

6 January 2017

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 - 16 JANUARY 2017

A meeting of the Policy Committee will be held on Monday 16 January 2017 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. READING HALF MARATHON LICENCE Councillor Gittings / Director of Environment and Neighbourhood Services	BOROUGHWIDE	A1
3. READING TRANSPORT LIMITED - REPORT TO SHAREHOLDER Councillor Page / Director of Resources - Reading Transport Ltd	BOROUGHWIDE	A5

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4. **BUDGET 2017-20: PROPOSAL IN RELATION TO A COUNCIL ASSET** **BOROUGHWIDE** **A10**

Councillor Lovelock / Strategic Finance Director & Director of Environment and Neighbourhood Services

ITEMS FOR CONSIDERATION IN PUBLIC SESSION

5. **CHAIR'S ANNOUNCEMENTS**

6. **DECLARATIONS OF INTEREST**

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

7. **MINUTES**

To confirm the Minutes of the Policy Committee meeting on 5 December 2016.

B1

8. **PETITIONS AND QUESTIONS**

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

9. **DECISION BOOK REFERENCES**

10. **NEW THEATRE - RESULTS OF THE PRELIMINARY MARKET CONSULTATION**

BOROUGHWIDE

C1

Councillor Gittings / Director of Environment and Neighbourhood Services

This report summarises the feedback obtained from a Preliminary Market Consultation under the Procurement Regulations as the initial stage of a process to secure a development partner for the delivery of a new theatre in Reading.

11. **SYRIAN VULNERABLE PERSON'S RESETTLEMENT PROGRAMME INTEGRATION AND SUPPORT PROVISION 2017 - 2021**

BOROUGHWIDE

D1

Councillor Lovelock / Managing Director

This report proposes that the Council continue to participate in the Government's Syrian Vulnerable Person's Resettlement programme and seeks approval to award a case work support and integration contract for the programme.

12.	RESIDENTS PARKING SCHEME - RECOMMENDATIONS FROM TRAFFIC MANAGEMENT SUB-COMMITTEE	BOROUGHWIDE	E1
	Councillor Page / Director of Environment and Neighbourhood Services		
	To receive recommendations from the 12 January 2017 meeting of the Traffic Management Sub-Committee, regarding the residents parking scheme.		
13.	READING TRANSPORT LIMITED - REPORT TO SHAREHOLDER	BOROUGHWIDE	F1
	Councillor Page / Director of Resources - Reading Transport Ltd		
	This report provides an operational update for the Council on the activities of Reading Transport Ltd during 2015/16.		
14.	NATIONAL CYCLE NETWORK ROUTE 422 - SPEND APPROVAL	SOUTHCOTE / NORCOT / MINSTER	G1
	Councillor Page / Director of Environment and Neighbourhood Services		
	This report seeks spend approval for the new National Cycle Network route (NCN 422) Phase 1 works programme along Bath Road, funded through the LEP Growth Deal.		
15.	DEPUTIES SERVICE	BOROUGHWIDE	H1
	Councillor Eden / Director of Adult Care and Health Services		
	This report presents the findings of a consultation and Equality Impact Assessment for a revised Deputy's Office policy, and sets out the rationale for adopting the revised policy.		
16.	BUDGET 2017-18: - APPROVAL OF COUNCIL TAX BASE, NNDR1 ESTIMATE & ESTIMATED COLLECTION FUND SURPLUS - APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18 AND REMOVAL OF EMPTY AND SECOND HOME COUNCIL TAX DISCOUNTS	BOROUGHWIDE	J1
	Councillor Lovelock / Director of Finance		
	This report asks the Committee to recommend to Council the approval of the council tax support scheme, the estimated Council Tax collection rate, Council Tax base for 2017/18, and NNDR1 form.		
17.	BUDGET MONITORING 2016/17	BOROUGHWIDE	K1
	Councillors Lovelock & Page / Director of Finance		
	This report sets out the budget monitoring position for the Council to the end of November 2016.		

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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).

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	10
TITLE:	NEW THEATRE - RESULTS OF THE PRELIMINARY MARKET CONSULTATION		
LEAD COUNCILLOR:	PAUL GITTINGS	PORTFOLIO:	CULTURE, SPORT & CONSUMER SERVICES
SERVICE:	ECONOMIC & CULTURAL DEVELOPMENT	WARDS:	BOROUGHWIDE
LEAD OFFICER:	GRANT THORNTON	TEL:	0118 937 2416
JOB TITLE:	HEAD OF ECONOMIC & CULTURAL DEVELOPMENT	E-MAIL:	grant.thornton@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report summarises the feedback obtained from a Preliminary Market Consultation under the Procurement Regulations as the initial stage of an OJEU compliant process to secure a development partner for the delivery of a new theatre / performing arts centre in Reading. Whilst the responses to the consultation indicate a strong interest in developing and operating a new theatre in Reading, they also suggest that the Council's aspirations for zero-subsidy for either the capital build or ongoing operating costs are not deliverable.
- 1.2 A copy of the brief and the questions asked in the Preliminary Market Consultation are attached at Appendix 1.

2. RECOMMENDED ACTION

- 2.1 That Policy Committee notes the feedback from the Preliminary Market Consultation as summarised in section 4.1 of the report.
- 2.2 That Policy Committee endorses the proposal, and the rationale for this, that the Council continues its dialogue with key stakeholders, including Arts Council England (ACE) and TAR, in order to be able to exploit future opportunities that may arise to deliver a new theatre as set out in section 4.2 of the report.
- 2.3 That Policy Committee endorses the continued and appropriate investment in the Hexagon to ensure that it remains attractive to both touring product and audiences as outlined in section 4.2 of the report.

3. POLICY CONTEXT

- 3.1 Provision of cultural services is a non-statutory function of local government. The Council has for many years operated a number of cultural venues in Reading including the Hexagon, 21 South Street Arts Centre and the Town Hall & Museum (including the Concert Hall). This provision has been set within the context of a cultural strategy that sets a strategic framework for the development and delivery of cultural activity in the town not only by the Council but by a wide range of other agencies and organisations. A

new Cultural and Heritage Strategy 2015-2030, developed under the auspices of the Cultural Partnership and involving a wide range of partner organisations, was endorsed by Policy Committee on the 2nd November 2015. The Culture and Heritage Strategy clearly sets out an aspirational vision for culture and heritage to play a key role in the town's future, enhancing the quality of life for residents and increasing the attractiveness of the town for visitors and investors. The Strategy envisages Reading's profile and reputation as a cultural destination being transformed over the coming years building from a strong base of arts and heritage organisations and assets and catalysed by the successful Year of Culture in 2016.

- 3.2 Policy Committee at its meeting on the 2nd November 2015 approved a proposal to undertake a Preliminary Market Consultation under the Procurement Regulations as the initial stage of an OJEU compliant process to secure a development partner for the delivery of a new theatre / performing arts centre in Reading. The related covering report, 'Theatre Provision in Reading', also outlined the aspirations of the Theatre and Arts Reading (TAR) Community Interest Company (CIC) and acknowledged that TAR and the Council have similar strategic aspirations for a new theatre, recognising that the age of the Hexagon means that a replacement would be desirable at some point in the future.

