
- Influenced the council or its officers in carrying out its statutory functions in order to gain favourable terms from the council in any business or other agreement
 - Aligned the council with any organisation which conducts itself in a manner which conflicts with our values
- 7.3 We will not, therefore, be able to entertain agreements for sponsorship which is in conflict with the council advertising and sponsorship policy.
- 7.4 We retain the right to decline sponsorship from any organisation or individual or in respect of particular products which we, in our sole discretion consider inappropriate.
- 7.5 We will agree with the sponsor, either directly or through our agent(s) the nature and content of the publicity and will retain the right to approve all advertising material. We have a strong corporate identity and materials must not detract from this.

8. Procedures

8.1 Before seeking sponsorship, council officers must consider this policy document and follow the guidelines provided. All sponsorship bids shall be approved by [Head of Communications and the relevant Director and Lead Councillor]. Sponsorship agreements must be referred to Legal Services for review prior to signing. It is recommended that all potential sponsors are referred to this policy. Before agreeing to any sponsorship opportunity all financial costs must be identified including the sponsorship equivalent value of any sponsorship in kind.

9. Disclaimer notice

9.1 Acceptance of sponsorship does not imply endorsement of products and services by Reading Borough Council. In order to make this clear all publications carrying sponsorship should carry the following disclaimer:

"Whilst every effort has been made to ensure the accuracy of advertisements contained herein, Reading Borough Council cannot accept any liability for errors and omissions nor can the council accept any responsibility for claims made by advertisers and their inclusion in (name of publication) should not be taken as an endorsement by Reading Borough Council."

READING BOROUGH COUNCIL ADVERTISING AND SPONSORSHIP POLICY - PART 1

1. Introduction

1.1 Reading Borough Council wishes to generate revenue from hosting advertising and sponsorship content on council assets, whilst, at the same time, providing opportunities for local companies to promote their businesses. These assets include roundabouts, street light standards, vehicles and the council's website as well as publications and events.

1.2 This document is intended to set out a policy for hosting this advertising and sponsorship, aimed at maximising the revenue raised whilst at the same time encouraging local businesses to participate, and ensuring that the content is appropriate and reflects positively on the borough and the reputation of the council. It is also designed to provide guidance for contractors and prospective sponsors and advertisers regarding what is and is not considered acceptable to the council.

2. Detail

2.1 The council has a presumption in favour of permitting advertising and sponsorship whenever possible. However, there is a need to ensure that the process of accepting and displaying advertising and sponsorship does not conflict with policy or operational objectives.

2.2 Such broader objectives can include the need to generate revenue through promoting certain services provided by the council. In this case it would not be appropriate to display advertising for 'competing services'. What constitutes a competing service will change from time to time and should, therefore, be judged on a case-by-case basis. The expectation, however, is that most advertising and sponsorship from local and other businesses will generally be acceptable.

3. General guidelines - Advertising

3.1 The basic principles underpinning the council's policy on advertising are the rules and guidelines laid out by the Advertising Standards Authority (ASA) www.asa.org.uk and those of the British Codes of Advertising and Sales Promotion, www.asa.org.uk/asa/codes/cap_code, together with the Code of Recommended Practice on Local Authority Publicity, www.communities.gov.uk/publications/localgovernment/coderecommended

3.2 These principles hold that advertisements should be:

- Legal, decent, honest and truthful
- Created with a sense of responsibility to consumers and to society
- In line with the principles of fair competition

3.1 The council will not take a 'white listing' approach (i.e. defining permitted advertising) but will instead assume that advertising is permitted unless it falls into a number of prohibited categories, as defined in more detail below.

3.2 Any advertising must comply with all and any relevant regulations and must not conflict with the council's aims and priorities as set out in the Corporate Business Plan.

