

POLICY COMMITTEE MINUTES - 5 DECEMBER 2016

Present: Councillor Lovelock (Chair)

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

Apologies: Councillor Page.

56. EXCLUSION OF THE PRESS AND PUBLIC

Resolved -

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of items 57-59 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.

57. INVESTMENT PROPERTY ACQUISITIONS POLICY

The Director of Environment and Neighbourhood Services submitted a report proposing the adoption of a policy regarding the acquisition of Investment property. The proposed Property Acquisitions Strategy was attached to the report at Appendix 1.

The report also explained that, if an urgent decision needed to be taken between scheduled meetings of the Policy Committee in order to secure a property, it was proposed that an extra meeting of Policy Committee be called in accordance with the rules for Urgent Items set out in Article 7 of the Council's Constitution.

At the meeting the Chair agreed that she would try and ensure that any extra meetings of the Committee were arranged on a date on which members of at least two different political Groups could attend.

Resolved -

- (1) That the Property Acquisitions Strategy, attached to the report as Appendix 1, be approved;
- (2) That, in the event that an urgent decision in relation to the acquisition of property needed to be taken between scheduled Policy Committee meetings, an additional Policy Committee meeting be called, in accordance with Section 7.7 (Urgent Items) of Article 7 of the Constitution, in order to make such a decision.

(Exempt information as defined in paragraph 3).

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58. PROPOSED PROPERTY ACQUISITION IN READING

Further to the Property Acquisitions Strategy agreed at Minute 57 above, the Director of Environment and Neighbourhood Services submitted a report seeking authority to purchase two potential investment properties in Reading.

This item was brought to the Committee for urgent consideration, in accordance with Section 100B 4(b) of the Local Government Act 1972 (as amended), on the grounds that the opportunity arose with insufficient time to prepare a report in time for the publication of the agenda on 25 November 2016 and that the matter needed to be determined prior to the next scheduled meeting of the Committee.

Resolved -

- (1) That the Director of Environment and Neighbourhood Services, in consultation with the Strategic Finance Director and the Head of Legal and Democratic Services, be authorised to purchase the two properties on the terms outlined in the report;
- (2) That in the unlikely event that the final purchase price exceeded the amounts set out in the report, but was still considered to represent value for money, the purchase only proceed with the agreement of the Leader of the Council, and following consultation with the Chairman of Audit and Governance Committee.

(Exempt information as defined in paragraph 3).

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

Further to Minute 37 of the meeting held on 26 September 2016, the Head of Legal and Democratic Services submitted a report attaching correspondence between the representatives of the Owners of the Station Hill 3 Site and the owners or representatives of Affected Properties, in respect of right to light negotiations. The correspondence would inform the Committee's consideration of a report proposing the Council acquire an interest in the Station Hill 3 Site (see Minute 64 below).

Resolved -

That the financial and the business affairs of the parties be noted and taken into account when the report on the same subject was considered (see Minute 64 below).

(Exempt information as defined in paragraphs 3 and 5).

60. CHAIR'S ANNOUNCEMENTS

The Chair reported the decision taken in closed session to agree an Investment

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Property Acquisition policy. She noted that property investment was one way in which local authorities were helping to support their revenue budgets without affecting front line services.

61. MINUTES

The Minutes of the meeting held on 31 October 2016 were agreed as a correct record and signed by the Chair.

62. QUESTIONS

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

	Questioner	Subject	Reply
1.	Peter Burt	Consultants fees for Sport and Leisure	Councillor Gittings
2.	Peter Burt	Loss of Public Open Space	Councillor Gittings

Questions on the following matters were submitted by councillors:

	Questioner	Subject	Reply
1.	Councillor McDonald	Emptying of Green Bins	Councillor Terry
2.	Councillor McDonald	Sharing of Green Bins	Councillor Terry
3.	Councillor Hopper	Telephone Boxes	Councillor Page
4.	Councillor White	Fossil Fuel Divestment	Councillor Lovelock

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

63. BUDGET PROPOSALS 2017-2020 TO NARROW THE BUDGET GAP

Further to Minute 35 of the meeting held on 26 September 2016, the Corporate Management Team submitted a report setting out a range of income generation and saving proposals to further reduce the budget gap and feed into setting the budget for 2017-2020. A list of proposals was set out in Appendix 1 attached to the report.

The report explained that in order to achieve the substantial savings needed the proposals being submitted included cuts in services or service reductions, and different models of delivery. It was also proposed to review the Council's management structure and reduce agency staff costs, and continue a programme of digitisation to enable a switch to self-serve for staff and customers. Major transformation programmes were underway in Adults and Children's Services, and where appropriate income-generating business was being developed.