4. THE PROPOSAL

4.1 Current Position:

There is considerable merit in looking strategically at a potential replacement theatre for the Hexagon given the age and accepted limitations of the current building and the potential regenerative impact of a new theatre to the town and its economy. This is particularly the case given the likely protracted timescale to deliver a new theatre. In this context the Council remains committed to continuing to support the delivery of the current programme from the Hexagon, which remains highly popular, and to invest in the building and facilities to maintain the attractiveness of the venue.

The Preliminary Market Consultation was advertised via the Council's 'In-tend' procurement portal in July 2016 with responses requested by the end of September. A copy of the brief for the consultation is attached at Appendix 1. The Consultation was also publicised in specialist theatre press to ensure it reached the right audience. Five responses to the Consultation were received, including one from Theatre and Arts Reading (TAR) who, with their permission, were expressly referenced in the briefing information sent out as they were open to potential partnering arrangements.

Of the other four respondents, two were consultancies interested in working with the Council to further progress proposals and two were theatre operators.

In general the responses have been helpful overall in relation to a number of aspects of the brief:

- They confirmed that Reading was an attractive proposition in terms of the market to sustain a new theatre, particularly with regard to a growing population, strong economy, cultural aspiration and excellent transport links;
- There was an overall view that the capacity of any new theatre should be larger than suggested in the brief to attract 'premium product', maximise audiences and ticket and secondary income. An ideal capacity of between 1,500 and 1,700 seats was suggested;
- The responses from the Consultancies made a number of observations / recommendations on what the next steps might require in terms of further work. These included further feasibility work, options appraisal, audience / market research, and detailed business planning at the appropriate stage.

However, in relation to the key financial parameters set-out in the brief that 'the cost of provision, over and above the opportunity cost of contributing land, would not be subsidised by the Council', the responses to the Consultation suggest that this is not deliverable with regard to either the capital costs of building a new theatre or the revenue costs of running it.

New theatres are expensive to build and, especially at the larger end of the size range, a budget of upwards of £25m would not be unusual. Whilst responses talked of the need for diversified sources of funding to meet these costs, including potential cross-subsidy from the sale or redevelopment of other assets, and associated fundraising strategies, unsurprisingly none of these were specific or definitive. The responses from operators also made clear that they did not see themselves as theatre developers or capital funders (although they could usefully inform design and specifications). Interestingly, the operators would also anticipate the local authority retaining responsibility for structural and external building components.

With regard to ongoing revenue cost, views were expressed that certainly in the short term it would not be possible to operate without a subsidy. Responses indicated that it may be possible to get to a revenue neutral position but that this would require a sustained period of business development and growth over a five to ten year period. The most optimistic feedback was that the existing audience base at the Hexagon could assist in delivering a 'no subsidy' position more quickly and that a sliding and diminishing subsidy might be possible in the early years. Inevitably, much more detailed and facility specific business planning would be required to establish what might be achievable.

4.2 Options Proposed

Whilst the Preliminary Market Consultation has confirmed the attractiveness of Reading to operators, including major players in the U.K. market, it has also indicated that it is extremely unlikely, if nigh impossible, that the Council's financial requirement for zero subsidy can be met. It is also clear that the further feasibility work required to develop and test out more detailed options would need to be extensive and costly with little immediate prospect of deliverability. In the context of the Council's very difficult financial position it is considered that such expenditure cannot be justified.

Nevertheless, the aspiration for a new theatre and Reading's cultural ambition are both valid and commendable, especially in the context of a growing market and cultural reputation, as confirmed by the market consultation exercise. It is therefore proposed that the Council continues its dialogue with key stakeholders, including Arts Council England (ACE) and TAR, in order to be able to exploit future opportunities that may arise.

The feedback from the market consultation reinforces the fact that delivery of a new theatre for Reading is likely to be a protracted process. In the short to medium term it is essential that the Hexagon remains fit for purpose as the town's primary large theatre and that it continues to be able to attract both touring product and audiences, whilst also providing a high quality customer experience. There has been prioritised selective investment over recent years to maintain and enhance the fabric and interior of the building and it is proposed that this judicious approach continues.

4.3 Other Options Considered

The main other option considered is that of progressing further feasibility work to develop a more detailed proposition and business case. In the absence of any clear route to funding, and in the context of the Council's current financial position, pursuing this option is not considered to be merited.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The proposals contained in this report contribute primarily to the following Corporate Plan priorities:

- Providing the best start in life through education, early help and healthy living; and
- Providing infrastructure to support the economy.

Provision of a new theatre would ensure continued access for local residents to a range of cultural opportunities providing both educational and well-being benefits. Ensuring that Reading continued to have a regionally significant theatre / performing arts venue contributes positively to the profile, reputation and economic success of the town and encourages visitors and investment.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 At this stage in the process there are no firm proposals with regard to the design or location of any new theatre for Reading. It is envisaged that there would be widespread public and stakeholder engagement and consultation once more detailed proposals are developed. It is also noted that independently of the Council, TAR have established a broad forum of stakeholders and interested parties to share their ideas, aspirations and to gain feedback. In general terms the principle of their aspiration to secure a new theatre for Reading has been widely supported.

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 It is not considered that an Equality Impact Assessment (EIA) is relevant at this stage to the decisions regarding the content of this report.

8. LEGAL IMPLICATIONS

8.1 Where the Council is seeking to commission goods or services, as a local authority it is required to follow public sector Procurement Regulations and, where appropriate, to ensure that these are OJEU compliant. The Preliminary Market Consultation has been carried out in accordance with these requirements. The Council is also under a duty to secure best value in relation to the use and / or disposal of its assets.

9. FINANCIAL IMPLICATIONS

9.1 There are no immediate financial implications arising from the recommendations in this report. Any proposed investment to maintain the quality of the facilities at the Hexagon would be met from existing resources within the approved capital programme. The Council's financial position has been a key consideration in determining the recommended option in section 4.2 of the report.

10. BACKGROUND PAPERS

10.1 Culture and Heritage Strategy 2015-30.
'Theatre Provision in Reading' Report to Policy Committee 2nd November 2015.

Appendix 1
Preliminary Market Consultation

Procurement of a Delivery Partner to Provide a New Theatre /
Performing Arts Centre for Reading

Introduction

This document provides high level information regarding the aspiration of the Council to secure the development of a new theatre / performing arts centre (abbreviated to ‘new theatre’ for convenience in the rest of the document) for Reading. This is an initial early market engagement exercise which may result in a formal process under the Public Contracts Regulations 2015 (PCR) to procure a delivery partner. The document sets out background information, key parameters and requirements, and invites any interested parties to respond to a number of related questions. At this stage there is no commitment from the Council to any further stages of the procurement process and, indeed, any next steps will be informed by the response to this preliminary market consultation.