- 3.3 Reading Borough Council also takes note of the Consumer Protection from Unfair Trading Regulations 2008, which seek to protect consumers from unfair, misleading or aggressive marketing practices and requires all advertisers to comply absolutely with the letter and the spirit of these regulations.
 - 3.4 Political organisations will not be allowed to advertise on council assets. Reading Borough Council actively encourages the engagement of citizens and community groups in policy-setting and other democratic processes, but it does not encourage and will generally not permit advertising from what might broadly be called 'lobby groups', which is in conflict with Council policies or priorities. This applies to lobby groups which may be very local and temporary in nature, perhaps centred on a particular planning decision; or those that are national or international and more permanent.
 - 3.5 Equally, it would not be appropriate to display advertising which in some way touched on socially contentious issues or which contained messages which could be regarded as contentious. The council reserves the right to decide whether an issue is or is not contentious and if the advertising may or may not be displayed.
 - 3.6 Advertising for gambling, betting services or so-called pay-day loans will not be permitted.
 - 3.7 Advertising of Smoking related products including Tobacco, e-cigarettes and vaping paraphernalia will not be permitted.
 - 3.8 Advertising of Alcohol related products will not be permitted.
 - 3.9 Any content or advertising which has an overtly sexual 'tone', which features partial or complete nudity or which appears to promote or give undue publicity to illegal or inappropriate behaviour or lifestyles will also be excluded. The council reserves the right to determine what behaviour it considers inappropriate.
 - 3.10 Advertisements that the council considers mocking of groups of citizens or that contains innuendo or subtext which could cause offence will not be accepted, regardless of tone.
 - 3.11 In addition to the categories listed above, there may also be some specific controls and policies associated with individual placements, which will be considered on a case by case basis.
4. Disclaimer notice
 - 4.1 Acceptance of advertising or sponsorship does not imply endorsement of products and services by Reading Borough Council. In order to make this clear, all Reading Borough Council publications which include advertising or sponsorship should carry the following disclaimer:
"Whilst every effort has been made to ensure the accuracy of advertisements or sponsorships contained in this publication, Reading Borough Council cannot accept liability for errors and/or omissions. We will not accept any responsibility for claims made by advertisers or sponsors and their inclusion in (name of publication) and this should not be taken as an endorsement by Reading Borough Council."

GENERAL GUIDELINES - SPONSORSHIP

5. Definition

- 5.1 For the purposes of this policy, sponsorship is defined as: "an agreement between Reading Borough Council or its agent(s) and the sponsor, where we receive either money or a benefit in kind for an event, campaign, or initiative from an organisation or individual which in turn gains publicity or other benefits."

6. Objectives

- To ensure that our position and reputation are adequately protected in sponsorship agreements
- To ensure that we adopt a consistent and professional approach towards sponsorship
- To ensure best value is obtained and provided in sponsorship arrangements - including any
- arrangements made where we receive either money or a benefit in kind
- To protect members and individual officers from allegations of inappropriate dealings or relationships with sponsors

7. Principles

- 7.1 We and/or our agent(s) will actively seek opportunities to work with both local and national organisations by identifying sponsorship opportunities of mutual benefit and which are in keeping with our strategic priorities and core values.

- 7.2 We welcome all opportunities to work in such partnerships. We will not, however, put ourselves in a position where it might be said that such a partnership has or might have or may be thought to have:

- Influenced the council or its officers in carrying out its statutory functions in order to gain favourable terms from the council in any business or other agreement
- Aligned the council with any organisation which conducts itself in a manner which conflicts with our values

- 7.3 We will not, therefore, be able to entertain agreements for sponsorship which is in conflict with the council advertising and sponsorship policy.

- 7.4 We retain the right to decline sponsorship from any organisation or individual or in respect of particular products which we, in our sole discretion consider inappropriate.

- 7.5 We will agree with the sponsor, either directly or through our agent(s) the nature and content of the publicity and will retain the right to approve all advertising material. We have a strong corporate identity and materials must not detract from this.

8. Procedures

- 8.1 Before seeking sponsorship, council officers must consider this policy document and follow the guidelines provided. All sponsorship bids shall be

approved by [Head of Communications and the relevant Director and Lead Councillor]. Sponsorship agreements must be referred to Legal Services for review prior to signing. It is recommended that all potential sponsors are referred to this policy. Before agreeing to any sponsorship opportunity all financial costs must be identified including the sponsorship equivalent value of any sponsorship in kind.

9. Disclaimer notice

9.1 Acceptance of sponsorship does not imply endorsement of products and services by Reading Borough Council. In order to make this clear all publications carrying sponsorship should carry the following disclaimer:

“Whilst every effort has been made to ensure the accuracy of advertisements contained herein, Reading Borough Council cannot accept any liability for errors and omissions nor can the council accept any responsibility for claims made by advertisers and their inclusion in (name of publication) should not be taken as an endorsement by Reading Borough Council.”

READING BOROUGH COUNCIL ADVERTISING POLICY: PART 2

Part 2 shall apply to all contracted out advertising arrangements on Council assets that are secured by third party commercial agents and or partner organisations.

For clarity such arrangements are those where the Council has no direct commercial relationship with the advertising party and or their commissioning agent.

1. Introduction

- 1.1 Reading Borough Council wish to generate revenue from the hosting of advertising displays on Council assets. The ability of Council services to generate and sustain income is an integral part of budget planning and serves to protect the future financial health of the Council.
- 1.2 Commercial advertising directly contributes towards the following objectives of the Council's Corporate Plan:
 - Providing infrastructure to support the economy
 - Remaining financially sustainable to deliver service priorities
- 1.3 The Council has an obligation to ensure that the use of its assets achieve demonstrable best value.
- 1.4 This supplementary policy provides guidance to third party advertising contractors regarding what is/is not, considered acceptable by the Council. This document sets out a policy for advertising arrangements, aimed at permitting the Council's commercial partners scope to achieve their commercial objectives, whilst in so far as is reasonably practicable, protecting the reputational interests of the local authority.