The report explained that if approved, and subject to consultation where appropriate, the proposals set out in Appendix 1 would deliver savings and additional income of £10.5m (£8.0m in 2017/18) over the period 2017-2020. If all the proposed savings were agreed and delivered, further savings of at least £8m (including £1.6m

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in 2017/18) would be required to bridge the forecast financial gap between 2017 and 2020. However there was continuing severe pressure on children's social care expenditure, to tackle rising demand for services, which would need to be taken into account in building the budget for 2017/18. In addition there was uncertainty about the future arrangements for children's services, which would be dependent on the outcome of the Children's Services commissioner's review. If the budget gap widened additional budget reduction measures would need to be identified in preparation for setting the budget in February 2017.

Appendix 1 set out a summary of the proposals, with the projected savings over the next three financial years, and an indication for each proposal of equality considerations and whether consultation was required. For proposals that would require public consultation the outcomes and recommendations for a final decision would be reported to the relevant committee or sub-committee, and where public consultation was not required proposals would be implemented including staff consultation where appropriate.

Resolved -

- (1) That the budget proposals as set out in Appendix 1 to the report be approved;**
- (2) That officers be authorised 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 changed the saving being generated).**

64. PUBLIC HEALTH BUDGET 2017/18

The Director of Adult Care and Health Services submitted a report setting out for approval the Public Health Budget for 2017/18. The Budget, set out in detail in Appendix 1 attached to the report, took account of a reduction in Public Health Grant of 2.5% and the action the Council would take to manage this reduced allocation.

The report explained that all public health grant spend across the Council, both for services commissioned directly by public health in Reading and through the shared Berkshire team, as well as all additionally funded services across the Council, had been reviewed with the Director of Public Health. Officers across the Council had reviewed services that would be impacted as a result of the reduced funding. Appendix 1 detailed the baseline budget and proposed budget reductions for 2017/18 against the services currently funded by Public health grant.

The report explained that if the proposed budget was agreed then the forecast spend for 2017/18 would be £9,970,926, leaving a surplus of £45,074. This did not, however, take into account any reduction in funding from the Police & Crime Commissioner

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(PCC). The drug and alcohol treatment service currently received £284,635 PCC funding; a 10% reduction has been confirmed overall for the council, and final figures for specific programmes were awaited.

Resolved -

- (1) That the budget and programmes to be funded from the Public Health Grant for 2017/18 be agreed and the changes to deliver the service within budget be noted;
- (2) That officers commence work on delivering the action to manage the grant reduction.

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

Further to Minute 37 of the meeting held on 26 September 2016, the Head of Legal and Democratic Services submitted a report seeking approval for the acquisition of land for planning purposes by agreement under Section 227 of the Town and Country Planning Act 1990 (as amended) ("Section 227") enabling the operation of powers under Section 203 of the Housing and Planning Act 2016 ("Section 203") to facilitate the carrying out of the redevelopment of land at Station Hill (the Station Hill 3 Site), as shown on a plan attached to the report at Appendix 1. The report gave an update on the progress of negotiations between the Owners of the Station Hill 3 Site and the Affected Owners of the remaining three properties referred to in the previous report.

The report explained that, since the meeting on 26 September 2016, substantial progress has been made with regards to all three remaining Affected Owners. On 28 October 2016, the Council had been informed that matters had been settled in the case of 20-30 Greyfriars Road and that a Deed of Release had been completed. On 11 November 2016, the Council had been advised that the Affected Owner of 8-10 Greyfriars Road had, subject to contract, agreed terms with the Owners of the Station Hill 3 Site which would resolve the rights of light issues between them. The terms of the agreement were now being documented by the parties.

However the report explained that no agreement had been reached in respect of 39-40 Friar Street. The latest correspondence from the Owner's representatives suggested that progress was 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. The latest correspondence in respect of current negotiations on 39-40 Friar Street had been considered by the Committee in closed session (see Minute 59 above). Consideration and discussion of issues that remained relevant to the Affected Owners of 39-40 Friar Street were set out in detail in the First Schedule attached to the report.