The key purposes of this preliminary market consultation are therefore:

1. To establish the level of market interest in working with the Council to deliver and operate a new theatre in Reading.
2. To better understand the requirements of the market in relation to commercial attractiveness and financial sustainability.
3. To test the deliverability of a new theatre in the context of the Council’s key parameters and requirements.
4. To help shape the specification and business case for a new theatre at any subsequent stages in the procurement process.
5. To scope and inform options for the future operation and governance of any new theatre.

Any and all responses to this preliminary consultation will be used to inform the Council’s thinking and next steps and will be treated as confidential. The Council will be happy to respond to written questions or queries from interested parties in relation to clarification or additional information. Any such requests and the responses will be appropriately anonymised and shared via the Council’s procurement portal with access to all those who have responded to the consultation. This preliminary market consultation will not result in the identification of, or shortlisting for, any final delivery partner.

Background

Reading is a vibrant economically successful town at the heart of the Thames Valley and widely recognised as the sub-regional ‘capital’. The town has a resident population of approximately 161,000 within tightly drawn boundaries and directly

serves a wider catchment of approximately 300,000 people who regularly come to the town centre for a range of activities. The population of the town continues to grow and major housing developments in surrounding Boroughs will significantly increase the population in Reading's catchment over the next decades. The town has an established reputation as a business hub with particular strengths in information technology and business services, and is also a major retail destination. A recent major overhaul of the railway station and its capacity, the announcement that cross-rail will extend to Reading and greatly improved road access from the M4 have all contributed to a surge in investment in and around the town centre both for grade A office accommodation and for residential developments. Reading is already a net importer of labour, despite proximity and easy access to London, and current investment levels suggest that this will be further bolstered into the future.

Reading is also a university town with Reading University being well renowned and respected both nationally and internationally. In addition to raising the profile and reputation of the town, Reading University feeds and complements one of the most highly skilled labour markets in the country with a very high retention rate of students pursuing careers and settling locally.

Reading has a well-established and diverse cultural offer, though, other than the internationally renowned 'Reading Festival' that attracts more than 90,000 fans every year, the town's reputation as a cultural destination is perhaps understated. Recognising the strategic significance of cultural excellence to the economic and social well-being of the town and its attractiveness, the Council has endorsed a new 'Culture and Heritage Strategy 2015-30' that has been developed under the auspices of Reading's 'Cultural Partnership'. The consultation discussions linked to the development of the strategy generated a huge amount of energy, enthusiasm and commitment. What emerged from this enthusiasm and the acknowledged need to raise the profile of cultural activity in the town was the concept of a 'Year of Culture' for Reading in 2016 which is now being delivered.

The Year of Culture 2016 is seen a means of showcasing, enhancing, promoting and increasing engagement with, and audiences for, the wide range of activities in the many fields of arts and heritage, all linked to promoting the wider attractiveness and prosperity of the Reading area. Ultimately we see the Year of Culture helping to change perceptions of Reading and leaving a legacy of cultural excellence and reputation.

The Year of Culture thus provides an initial platform for delivering the longer term ambitions of the Culture & Heritage Strategy. This aspirational strategy sets out the ambition that:

'By 2030, Reading will be recognised as a centre of creativity with a reputation for cultural and heritage excellence at a regional, national and international level with increased engagement across the town.'

This vision is supported by Arts Council England (ACE) and they have explicitly stated that Reading is one of a limited number of priority places for development / investment within their south-east region. This is in recognition of the strong base of arts and cultural activity in the town from which to build and the potential to capitalise on this and become a real centre of excellence in the region and

nationally. This has been further strengthened by ACE awarding an ‘Ambition for Excellence’ grant of £495k in July 2016 to support an exciting world class three year visual arts programme led by Reading University and in partnership with the Council and Artangel. This will significantly raise the cultural profile of the town nationally and internationally.

Current Provision

Reading has a well-established cultural offer and the town has a number of venues either in the town or in the immediate vicinity. Provision of cultural services is a non-statutory function of local government but the Council has for many years operated a number of cultural venues in Reading, including the Hexagon; 21 South Street Arts Centre; and the Town Hall & Museum that incorporates a Concert Hall.

The Hexagon Theatre is the primary large theatre within Reading. The Hexagon has been the town’s mainstream theatre for many years with an audience capacity of 900 - 1,686 (depending on configuration and whether seated or standing). It currently offers a wide range of touring productions including theatre, music (of many genres), comedy, and an annual pantomime. Televised snooker also returned to the venue in 2016. The programme is popular and relatively low risk in terms of widespread appeal. The Hexagon attracts good audiences and has high satisfaction ratings from those who attend. Appendix 1 provides detail of the programme at the Hexagon (and other Council venues) for 2015/16 along with associated attendances and financial outturn. The configuration of the building does have limitations and the current theatre is unable to accommodate larger touring productions that require additional capacity for a medium sized orchestra and greater backstage capacity to host bigger company sizes.

21 South Street Arts Centre (120 seat main hall and 60 seat studio; 220 & 80 for standing respectively). The programme offered at South Street is eclectic and unique in Reading and the surrounding areas. It offers around 150 public performances every year -many of which are nationally / internationally touring shows of significant renown. The venue also hosts many other bookings, including regular community arts activity and educational programmes in partnership with local organisations. In addition to direct use of space at the venue there is also an educational outreach programme. Aside from the main programme the venue is used as rehearsal space for the annual pantomime at the Hexagon and availability for this purpose is a current contractual commitment.

The nature of the programme is such that it is regularly supported by funding from the Arts Council England (ACE). ACE have also approved a capital grant of approximately £500k towards an £800k + scheme for refurbishing South Street and it is the intention that these works will be completed by November 2016. These works will improve the capacity and financial sustainability of the venue into the future.

The Town Hall & Museum incorporates the accredited Reading Museum, Art Gallery, a 700 seat Concert Hall with a Father Willis Organ, a range of other rooms and meeting spaces within a high quality restored listed building. The commercial operations delivered at the venue include conferences, weddings, banquets and Christmas meals. The Concert Hall additionally is used for an annual programme

of classical concerts (the venue suits chamber orchestras and soloists) and spoken word events including occasional lectures and comedy. There are, however, a range of limitations affecting the scope to further develop the programme at the Concert Hall.

The Council's cultural offer, and some of the wider activity in the town, is well supported by the recently revamped 'readingarts' web-platform and associated marketing material. This brand has good recognition and penetration in the market and the site supports on-line booking and promotion across the programme and venues.

In addition to the Council operated facilities the town hosts a range of other performance venues and theatre groups, although none are of a scale or style to compete directly with the Hexagon.

Aspiration for a New Theatre

There are two key drivers for the Council's aspiration for a new theatre:

1. At a strategic level it reflects Reading's paramount position as the sub-regional 'capital' of the Thames Valley and the aspirations of the Culture and Heritage strategy that the town should be equally renowned as a cultural hub. As has been seen in places such as Southend or Hastings, new cultural venues can catalyse urban renaissance, economic growth and visitor numbers. Alongside current or planned projects such as the restoration of the town's important Abbey Ruins and the redevelopment of Reading Prison, a new theatre complex could further drive Reading's ongoing transformation to becoming an economic and cultural hub with a great offer to residents, employers, employees and visitors.