2. Detail

- 2.1 The Council has a presumption in favour of advertising whenever and wherever possible. However, there is a need to ensure that any advertising displayed on Council assets does not through association cause reputational damage to the Council.

3. General guidelines for contracted out advertising:

- 3.1 The basic principles underpinning the Council's policy on advertising are the rules and guidelines laid out by the Advertising Standards Authority (ASA) www.asa.org.uk and the Outdoor Media Centre's (OMC / Outsmart) Charter - "Standard of Best Practice".
- 3.2 These principles hold that advertisements should be:
 - Legal, decent, honest and truthful
 - Created with a sense of responsibility to consumers and to society
 - In line with the principles of fair competition
- 3.3 The Council does not take a 'white listing' approach (i.e. defining permitted advertising) but instead assumes that advertising is permitted unless it either fails to meet the requirements of, or falls into a number of prohibited categories as defined in sections 3.4 - 3.11 below.
- 3.4 Advertising must comply with all and any relevant regulations.

- 3.5 Political organisations will not be allowed to advertise on Council assets.
 - 3.6 Advertising from Lobby Groups, promoting issues/agendas which are in conflict with Council policies or priorities, will not be permitted.
 - 3.7 Advertising of 'pay-day loan' companies will not be permitted.
 - 3.8 Any content which has an overtly sexual 'tone', which features complete nudity or which appears to promote or give undue publicity to illegal or inappropriate behaviour or lifestyles will not be permitted.
 - 3.9 Advertisements mocking of groups of citizens or that contain innuendo or subtext which could cause offence will not be permitted.
 - 3.10 Advertising of Smoking related products including Tobacco, e-cigarettes and vaping paraphernalia will not be permitted.
 - 3.11 Advertisements for gambling/betting industry associated products and services upon Council owned assets must display suitable 'industry adopted' cautionary messages, such as 'when the fun stops, stop' or other as may be adopted from time to time.
 - 3.12 Advertisements for alcohol industry associated products and services upon Council owned assets must display suitable 'industry adopted' cautionary messages, such as 'Drink Responsibly' or other as may be adopted from time to time.
4. **Disclaimer notice**
 - 4.1 Acceptance of advertising does not imply endorsement of associated products and services by Reading Borough Council.
5. **Procedures**
 - 5.1 Council officers must consider this policy document and follow the guidelines provided in respect of all commercial agreements, licences and or contracts featuring advertising rights.
 - 5.2 All new advertising arrangements shall be;
 - Approved by the relevant service Director and Lead Councillor.
 - Able to demonstrate attainment of value for money (VFM).
 - Referred to Legal Services for review prior to signing.
 - Subject to the obtaining of required statutory consents.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	5 DECEMBER 2016	AGENDA ITEM:	13
TITLE:	BUDGET SAVING PROPOSAL - CONSULTATION RESULTS FOR CHANGES TO CONCESSIONARY FARES SCHEME		
LEAD COUNCILLOR:	COUNCILLOR TONY PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT
SERVICE:	TRANSPORTATION & STREETCARE	WARDS:	BOROUGHWIDE
LEAD OFFICER:	STEPHEN WISE	TEL:	0118 937 3735
JOB TITLE:	SENIOR TRANSPORT PLANNER	E-MAIL:	steve.wise@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Corporate Plan and budget for 2016-2019 were set at Council on 23 February 2016. The report outlined the need to develop delivery plans during the 2016/17 year to reduce our overall budget envelope over the period to 2019/20 to bridge the budget gap in all years to 2019/20. Policy Committee agreed that a range of budget saving proposals be investigated further on 18 July 2016, including reverting to the standard English National Concessionary Travel Scheme (ENCTS).
- 1.2 Consultation on the proposal to revert to the English National Concessionary Travel Scheme was carried out during September. This report summarises the results from the consultation and outlines our recommendation to implement the proposed changes to the scheme.
- 1.3 Appendix A - Equality Impact Assessment scoping report for changes to the concessionary fares scheme

2. RECOMMENDED ACTION

- 2.1 That Policy Committee agree to revert to the standard English National Concessionary Travel Scheme (ENCTS) from April 2017 in line with original budget saving proposals.

3. POLICY CONTEXT

- 3.1 On 18 July 2016, Policy Committee approved a range of budget proposals and authorised Officers to undertake public consultation. These proposals included reverting to the standard National English Concessionary Travel Scheme. Consultation was undertaken throughout September 2016.

4. THE PROPOSAL

- 4.1 The online consultation for budget saving proposals took place from 29th August to 30th September 2016 and resulted in the submission of 27 responses in regards to the proposal to revert to the standard English National Concessionary Travel Scheme. A summary of consultation responses is outlined below.