The report noted that the exercise of the Section 203 power was only to be used as a last resort and concluded that, on balance, the acquisition of the Station Hill 3 Site for the planning purpose of the development should now be approved, on the

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following basis:

- It was a development which was in the public interest both in respect of the current need to regenerate what was a prominent largely unused and derelict town centre site, and the public benefits that it would bring to the town as a whole;
- The planning position was settled given the planning background and the recent approval of reserved matters;
- Whilst the Affected Owners of 39-40 Friar Street had stated that they would not invoke an injunction and had no intention of doing so, the threat of an injunction was an ever present and construction of Station Hill would be thwarted until such time as there was no possibility of such an action;
- As referred to in the report of 26 September 2016 it was accepted that the development programme was a reasonable one, but given the lengthy negotiations which had taken place to date it was 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 was not then the development programme would then be at risk which was not in the public interest given the expressed importance of the Scheme;
- The Affected Owners would be entitled to statutory compensation under Section 204 of the 2016 Act in the event that no agreement had been reached by the end of the year;
- All relevant considerations had been fully and properly addressed and on balance the outcome of these matters supported the recommendation to proceed with the acquisition.

Resolved -

- (1) That the following be approved, with effect from 31 December 2016:
 - a) 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 was 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;
- (2) That the Chief Valuer and the Head of Legal and Democratic Services be authorised to agree the terms and completion of the acquisition

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and disposal referred to in (1);

- (3) That Station Hill North BV and Station Hill South BV be requested to undertake to use all reasonable endeavours to conclude Deeds of Release with the owners of Affected Properties on the Heads of Terms that had been agreed or where a settlement had been agreed in principle prior to or as at the date of this meeting.

66. ADVERTISING AND SPONSORSHIP

Further to Minute 60 of the meeting held on 2 December 2013, the Director of Environment and Neighbourhood Services submitted a report seeking approval for amendments to the Council's current Advertising and Sponsorship Policy.

The report explained that the Council's existing advertising and sponsorship policy, as attached to the report at Appendix A, was considered appropriate in respect of directly managed advertising and sponsorship activities, where there was a clear association with the Council, such as roundabout sponsorship. No change to the existing policy was proposed for directly managed advertising and sponsorship activity, other than a minor amendment related to tobacco products. In February 2014, the European Parliament had approved new regulations for tobacco products, forbidding advertising of e-cigarettes (including Vaping products) in the same manner as traditional tobacco products. These regulations had been incorporated in a revised policy, which was attached to the report at Appendix B.

The report noted, however, that outside of its modest directly managed activity the Council's influence on the wider advertising market was extremely limited, and that strictly applying the current policy would have little impact on people's perceptions and behaviours whilst compromising future income. Discussions with agents for the outdoor advertising industry had revealed concerns about a blanket ban on the advertising of alcohol and gambling/betting services, which accounted for a significant proportion of their advertising revenue. It was therefore proposed that an additional supplementary section be added to the existing policy, specifically to be applied in respect of contracted-out advertising arrangements where the Council had no direct commercial relationship with the advertiser of the product and or their agent. The proposed Supplementary Schedule was set out at Appendix C to the report.

It was noted at the meeting that Policy Committee had previously agreed, at its meeting on 30 November 2015 (Minute 55 refers), that the Council would not accept direct sponsorship and advertising from fossil fuel companies. This would be incorporated in the revised policy attached to the report at Appendix B.

Resolved -

- (1) That the amendment of the existing advertising & sponsorship policy, to reflect updated European Parliament regulations relating to tobacco products, as set out in Appendix B to the report, and the

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addition to the policy of the previous decision by the Committee not to accept direct sponsorship and advertising from fossil fuel companies, be approved;

- (2) That the supplementary schedule to the existing advertising and sponsorship policy in respect of contracted out / third party commercial arrangements, as attached to the report at Appendix C, be approved.

67. BUDGET SAVING PROPOSAL - CONSULTATION RESULTS FOR CHANGES TO CONCESSIONARY FARES SCHEME

Further to Minute 21 of the meeting held on 18 July 2016, the Director of Environment and Neighbourhood Services submitted a report summarising the results of public consultation on a budget savings proposal to revert to the English National Concessionary Travel Scheme. Attached to the report at Appendix A was an Equality Impact Assessment for the proposed changes.

The report explained that an online consultation for budget savings proposals had taken place from 29 August to 30 September 2016, and that there had been 27 responses regarding the proposal to revert to the standard English National Concessionary Travel Scheme. A summary of consultation responses was outlined in the report. The report recommended that the proposed changes be agreed and implemented from April 2017.

Resolved -

That the Council revert to the standard English National Concessionary Travel Scheme from April 2017 in line with original budget saving proposal.

68. 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 October 2016.

The report summarised the Directorate budget monitoring exercises, which were also set out in more detail at Appendix 1. The overall overspend had increased by £122k since the report to the previous meeting.

Resolved -

That it be noted that, based on the position at the end of October 2016, budget monitoring forecast an overspend of around £7.6m.

(The meeting started at 6.30pm and closed at 7.59pm).