2. More pragmatically, the Hexagon was built in the 1970s and is now over 40 years old and whilst successful it has a number of limitations relating to its design. The Council has continued to invest in the venue to maintain its appeal and functionality, for example new toilets and flooring have been installed in the last year, but the age of the building means that the more fundamental limitations on its design and condition will become increasingly costly and difficult to remedy over time.

Reflecting these drivers the Council has publically stated an ambition for a new arts venue to replace the Hexagon and, indeed, pursued a bid for external funding to deliver a new theatre complex at Hills Meadow as long ago as 2006/2007 (self-evidently this bid was not successful). This aspiration was more recently re-affirmed with the decision to undertake this preliminary market consultation by the Council's Policy Committee in November 2015. The relevant Committee report can be accessed by the following link:

<http://www.reading.gov.uk/media/4130/item08/pdf/item08.pdf>.

Whilst the Council's aspiration for a new theatre is clear there is as yet no confirmed site for the facility, nor a definitive timescale for its delivery. The Council will continue to invest in the Hexagon in the short to medium term to ensure that it remains fit for purpose. In parallel the Council will continue to explore options for the siting of a new theatre on land within its ownership. For

the purposes of this preliminary market consultation it should be assumed that any site proposed will be a central location and easily accessible to town centre users and visitors.

Theatre and Arts Reading (TAR)

As referenced in the above mentioned report to Policy Committee, Theatre and Arts Reading (TAR) has been established independently of the Council as a Community Interest Company (CIC) with a stated ambition to provide a new theatre for Reading. Also as set out in the same report, whilst the Council shares TAR's ambition for a new theatre, due diligence requires the Council to undertake a formal and PCR compliant procurement process if it is to enter into a partnership as landowner for the delivery of a new theatre in Reading. TAR has though commissioned some initial feasibility work that they have shared with the Council and that has helpfully informed elements of the outline specification as set out in this consultation document. A copy of the feasibility report commissioned by TAR is appended at Appendix 2.

(This feasibility report is appended as an informative and the Council does not endorse the contents or conclusions of the report. It should also be noted that the potential sites for a theatre referred to in the feasibility report are indicative, in a mix of different ownerships and the Council would strongly caveat their suitability or availability).

Whilst TAR as an independent organisation are entitled to respond to this consultation in their own right, it is the Council's understanding that TAR and its Executive Board would also be willing to enter into discussions with any potential provider / operator if this assisted with their primary purpose of securing delivery of a new theatre in Reading. TAR's Executive Secretary, Hilary Scott, can be contacted on e-mail: hilarymScott@hotmail.co.uk or telephone: 0781 659 8679.

Outline Specification for a New Theatre

As demonstrated in a number of locations across the country, new theatres or arts venues have the potential to act as catalysts for supporting the wider attractiveness and economic vitality of town centres. Whilst at this stage design issues are not a primary focus, the ultimate desirability of an iconic and high quality built form to maximise impact and reputation should be borne in mind.

In seeking a new theatre to replace the Hexagon the strengths and weaknesses of the current offer both need to be taken into consideration. In broad terms the new venue should provide new facilities that can accommodate the current programme of performances and activities in addition to further opportunities to facilitate additional activity and audiences to create a more robust and sustainable business model. The primary model as a receiving house would be retained but with capacity to accommodate larger touring productions and to host complementary activity.

It is anticipated that the main space for the proposed new theatre would need to be able to accommodate large touring productions including musicals, drama,

dance, opera, comedy and music concerts; accessible and engaging to all ages and ethnic origins (noting Reading's diverse communities). Given the strong local demand demonstrated by the existing Hexagon theatre and growing population in the wider catchment area it is envisaged that the new theatre would be a mid to large scale venue with the technical specification and seating capacity to attract No.1 tours to Reading, along with the scalability to deliver smaller scale product, be it touring or produced locally.

There are a wide range of smaller venues in Reading, including South Street Arts Centre, community organisations, local production companies and artists. The new theatre need not necessarily seek to accommodate or compete with these smaller venues, although it could be a performing arts 'hub' to support and facilitate the wider cultural offer in the town. This would not therefore require a secondary dedicated performance space but rather a creative / development suite that could cater for rehearsals, workshops, educational use, more informal performances and potentially gallery space, all of which are currently either lacking or are disparate. Essentially the new venue would act as an umbrella body supporting the wide range of performance activity and organisations in the town and widely recognised as a 'destination' for the arts and cultural sector.

Ancillary facilities would need to include appropriate office accommodation and box office facilities that are able to support the sale of external ticketed events and performances in the area.

The Foyers would incorporate flexible hospitality spaces and café/bar provision to deliver secondary income from attenders to events and visitors to the venue. Presenting a range of flexible public spaces that can be tailored to the needs of an event, with the ability for private hire/exclusive use. This could encompass both a meeting place for 'creatives', visitors, town centre users, residents and local businesses.

Key Parameters for any Procurement

At this stage of 'Preliminary Market Consultation' the generic outline specification set-out above is not fixed and the Council would welcome feedback to shape the specification and strengthen the business case for a new theatre that is financially sustainable. In this regard affordability is a critical issue for the Council in the context of severe budget pressures resulting from ongoing reductions in funding from central government. This preliminary consultation is therefore intended to test deliverability of a new theatre based on the premise that:

- The Council would contribute land to accommodate the new facility on a long-term lease. Terms to be agreed linked to securing an affordable solution.
- The cost of provision, over and above the opportunity cost of contributing land, would not be subsidised by the Council.

Based on the Council's knowledge of the market and benchmarking against regional theatres across the country, the Hexagon currently operates at a comparatively low level of subsidy. It is acknowledged that delivering a new

theatre with no subsidy is challenging and may require innovative solutions if it is to be achieved. The Council considers that this is a critical issue to address in any responses to this market consultation as it will determine to a large degree whether further stages of the procurement process are progressed.

Whilst this consultation brief is focused on provision of a new theatre to replace the Hexagon, there are additional complexities with regard to how the Council's existing venues and related activity are managed. Marketing and infrastructure support is currently managed cohesively across the Hexagon, South Street and to a degree the Town Hall and Museum with the programming for the Concert Hall. This includes technical roles and resource that are shared across the venues and the box office function. In order to retain cost-effectiveness and efficiency it may therefore make sense for any new operator for a new theatre to also take on related functions across some or all of the Council's other current venues, especially if this assists the overall business case and viability. This potentially creates a range of additional dependencies and service delivery issues that the Council would need to consider in any procurement process.

In order to protect its interests in this regard it is envisaged that the Council would require some form of Joint Venture / Partnership Vehicle to deliver the new theatre in order to:

- Protect the medium term viability of the Hexagon;
- Influence the future detailed specification of the new venue and programme (potentially across a range of venues);
- Ensure that related areas of the Council's business and services are not compromised or more positively to enable synergies and added value to be generated;
- Provide appropriate support to existing staff (the Council is assuming that TUPE provisions would apply) and to comply with the Council's obligations as a 'Living Wage' accredited employer.