- 4.2 There were 27 responses regarding the proposal to revert to the standard National English Concessionary Travel Scheme. Overall, 15% were supportive of the proposed changes to concessionary travel, 78% of respondents were unsupportive and 7% were unclear. Of these respondents 63% were aged over 65 and would therefore be directly affected by proposed changes. The remaining respondents were 55-64 years (33%) and 25-34 years (4%). Of the 27 respondents, 20 live in Reading Borough and would therefore be affected by the proposed change to the scheme start time and possibly changes to football services. The remaining seven addresses were in Wokingham Borough who would be affected by the football proposals. However it appeared that some Wokingham residents were responding to the start time change on the basis of their infrequent bus service (Route 19).
- 4.7 Of the 27 responses, 15 were unsupportive of the proposals to the change of start time from 09.00 to 09.30. These comments stated that the proposed change of start time would increase costs; affect their ability to catch early off-peak trains; make them late for hospital/doctors' appointments; lessens their enjoyment as they wake early and want to go to town; and result in trips being undertaken by car. Suggestions or alternative options for how this service could be provided included not changing start time; offering a reduced rate for Concessionary travel before 09.30; showing a letter of appointment for early travel; limiting the number of times a concessionary pass can be used; making a charge for a concessionary pass; offering an early Hospital smart card paid by charity and changing bus times.
- 4.8 Six responses were against the proposal to remove concessionary travel from football bus services citing the costs of bus services, the need for outings, including those to football matches. Suggestions for how the service could be provided including Reading Football Club subsidising travel, reducing existing football fares and not changing the scheme. It was also suggested that both proposals could be financed through alternative budgets, such as the ReadyBike subsidy or parking revenue or for fares structures to be reviewed. Other comments for both proposals included potential knock-on effects of the proposals to bus services, such as delays and increased costs.
- 4.9 The 15% of respondents who were supportive of the changes felt that it was fair to expect elderly people to share some of the Council spending cuts.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 Budget saving proposals have been developed to target key areas to ensure we can continue to deliver our priorities and protect services alongside addressing budget challenges. These proposals will continue our focus on our service priorities whilst our budget is being reduced. The proposals will enable us to:

- Remaining financially sustainable to deliver these service priorities.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 The online consultation resulted in the submission of 27 responses in regards to the proposal to revert back to the standard English National Concessionary Travel Scheme. The consultation enabled organisations, service users and the wider community to put forward options on how to reshape the services offered by the enhanced concessionary fare scheme and to comment on who would be affected by the changes and what the likely impacts would be.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.2 The equality duty is relevant to the development of the Proposals for Change, including the proposal to revert back to the standard English National Concessionary Travel Scheme. Consultation responses informed an initial Equality Impact Assessment (Appendix A) that highlighted the negative impact on elderly groups of reverting to the standard concessionary fares scheme. However it was felt that the proposed changes were justifiable due to the need to identify budget savings and do not compromise the statutory ENCTS benefits.

8. LEGAL IMPLICATIONS

8.1 There are not expected to be any legal implications.

9. FINANCIAL IMPLICATIONS

9.1 As reported at Policy Committee on 18 July 2016 the proposals to revert to the National Concessionary Travel Scheme (ENCTS) would result in budget savings of £59k in 2017/18.

10. BACKGROUND PAPERS

10.1 Policy Committee 'Budget Proposals 2016-20 to Narrow the Budget Gap' 18 July 2016



Provide basic details

Name of proposal/activity/policy to be assessed

Changes to Concessionary bus pass acceptance

Directorate: DENS

Service: Transportation and Streetcare

Name and job title of person doing the assessment

Name: Stephen Wise

Job Title: Senior Transport Planner

Date of assessment: 2nd November 2016

Scope your proposal

What is the aim of your policy or new service/what changes are you proposing?

To reduce the acceptance of Concessionary bus passes for free travel to the statutory English National Concessionary Travel Scheme (ENCTS) with effect from 1st April 2017. This will specifically remove the additional locally funded discretionary benefits;

1. Free travel from 9am to 9.30am Mondays to Fridays.
2. Free travel on special sports bus services to football and rugby matches

Who will benefit from this proposal and how?

No one will directly benefit from the proposal.

What outcomes does the change aim to achieve and for whom?

The aim is to reduce discretionary council spending in view of the unavailability of future budgets to support this cost.

Who are the main stakeholders and what do they want?

The proposal will impact a number of concessionary pass holders who currently travel between 9am and 9.30am Mon-Fri or who travel on special sports bus services. As a free service will no longer be available as noted above, it is assumed that the affected stakeholders will not wish this to happen.

Assess whether an EqIA is Relevant

How does your proposal relate to eliminating discrimination; promoting equality of opportunity; promoting good community relations?