Consultation Questions

1. Having read this outline brief would you be interested in partnering with the Council to deliver a new theatre in Reading?
2. Please could you outline your organisations general experience in the development and management of cultural venues and provide examples you consider most relevant to this consultation brief?
3. Why do you consider your organisation has the skills and capacity to deliver a new theatre in partnership with the Council?
4. How would you view Reading as a location for a new theatre and its attractiveness as a market?
5. The Council has outlined a broad specification for a new theatre and would welcome your comments on this and any alternative suggestions or refinements that you consider would be beneficial?

6. What would you propose to be the optimal seating capacity for the venue using the criteria as outlined in the outline specification?
7. Do you consider that it would be possible to deliver a new theatre and meet the Council's key parameters, particularly as regards cost and financial sustainability?
8. Could you outline how you think a sustainable financial model might work and any innovative ideas you might have to achieve this?
9. As outlined above the management of the Hexagon is currently inextricably linked with the running and marketing of other Council venues. What would be your approach to addressing this and would incorporating management of the wider cultural offer increase or detract from the attractiveness of the potential procurement opportunity to the market?
10. What would be your approach to developing an inclusive venue and offer, attractive to the socio-demographic profile of the town and enabling access from a wide range of groups in the context of Arts Council England's (ACE) strategic objective of 'Great art and culture for everyone'.
11. Could you outline what partnership and governance structures you think would be most appropriate as a mechanism for delivering and operating a new theatre and associated services?
12. Please use the correspondence function in the Councils In-Tend system to raise any queries or requests for further information. The Council will not identify the originating organisation for any queries or information requests but will make the questions and responses available to all those parties responding to the consultation.

READING BOROUGH COUNCIL
REPORT BY MANAGING DIRECTOR

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	11
TITLE:	SYRIAN VULNERABLE PERSON'S RESETTLEMENT (SVPR) PROGRAMME INTEGRATION AND SUPPORT PROVISION 2017 - 2021		
LEAD COUNCILLOR:	CLLR LOVELOCK	PORTFOLIO:	LEADERSHIP
SERVICE:	POLICY	WARDS:	BOROUGH-WIDE
LEAD OFFICER:	CLARE MUIR	TEL:	0118 9372119
JOB TITLE:	POLICY AND VOLUNTARY SECTOR MANAGER	E-MAIL:	Clare.muir@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Reading Borough Council committed to take three families per year over five years (subject to review) through the Government's Syrian Vulnerable Person's Resettlement (SVPR) programme.
- 1.2 We have achieved our target to accommodate three families in 16/17.
- 1.3 Following a review of the first six months it is proposed that:
- We continue receiving three families a year, for the next four years, on the same rationale as the original commitment.
 - We seek an external provider to provide the first 12 months of case work and integration support for these families. This will involve open tendering for a 4 year contract.
- 1.4 The Committee are asked to authorise the Head of Customer Services to award a contract for provision of case work support and integration contract.
- 1.5 Appendix 1 - Draft specification for procurement of the case work support and integration contract.

2. RECOMMENDED ACTION

- 2.1 That the Council continue receiving three families a year from 2017 to 2021, on the same basis as the original commitment made at 18 January 2016 Policy Committee.
- 2.2 That the Head of Customer Services be authorised to award a 4-year contract to the value of £33,000 per annum, with a total value £132,000, for provision case work support and integration for the period 2017 to 2021.

3. POLICY CONTEXT

- 3.1 On 18 January 2016, Policy Committee agreed that the Council make an indicative offer to accept three families per year for five years under the Syrian Vulnerable

Person Resettlement Programme, subject to review and that Council officers proceed with implementation plans.

- 3.2 The Council awarded a one year contract of £31,662 to British Red Cross to manage the Integration and Support provision for the first 12 months. (Decision Book 12 February 2016). The award was made under Standing Order 5) Exempt Contracts due to (d) The contract is required because there is genuine urgency in the sense of time constraints in letting the contract.
- 3.3 Because of the significant pressure on housing and school places, the Council is placing refugee families in private sector rented housing sourced through our Rent Guarantee Scheme and restricted its offer to families with children over 8 years old.

4. THE PROPOSAL

4.1 Current Position:

4.1.1 Reading Borough Council committed to take three families per year over five years (subject to review) through the Government's Syrian Vulnerable Person's Resettlement programme. We have achieved our target to accommodate three families in 16/17.

4.1.2 A review of the first 6 months was undertaken covering the following aspects:

- Adequacy of the Home Office funding
- Availability of accommodation and school places
- Ability to cope with needs
- Support requirements and arrangements for the refugees in the future.

4.1.3 Adequacy of the Home Office funding

RBC agreed to participate in the scheme on the basis that the costs would be met by the Home Office funding.

Funding for Year 1

A costing has been kept for each family and currently the funding from the Home Office is adequate to meet the needs of the families, provide for an integration support contract and to cover additional Housing, and care costs incurred. The families are subject to the Benefit Cap and their deficit in disposable income is being met by the Home Office funding.

Where families incur substantial extra costs (medical or care) in the first 12 months the Home Office will consider additional payment.

The Home Office is proposing to provide further funding nationally for SVPR ESOL (English for Speakers of Other Languages) in recognition of the need.

Funding for years 2-5

Funding for years 2-5 of the SRP will be provided by the Home Office as a per person tariff tapering from £5,000 to £1,000 over the four years. The funding will not be ring-fenced. The estimate of costs for Year 2 indicates that the SVPR funding would meet costs. Funding available in Years 3-5 would not meet the Benefit Cap deficit for the families but by then they would be expected to be in 16 hours/week employment which would take them out of the Benefit Cap.

4.1.4 Availability of accommodation and school places

Housing has been sourced through the Rent Guarantee Scheme. Home Office funding has enabled us to provide equivalent to Discretionary Housing Payment to meet the difference between LHA and Market rent.

RBC's offer was on the basis that it could only accept families with children over 8 years old due to shortage of school places for younger children. So far we have been able to offer a place all the children arriving in 16/17, relatively easily, although this may not be a school nearest to their home address. SVPR funding of £4,500 per pupil for the first 12 months is paid to the schools.

However the housing and school pressures in terms of sufficiency and cost would mitigate against our ability to take more refugee families or at a faster rate than currently.

4.1.5 Ability to cope with needs

Due to the expected cost of, and difficulties with supply of, housing, we limited our offer to families without complex needs. The review indicates that this would need to continue.

4.1.6 Support requirements

During their first 12 months the support for the Syrian refugee is provided according to a Specification of Tasks from the Home Office. The aim is for the families to be largely independent by end of that 12 month period. RBC commissioned British Red Cross to provide the required case work and integration support for the first 12 months for 16/17.

For Years 2 - 5 after arrival we expect that whilst being largely independent, the families will continue to need support from the SVPR funding to mitigate the impact of the Benefit Cap and potentially Universal Credit and will need periods of intense money advice, employment support and continuing ESOL. There could be a need for mental health services support in the longer term given the trauma the families have experienced.

4.2 Options Proposed

4.2.1 Arrangements for the refugees for 2017 - 2021

For the first 12 months of arrival it is proposed that we contract an external provider for a 4 year period to provide the required case work and integration support for each of the 3 families that arrive each year for the next 4 years (2017/18 to 2020/21).

4.2.2 For their 2-5 years on we already commission services up to June 2018 from the voluntary sector through our Narrowing the Gap Commissioning Framework which provides the types of services that the families may need. The Council's mainstream budget for future commissioning of these services cannot be guaranteed but over a 9 year period SVPR funding for 3 rising to 15 families by 20/21 could provide the following amount of funding which could be directed to the Narrowing the Gap commissioning budget.

Y2 (17/18)	Y3 (18/19)	Y4 (19/20)	Y5 (20/21)	Y6 (21/22)	Y7 (22/23)	Y8 (23/24)	Y9 (24/25)
£10,360	£46,960	£82,360	£98,560	£95,200	£83,200	£46,600	£11,200

4.3 Other Options Considered

4.3.1 Deliver in house

RBC has limited provision of this type of service in house and does not have the specialist refugee expertise and experience. The specification also requires connection with the local community and solicitation and management of donations and other community help. This would be far better placed with an external

organisation with existing connections with the charitable, community and voluntary sector which can maximise the goodwill offering from the local community.

4.3.2 Berkshire LAs contract

Berkshire LAs have various approaches and are not currently feeling in a position to joint provide through a contract.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The proposals in this report meet the Corporate Plan priorities:

1. Safeguarding and protecting those that are most vulnerable;
2. Providing the best start in life through education, early help and healthy living;
3. Providing homes for those in most need

5.2 They contribute to the Council's strategic to promote equality, social inclusion and a safe and healthy environment for all.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 The procurement process for the contract to provide case work and integration support for each of the 3 families that arrive each year for the next 4 years will include an invitation to interested parties to a consultation meeting in December.

6.2 The contract will include a requirement for the contractor to engage with the community to source donations, to engage with faith and other communities in Reading to support families' integration.

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 An Equality Impact Assessment on the decision to participate in the SVPR programme was provided to Policy Committee on 18 January 2016 (Minute 67 refers)

8. LEGAL IMPLICATIONS

8.1 The contract is high value according to Standing Order 8 and the procedure will be conducted in accordance with the Open procedure as set out in the Regulations.

9. FINANCIAL IMPLICATIONS

9.1 The costs of the contract will be met through the Government's Syrian Vulnerable Person's Resettlement (SVPR) Programme. The financial implications arising from the proposals set out in this report are set out below:-

Revenue Implications

Table 1 sets out the revenue implications.

Table 1	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	TOTAL
Expenditure	33	33	33	33	132
Income from: Government Grant	33	33	33	33	132
Total Income	33	33	33	33	132
Net Cost(+)/saving (-)	0	0	0	0	0

10. BACKGROUND PAPERS

- 10.1 Funding To Local Authorities Year 1 Financial Year 2016/17 Syrian Resettlement Programme (Srp), Home Office, Dfid, and Department for Communities and Local Government, 23 March 2016
- 10.2 Funding for Local Authorities in Support of the Syrian Resettlement Scheme Years 2-5 for the Period 22 September 2016 - 31 March 2017, Home Office, Dfid, and Department for Communities and Local Government, September 2016

DRAFT SERVICE SPECIFICATION**Provision of services in respect of the Syrian Resettlement Programme 2017 - 2021**

- 1.0 Contents**
- 2.0 Introduction
- 3.0 Duration of Contract
- 4.0 Context
- 5.0 Requirements of the Contract
 - 5.1 Service to be provided and tasks to be performed
 - 5.2 Resources Requirement
 - 5.3 Performance Standards
 - 5.4 Contract Management

2.0 Introduction

This specification sets out the requirements to be provided to deliver the front line case work, support and integration of Syrian refugees during their first 12 months of arrival in Reading. The expectation is that the Beneficiaries should be fully integrated into life in the UK by the end of the 12months.

Reading Borough Council has committed to take three families per year over five years. These refugees are granted 5 year 'humanitarian leave' to stay in the UK, access to public funds, access to the labour market and the possibility of a family reunion. They are supported through the Government's Syrian Vulnerable Person's Resettlement (SVPR) programme which provides specified funding to local areas for the refugees' housing, medical, education, care and integration support costs.

Reading Borough Council is currently in its first year of participation in the SVPR programme and currently has a contract with a provider to manage the first year of the programme in Reading.

The Council now seeks to appoint a contractor for the remaining 4 years, who will provide front line case work, support and integration for refugees' first 12 months of arrival, in line with the Home Office SRP Funding Instruction¹. This would be for 3 families each year over the 4 year period.

The service provided will include pre arrival preparation, arrival day support, intensive

¹

case support over the first few days and weeks, less intense support as families settle in, liaison with donors and community supporters:

- Furnishing and equipping accommodation where necessary
- Sourcing and sorting donations
- Provision of a welcome pack: groceries and information
- Provision of Library Cards, International Sim Cards
- Sourcing clothing, school uniforms
- Arranging ESOL assessment and classes
- Meet and greet and provision of interpreters for airport and other services
- Provision of cash/clothing allowances for each Beneficiary of £200
- Briefings on the accommodation and health and safety issues.
- Provision of emergency contact.
- Provision of specific case worker(s)
- Provision of advice and assistance with registering for mainstream benefits and services including attending Local Job Centre Plus appointments for benefit assessments, registering with a local GP
- Advice around and referral to appropriate mental health services and to specialist services for victims of torture as appropriate.
- Providing assistance with access to employment.
- Support plan for each family for the 12 month period of their support to facilitate their orientation into their new home/area

3.0 Duration of the Contract

The Council seeks to appoint a contractor to deliver the service for a period of 4 years from the 1st May 2017. This will be delivered on a 12 monthly basis (1+1+1+1) subject to the continuation of the Government's Syrian Vulnerable Person's Resettlement (SVPR) programme.

4.0 Context

On the 7th September 2015 the Prime Minister announced that Britain should resettle up to 20,000 Syrian refugees over the rest of the period of the Parliament. Local authorities UK-wide were asked, on a voluntary basis, to estimate the numbers of individuals they might be able to accommodate. Reading Borough Council committed to take three families per year over five years.

These refugees are granted 5 year 'humanitarian leave' to stay in the UK, access to public funds, access to the labour market and the possibility of a family reunion. They are supported through the Government's Syrian Vulnerable Person's Resettlement (SVPR) programme which provides specified funding to local areas for the refugees' housing, medical, education, care and integration support costs. The requirements for participation in the delivery of the Programme are set out in the SRP Funding Instruction (1 April 2016 - 31 March 2017).²

Because of the significant pressure on housing, RBC is placing the families, accepted through the SVPR programme, in private sector rented housing sourced through RBC's Rent Guarantee Scheme. These may be furnished or unfurnished but usually have white goods in situ. As part of this service Reading Borough Council will provide each family with a translated property pack which will contain information around tenant responsibilities including paying for utility bills etc.