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others? (Think about your monitoring information, research, national data/reports etc.)

Yes / No (delete as appropriate)

Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.

Yes / No (delete as appropriate)

If the answer is Yes to any of the above you need to do an Equality Impact Assessment.

If No you **MUST** complete this statement

An Equality Impact Assessment is not relevant because:

Signed (completing officer)

Date

Signed (Lead Officer)

Date

Assess the Impact of the Proposal

Your assessment must include:

- Consultation
- Collection and Assessment of Data
- Judgement about whether the impact is negative or positive

Consultation

How have you consulted with or do you plan to consult with relevant groups and experts. If you haven't already completed a Consultation form do it now. The checklist helps you make sure you follow good consultation practice.

My Home > Info Pods > Community Involvement Pod - Inside Reading Borough Council

Relevant groups/experts	How were/will the views of these groups be obtained	Date when contacted
Concessionary pass holders who travel on buses between 9am and 9.30am or who use their bus pass to travel for free to sports events on special sports bus services.	A consultation took place online following publicity in the printed media and on bus information screens.	A consultation was held from 29 th August to 30 th Sept 2016

Responses to consultation regarding changes to the Concessionary Fares bus pass acceptance.

Consultation took place from 29th August to 30th September 2016.

Question 1: What do you think we should be aware of in terms of how this proposal might impact people?

There were 27 responses of which 15 referred to the move of the start time from 09.00 to 09.30

Comments received that stated this should not be changed referred to the following problems that would be caused for people;

1. Cost (x 2)
2. People would choose car instead (x2)
3. Access to station for 09.30 cheap trains to London.
4. Late for appointments at doctors or hospital etc. (x10)
5. Lessens people's enjoyment as they wake early and want to go to town.

6 people referred to the removal of concessionary travel from football bus services.

Comments were that this should not happen because;

1. Cost of bus (x4)
2. Old people need outings
3. Unfair to pick on football supporters

However there were also 2 responses that could not be discerned as either for or against the changes.

There were 4 responses that supported the proposed changes and felt that it was fair to expect elderly people to share some of the Council spending cuts.

Question 2: If you have any suggestions or alternative options for how this service could be provided please write below.

There were 21 responses 13 of which applied to the change to start times;

1. Don't change start time (x3)
2. Offer a reduced rate for Concessionary travel before 09.30 (x5)
3. Show a letter of appointment for early travel
4. Limit the number of times a concessionary pass can be used
5. Make a charge for a concessionary pass
6. Offer an early Hospital smart card paid by charity
7. Change bus times

4 comments were made regarding football services

1. Football club should subsidise supporter travel
2. Don't change the scheme (x2)
3. Reduce football bus fares to make them generally more affordable.

4 comments were made regarding generally financing the scheme;

1. Scrap Readibike
2. Use car park revenue to subsidise OAP bus travel
- 3.

Question 3: If you would like to make any other comment please write below

There were 14 responses;

Respondents covered a wide range of issues.

May increase costs/not save money (x3), may delay buses, knee jerk funding decision, blamed on government , illegal, pensioners being hit (x3), pensioners should pay their fair share, review bus fare structures (x2), great bus service.

Profile of responders

The age of responders was answered by 27 people who were aged;

25-34 1
55-64 9
65 and over 17

This shows that 63% of those responding would be directly affected by the proposed changes.

There were 27 address post codes given.

Of these 20 were in Reading Borough and would be affected by the proposed change to the scheme start time. They may also be affected by the football proposals.

7 addresses were in Wokingham Borough who would not be affected by changes to scheme start time but would be affected by the football proposals. However it appeared from some of the comments that some Wokingham residents were responding to the start time change on the basis of their infrequent bus service (route 19).

Equality Impact Assessment: Changes to Concessionary bus pass acceptance.

Using information from Census, residents survey data, service monitoring data, satisfaction or complaints, feedback, consultation, research, your knowledge and the knowledge of people in your team, staff groups etc. describe how the proposal could impact on each group. Include both positive and negative impacts.

(Please delete relevant ticks)

Describe how this proposal could impact on Racial groups			
This does not impact on Racial groups			
Is there a negative impact?	Yes	<u>No</u>	Not sure

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)			
This does not impact on Gender/transgender.			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Disability			
Disabled persons using the Access pass are not included in the proposals for changes to the use of concessionary bus passes.			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Sexual orientation (cover civil partnership)			
This does not impact on sexual orientation.			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Age			
The proposal to change the hours of acceptance of the Concessionary bus pass and the non-acceptance of concessionary passes on special sports bus services has an impact on Age as the passes are only issued to those who qualify on age grounds.			
The proposal to remove the half hour local benefit that allow concessionary pass holders to travel from 9am instead of 9.30am on Mondays to Fridays will impact pass holders ability to travel for free at this time. They will need to either;			

1. Travel after 9.30am which may delay then getting to appointments. However for the majority of concessionary pass journeys this delay will have no effect.