2

Reading has a history of welcoming diversity, supporting refugees, asylum seekers and other newcomers, and challenging discrimination.

35% of Reading's population is from a minority ethnic background. Asian or Asian British represent nearly 14% of the population, with Pakistani and Indian as the two largest groups (4.5% and 4.2% of the total population respectively). Within the Black or Black British category the largest group is Black African (4.2% of the total population). 2.3% of the total population are Polish and a further notable group is Nepalese with 2,725 recorded in the 2011 Census.

14.8% (9,256) of households contain multiple ethnic groups compared to 8.9% nationally. With the exception of people who classify themselves as 'Other White', there is a higher proportion of people from all ethnic minority groups living in Reading than there are nationally and in the South East Region. There are geographical variations in ethnic diversity across Reading with central areas having higher proportions of people from ethnic minority groups.

Whilst Reading has a high level of ethnic diversity just 2% of the Reading population (3,140 people) either cannot speak English at all or cannot speak English well.

For many years the Council has grant aided or contracted a range of voluntary and community organisations to provide practical support for the most vulnerable individuals in society to meet their basic needs, support integration and celebrate diversity and support access to employment. There are also many community, voluntary, charitable and faith organisations in Reading, that are not in receipt of Council funds, who provide services and support to vulnerable people.

The ongoing humanitarian crisis caused by the movement of people understandably seeking refuge in Europe has generated heartfelt concern from the local Reading community who continue to make good will offers.

Reading City of Sanctuary Group, was launched in October 2014 to spread the 'sanctuary message' of welcome and inclusion across all spheres of society. The Council passed a formal motion of support for support for Reading as a 'City of Sanctuary' on 18 October 2016.

5.0 Requirements of the Contract

5.1 Service to be provided and tasks to be performed.

The Contractor will deliver the following functions in accordance with the Statement of Requirements set out in the SRP Funding Instruction (1 April 2016 - 31 March 2017).

5.1.1 Pre-Arrival

Housing to be prepared before arrival	Ensure that the accommodation is furnished appropriately with food storage, cooking and washing facilities.
	Ensure that the Beneficiaries are registered with utility companies and ensure that arrangements for payments are put in place (no pre pay/card accounts).
Schooling	Ensure that school uniforms are provided

Donations	Source and sort out donations of items and financial contributions to minimise the costs of the above i.e. food, furniture and school uniforms, warm clothing and 'luxury items'
English and Literacy Classes	Arrange ESOL classes for each beneficiary before arrival, engaging with existing providers to fully understand how they can contribute a package of literacy and ESOL
Meet with relevant faith community	Engage with faith communities in Reading
Welcome Pack for Reading	Provide a translated welcome pack of information about the locations of doctors, shops, libraries, civic offices etc.
	Provide a physical welcome pack including: Library Cards, International Sim Cards, Clothing Donations etc.

5.1.2 Arrival Day

Airport	Prepare a risk assessment and timetable for Arrival Day. They will provide a case worker, first aid, interpreters and supplies as appropriate to travel to and receive families from the airport. They will accompany them to their new home.
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5.1.3 Post Arrival

Cash/Clothing Allowances	Provide cash/clothing allowances for each Beneficiary of £200.
Accommodation Briefings	Provide briefings on the accommodation and health and safety issues for all new arrivals.
Emergency Contact Point	Provide an emergency contact for the Beneficiaries from arrival.
Allocated Case Workers	Provide a specific case worker to work in a frontline capacity with the Beneficiaries throughout the scheme. The case worker will be able to give 1:1 support and help with integration.
Benefits and Services	Provide advice and assistance with registering for mainstream benefits and services. This will include: Other advice and information giving agencies. Assisting with registration for and collection of Biometric Residence Permits following arrival. Attending Local Job Centre Plus appointments for benefit assessments Registering with a local GP Advice around and referral to appropriate mental health services and to specialised services for victims of torture as appropriate. Providing assistance with access to employment.
Support Plan	Put in place a support plan for each family for the 12 month period of their support to facilitate their orientation into their new home/area. This should include high level support in initial phase moving to integration over the 12 month period.

English Language Classes	Make arrangements for the provision of English language classes which Beneficiaries should be able to access within one month of arrival. This should be provided following an assessment to determine the appropriate level of provision. This provision should be delivered by accredited English for Speakers of Other Languages (ESOL) provider. This ESOL provision should be made available until such time as suitable mainstream provision becomes available or until 12 months after arrival (whichever is sooner).
Interpreting Services	Support the Recipient with interpreting services throughout the 12month period. Provided the above support through a combination of office based appointments, drop in sessions, outreach surgeries and home visits.
Special Needs/Community Care Needs	Provide support as required to beneficiaries to meet any specialist support needs - from ensuring the relevant information is available to assisting with access relevant services and appointments as required.
Days Two and Three	The Contractor's Caseworker will meet with the Beneficiaries and show them around the local area. They will support them to complete all legal and administrative work including applications for mainstream benefits, bank accounts, GP and dental registration/appointments, school admissions.
Weeks 1-2	Provide the Beneficiaries with high level of daily support for the first two weeks.
Review meetings	Hold Review meetings with the recipients in months One, Two, Six, Nine and Twelve.

5.3.4 General Requirements

Hours of Operation	Perform normal business during the hours of 09:00 - 17:00 on working days
	Make Out of Hours provision for the beneficiaries.
Premises	Ensure that all Premises it uses to deliver the Programme elements meet all regulatory requirements and be suitable for purpose.
Develop maintain and implement procedures.	Develop, maintain and implement procedures including a procedure for Beneficiaries to complain about the service provided by the contractor.
Personnel Standards	Ensure that the recruitment, selection and training for its staff including persons employed by or as agents or sub-contractors, are consistent with the standards of service required for the performance of the service.

Training and Equipment for Staff	Fully equip and train staff to ensure they are able to fulfil their roles and ensure that appropriate and sufficient security provisions are made for all staff undertaking face-to-face activities.
Staffing Levels and Security	Ensure that staffing levels are appropriate at all times for the purpose of the service and ensure the security and well-being of all Beneficiaries, dependent children and its staff.
Applications of Employment	Ensure that all applicants for employment in connection with the Requirement are obligated to declare on their application forms any previous criminal convictions subject always to the provisions of the Rehabilitation of Offenders Act 1974.
Staffing and Immigration Law	Ensure that all staff including volunteers and sub-contractors, employed or engaged have the right to work in the United Kingdom under applicable immigration Law.
Staffing and Disclosure and Barring Service Checks	Ensure that all Staff (including volunteers and sub-contractors) Disclosure and Barring Service checks are undertaken on any potential Staff member. The results of such checks must be known before any employee undertakes duties requiring contact. Where such checks reveal prior criminal convictions that might reasonably be regarded as relevant to the appropriateness of the individual to have unsupervised access, particularly to children under the age of 18, or where such checks are not possible because of identification issues, the Recipient shall follow its internal policy and carry out an appropriate risk assessment before an offer of employment is made.
Staffing and National Child Protection Guidelines and Area Protection Committee Guidance and Procedures	Ensure that all Staff (including volunteers and sub-contractors) who are likely to have unsupervised access to children under the age of 18 have been instructed in accordance with National Child Protection Guidelines and Area Child Protection Committee guidance and procedures.
Staffing and Immigration advice	Ensure that all Staff (including volunteers and sub-contractors) providing immigration advice should be known to the Office of the Immigration Services Commissioner (OISC) in accordance with the regulatory scheme specified under Part 5 of the Immigration & Asylum Act 1999. The contractor will use all reasonable endeavours to ensure that Staff do not provide immigration advice or immigration services unless they are "qualified" or "exempt" as determined and certified by OISC.
Details of Staff	On request, provide Reading Borough Council with details of all staff (and volunteers and sub-contractor agents) delivering the service in this schedule.