2. Pay the commercial bus fare to travel at anytime before 9.30am. Concessionary pass holders already have to pay the commercial fare if they wish to travel before 9am so for the majority of Concessionary pass holders the difference is unlikely to be very significant.

The proposal to discontinue acceptance of concessionary passes for free travel on special sports bus services (specifically to football and rugby matches) will impact pass holders ability to travel for free on these bus services. They will need to either:

1. Consider their own travel arrangements and whether they wish to continue to travel to sports events by special sports bus services. They may consider that there are other more suitable alternatives which may offer better value for money.

2. Pay the commercial bus fare on the special sports bus services.

Both of the proposals will remove a locally funded discretionary element which is currently offered in addition to the statutory English National Concessionary Travel Scheme. Reading Borough Council's commitment to the full statutory scheme is unaffected by the proposals.

Is there a negative impact? Yes No Not sure

Describe how this proposal could impact on Religious belief?

This does not impact on religious belief.

Is there a negative impact? Yes No Not sure

Make a Decision

If the impact is negative then you must consider whether you can legally justify it. If not you must set out how you will reduce or eliminate the impact. If you are not sure what the impact will be you **MUST** assume that there could be a negative impact. You may have to do further consultation or test out your proposal and monitor the impact before full implementation.

Tick which applies (Please delete relevant ticks)

1. ~~No negative impact identified~~ ~~Go to sign off~~

2. **Negative impact identified but there is a justifiable reason**

You must give due regard or weight but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.

Reason

The proposal to remove locally funded discretionary elements offered in addition to the statutory ENCTS benefits is intended to help save Reading Borough Council money which it no longer has available in its budgets going forwards.

The impacts on elderly people who enjoy the benefits of using their concessionary bus pass are relatively limited and do not compromise the intentions or rules of the ENCTS.

3. **Negative impact identified or uncertain**

What action will you take to eliminate or reduce the impact? Set out your actions and timescale?

One suggestion made in responses to the consultation undertaken as part of the proposals was to offer concessionary pass holders a 'concessionary rate' on buses either before 9.30am when the free use starts, or for use of special sports buses, or both.

The reasoning was that by offering a special 'concessionary rate' the financial burden would be reduced for pass holders, the bus company would gain a cash fare and Reading Borough Council would avoid having to reimburse the bus company for a free journey.

Reading Borough Council cannot legally demand that a bus company offers such a special 'concessionary rate' but can instigate discussions with bus

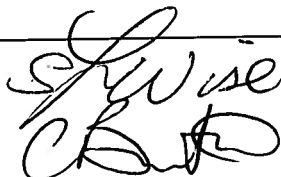
companies such that they may consider this course of action to be worthwhile.

Reading Borough Council would seek such discussions at the earliest opportunity so that the existence or otherwise of such a scheme can be publicised before the start of the change to free acceptance of concessionary passes.

How will you monitor for adverse impact in the future?

Reading Borough Council will monitor feedback comments from elderly ENCTS pass users so as to assess the impacts of the decisions for future consideration.

Signed (completing officer)



Date Nov 2016.

Signed (Lead Officer)



Date Nov 2016.

READING BOROUGH COUNCIL
REPORT BY DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE		
DATE:	5 DECEMBER 2016	AGENDA ITEM:	14
TITLE:	BUDGET MONITORING 2016/17		
LEAD COUNCILLOR:	COUNCILLORS	PORTFOLIO:	FINANCE
SERVICE:	LOVELOCK/ PAGE	WARDS:	BOROUGHWIDE
LEAD OFFICER:	RACHEL MUSSON & ALAN CROSS	TEL:	01189372058 (x72058)
JOB TITLE:	INTERIM DIRECTOR OF FINANCE & HEAD OF FINANCE	E-MAIL:	Alan.Cross@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report sets out the budget monitoring position for the Council to the end of October 2016.

2. RECOMMENDED ACTION

- 2.1 To note that based on the position at the end of October 2016 budget monitoring forecasts an overspend of around £7.6 m

3. BUDGET MONITORING

- 3.1 The results of the Directorate budget monitoring exercises are summarised below. The overall overspend has increased by £122k since the previous report.

	Emerging Variances £000	Remedial Action £000	Net Variation £000	% variance budget
Environment & Neighbourhood Services	2,818	(2,869)	(51)	-0.2%
Children's, Education & Early Help Services/	7,103	(412)	6,691	19.7%
Adults Care and Health Services Inc. Public Health	4,071	(2,913)	1,158	2.9%
Corporate Support Services	472	(336)	136	1.1%
Directorate Sub total	14,464	(6,530)	7,934	
Treasury	(299)	0	(299)	
Total	14,165	(6,530)	7,635	

3.2 Environment & Neighbourhood Services

Despite increasing this year's budget for bed and breakfast (B&B) costs, there is a significant risk for the budget to be exceeded based on current trend (higher numbers but lower cost than budgeted), even with the mitigations planned being put in place. Forecasting outturn at this stage of the year is extremely challenging as this is a demand led budget - with a range of factors impacting beyond our control demand does not follow predictable patterns. However, projections (and scenarios) are being recast regularly based on latest actual figures and an assessment of demand forecasts and project delivery plans. Currently there are 158 households in B&B and a forecast overspend of £80k is reported based on this rising to around 200 by the financial year end. This is being closely monitored as placement numbers fluctuate.

All of the services directly delivered within Economic & Cultural Development generate significant levels of income to offset operational costs and this is the key unpredictable variable in delivering to budget. Based on the information currently available a potential income shortfall of £370k is reported this month relating to known pressures, offset with £160k savings. Officers will be reviewing any opportunities to mitigate these pressures through alternative income streams in the coming months.

Overall, the Directorate is now reporting an underspend of £51k, as the above pressures are offset by overall underspends of £240k within Transport and Streetcare, (largely arising from additional income) and £101k in Planning Development & regulatory Services, both arising from a range of variances within those service areas.

3.3 Children, Education & Early Help Services

A new structure was agreed in February for Children's Social Care based on the need of having manageable caseloads. This structure cost £750k more than the existing budget and remains unfunded. Currently the majority of the structure is filled with agency workers whilst the service is going through a continuous recruitment campaign. Recruitment to some of the vacant posts has been achieved through recruitment of overseas applicants and further work is currently being undertaken to obtain recruitment from within the UK. The current predicted overspend based upon staffing is £2.8m (including the unfunded £750k). This estimate is based upon current agency staff remaining in post into such time as the new recruitment strategy predicts new starters.

Service demand pressures continue for the service with external placements currently predicted to be overspent by £2.4m. This estimate is based upon current usage and estimated further demand to year end. However, due to the uncertainty of demand this estimate cannot be guaranteed, but there is on-going work by the service to try and manage this and keep within this estimate.

There is also a saving of £545k allocated against the service which is currently unachievable due to the recent OFSTED report, as reported in July.

With regard to other services areas there continues to be a pressure on Education with regard to home to school transport unachieved savings of £500k. Within Early Help services there is a pressure of £228k. This is due to the LDD service which transferred from Adults this financial year. Costs in association with external placements/short breaks are currently overspent by £510k. Other Early Help services are underspent by £282k. There is a pressure of £230k within Governance and Transformation all in relation to staff costs. £160k of this is through the need to use agency to cover vacant posts along with a further £70k of unfunded costs within the Structure for DMT.

Whilst the above represents the position with regard to the general fund, we are forecasting a £3.6m pressure on the high needs block as was reported to Schools Forum in July.

3.4 Adult Care & Health Services

During the last month the forecast overspend being reported by DACHS has increased by £233k, from £925k to £1,158k. Adult Services continue to experience demand pressure in excess of available budgets in both residential and community based services. There are a number of projects within Transformation and Deficit Reduction designed to alleviate some of the pressure but this will not currently bring the forecast service costs fully back to budget either in-year or on an ongoing basis.

In particular we continue to press health partners in connection with ensuring a proper split of financing for Continuing Healthcare Costs, in line with other parts of the country.

Furthermore, the Directorate holds most of the training budgets across the Council, which have been reduced significantly (by £750k) in the last two years. Analysis of our essential training needs, and existing training commitments has highlighted that the much reduced budget will be overspent, and this forms part of the total. Further work is needed in this area.

3.5 Corporate Support Services

At the end of October the Directorate is forecasting an overspend of £136k. This has increased on the previously reported position, arising from some additional costs we are now facing in Customer Services as both council tax collection and housing benefit services need to address higher volumes of work that have arrived recently than is normally expected, and also some extra audit costs, as has been mentioned at Audit & Governance Committee. Details of these additional pressures are still to be finalised.

4. TREASURY MANAGEMENT

- 4.1 A review of the capital financing budget has identified a potential under spend of £299k. The improvement of £103k from last month's position follows a detailed review of the cashflow position and the MRP calculation. In terms of treasury activity, we have arranged £70.8m of temporary borrowing during the year (with £174m borrowed for various periods from various other local authorities (or similar) for various periods to manage the cash flow), and this should ensure we have enough cash available until at least the autumn. The

impact of this has been to reduce the average interest rate we are paying from 3.6% to around 3.2%. The forecast incorporates our latest estimates of the capital programme and its financing for the year.

5. FORECAST GENERAL FUND BALANCE

- 5.1 The recently approved accounts show the General Fund Balance at the end of 2015/16 was £5.6m. As indicated in the table above, assuming remedial action highlighted is carried out, there is now expected to be a net overspend on service revenue budgets of £7.9m.
- 5.2 The pressure on service directorate budgets is offset by a favourable treasury position (see para 4.1), so there is an overall £7.6m overspend forecast. We will continue to look for opportunities to reduce the overspend.
- 5.3 However, the final overspend at the year end will need to be financed. The arrangements for doing this will be set out as part of the budget report for 2017/18 in February 2017.

6. CAPITAL PROGRAMME 2016/17

- 6.1 To the end of October £22.4m of the c.£79m programme had been spent. Capital spending is normally weighted to the latter part of the year, although this year significant parts of the schools building programme were needed by the beginning of the present school term in September. Of the Primary School Expansion Programme, so far £12.9m has been spent against budget of £16.0m.

7. HRA

- 7.1 There are currently projected to be small under and overspends within the repairs and maintenance budgets, but it is currently projected these costs will be managed to budgeted amount.
- 7.2 An initial review of the likely HRA capital financing position for 2016/17 has identified those costs should be around £300k under spent. Actual rent income is currently projected to be at least £100k better than budget, amongst other reasons because of continuing good control of rent arrears and lower than budgeted void loss.

8. RISK ASSESSMENT

- 8.1 There are risks associated with delivering the Council's budget and this was subject to an overall budget risk assessment. At the current time those risks are being reviewed as part of budget monitoring and can be classed as follows:
- High use of agency staffing & consultants (and tax changes affecting some of them from next financial year);
 - Pressures on pay costs in some areas to recruit staff or maintain services;
 - In year reductions in grant;
 - Demand for adult social care;
 - Demand for children's social care;
 - Increased requirement for childcare solicitors linked to activity on the above;

- Homelessness, and the risk of a need for additional bed & breakfast accommodation;
- Demand for special education needs services;
- Housing Benefit Subsidy does not fully meet the cost of benefit paid

9. BUDGET SAVINGS RAG STATUS -

9.1 The RAG status of savings and income generation proposals included in the 2016/17 budget are subject to a monthly review. The RAG status in terms of progress is summarised below:

	£000	%
Red	2,275	20
Amber	5,755	47
Green	4,001	33
Total	12,131	100

9.2 The RAG status of budget savings supplements the analysis in budget monitoring above, and the red risks do not represent additional pressures to those shown above.

10. COUNCIL TAX & BUSINESS RATE INCOME

10.1 We have set targets for tax collection, and the end of October 2016 position is:

Council Tax	2016/17 £000	Previous Year's Arrears £000	Total £000
Target	56,525	1,270	57,795
Actual	56,140	1,167	57,307
Variance	385 below	103 below	488 below

10.2 For 2016/17 as a whole the minimum target for Council Tax is 96.5%, (2015/16 collection rate 96.8%). At the end of October 2016, collection for the year was 64.6% compared to a target of 65.1%, and collection is slightly behind of 2015/16 (65.1% by end of October 2015).

10.3 **Business Rates Income to the end of October 2016**

Business Rates	2016/17 £000	2016/17 %
Target	72,501	63.00%
Actual	71,677	62.28%
Variance	824 below	0.72% below

The target for 2016/17 as a whole is 98.50%. By comparison, at the end of October 2015, 62.25% of rates had been collected.

11. OUTSTANDING GENERAL DEBTS

11.1 The Council's outstanding debt total as at 31st October stands at £5.718 m in comparison to the 31st March figure of £3.861m. This shows an increase of £1.857m, but this includes large amounts due from other public sector bodies and we note that £2.826m of the balance as at 31 October 2016 is greater than 151 days old.

12. CONTRIBUTION TO STRATEGIC AIMS

12.1 The delivery of the Council's actual within budget overall is essential to ensure the Council meets its strategic aims.

13. COMMUNITY ENGAGEMENT AND INFORMATION

13.1 None arising directly from this report.

14. LEGAL IMPLICATIONS

14.1 The Local Government Act 2003 places a duty on the Council's Section 151 Officer to advise on the robustness of the proposed budget and the adequacy of balances and reserves.

14.2 With regard to Budget Monitoring, the Act requires that the Authority must review its Budget "from time to time during the year", and also to take any action it deems necessary to deal with the situation arising from monitoring. Currently Budget Monitoring reports are submitted to Policy Committee regularly throughout the year and therefore we comply with this requirement.

15. FINANCIAL IMPLICATIONS

15.1 The main financial implications are included in the report.

16. EQUALITY IMPACT ASSESSMENT

16.1 None arising directly from the report. An Equality Impact Assessments was undertaken and published for the 2016/17 budget as a whole.

17. BACKGROUND PAPERS

17.1 Budget working & monitoring papers, save confidential/protected items.