	On request, provide Reading Borough Council with CVs and/or job descriptions for all members of staff selected to work on the project.
Computer Misuse Act	Use all reasonable endeavours to comply with the requirements of the Computer Misuse Act 1990
Data Protection Act	Comply with the provisions of the Data Protection Act 1998.
Information Sharing	Share relevant information on the delivery of the service and on Beneficiaries by signing a Sharing of Information Protocol with relevant deliverers of the Syrian Vulnerable Persons Resettlement Programme.
	Require Beneficiaries to sign a consent form to confirm their willingness to share personal data with executive bodies and relevant deliverers of the programme. The contractor will retain these forms and will allow inspection by the Council or the Home Office as requested.

Reading Borough Council will:

Partnership Meetings	Hold regular meetings of all partners who will be directly involved with resettling Syrian Refugees through the SVPRS.
SVPRS Management	Manage the roll out of the program. Host and chair Case Management meetings.
Case Analysis	Explore the needs and costs of each case presented by the Home Office and establish if the Council is equipped to accept the case.
Medical Needs to be Identified	Assess medical needs for each Beneficiary.
Accommodation	Arrange accommodation for the arriving Beneficiaries which meets local authority standards and which will be available on their arrival and is affordable and sustainable.
School Places	Arrange school places and brief schools on the specific needs of the Beneficiaries

5.2 Resource requirement

The following is an example breakdown of the resources required to fulfil the contract, including details of staff required. It is expected that all paid staff are compensated at the rate of the Living Wage Foundation.

This resource example is assumes 3 families arriving each year comprising 6 people in each family.

Based on 3 family units of 6 persons each per annum	Total Cost £	Fixed/Moving
Staffing and Volunteer Costs	18,200	
Caseworker		Fixed ³
Travel Costs Volunteers and staff		Moving ⁴
Staff and volunteers training costs		Fixed
Equipment		Fixed
Meet and Greet and Initial Welcome Package	7,400	
Transport to and from Airport		Moving
Groceries Pack and food for Day 1		Moving
Cash & Clothing Allowance		Moving
Decorate property/Welcome Box (up to £1,000 per family)		Moving
Service Delivery	3,300	
Venue Hire		Moving
Interpreting costs		Moving
Translation costs for Welcome information pack		Fixed
Management and Infrastructure Support	4,100	
Service Manager - direct management		Fixed
Organisational Support/Overheads		Fixed
Total Annual Budget	33,000	

5.3 Performance standards

5.3.1 Key Performance Indicators (KPIs)

Anticipated Outputs/Outcome - Performance Measures

- 1 How much did we do?
 - 1.1 The number of individuals supported
 - 1.2 The number of Personal Integration Plans created
 - 1.3 The number of checklists for initial weeks completed with individual family/beneficiary

³ Fixed costs: remain the same regardless of number of families, or number of members per family unit.

⁴ Moving Costs: dependent on number of families and number of members per family unit.

- 1.4 The number of goals agreed with family using BRC Top3Goals (T3G) tool completed (up to per family/individual to be completed at each Phase)
 - 2 How well did we do it?
 - 2.1 % Personal Integration Plans created with input from client
 - 2.2 % Beneficiaries fully engaged with Personal Integration Plan
 - 2.3 **End of 12 month programme** - % Beneficiaries reporting satisfaction with support provided
 - 3 Is anyone better off?
 - 3.1 % Beneficiaries showing positive experience on Service User Experience forms.
 - 3.2 % Beneficiaries achieving agreed goals at each planned phase.
 - 3.3 % Clients accessing work based training/volunteering by Phase 3

5.3.2 Home Office evaluation information

The contractor will provide to Reading Borough Council information required by the Home office to evaluate the programme to increase understanding of refugees' experience of being resettled, and build an evidence base to assess the impact of continued developments in resettlement practice. This information will be provided at month 2 and month 12 of each arrival.

5.4 Contract Management

The Contract will be managed by the Policy and Voluntary Sector Manager, Reading Borough Council.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	12
TITLE:	RESIDENTS PARKING SCHEME - RECOMMENDATIONS FROM TRAFFIC MANAGEMENT SUB-COMMITTEE		
LEAD COUNCILLOR:	COUNCILLOR TONY PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT
SERVICE:	PARKING SERVICES	WARDS:	BOROUGHWIDE
LEAD OFFICER:	ELIZABETH ROBERTSON	TEL:	01189 373767
JOB TITLE:	CIVIL ENFORCEMENT MANAGER	E-MAIL:	Elizabeth.robertson@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 A report has been submitted to the 12 January 2017 meeting of the Traffic Management Sub-Committee, on a review of Residents Parking and options for future changes to the Residents Parking Scheme that have been identified by a Scrutiny Task & Finish Group.
- 1.2 The report recommends the introduction of a charge for the first residents parking permit in order for the scheme to cover its costs and that of enforcement of the permit scheme. It also asks the Sub-Committee to consider the charge for second permits and to decide if the proposed first permit charge should be applied to some or all of the free discretionary permits.
- 1.3 The changes to permit charges require approval by a Committee or full Council and the Traffic Management Sub-Committee has therefore been asked to consider the options and make recommendations to this meeting of Policy Committee for a decision. The recommendations agreed by the Sub-Committee will be circulated to members of the Policy Committee and tabled at this meeting.
- 1.3 The report submitted to the Traffic Management Sub-Committee is attached at Appendix 1.

2. RECOMMENDED ACTION

- 2.1 That Policy Committee consider the recommendations made by the Traffic Management Sub-Committee and make a decision on residents parking permit charges.

3. POLICY CONTEXT

3.1 See the attached report.

4. PROPOSAL

4.1 See the attached report.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 See the attached report.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 See the attached report.

7. LEGAL IMPLICATIONS

7.1 See the attached report.

8. EQUALITY IMPACT ASSESSMENT

8.1 See the attached report.

9. FINANCIAL IMPLICATIONS

9.1 See the attached report.

10. BACKGROUND PAPERS

10.1 See the attached report.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	TRAFFIC MANAGEMENT SUB-COMMITTEE		
DATE:	12 JANUARY 2017	AGENDA ITEM:	6
TITLE:	RESIDENTS PARKING SCHEME - TASK AND FINISH GROUP RECOMMENDATIONS		
LEAD COUNCILLOR:	COUNCILLOR T PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
	COUNCILLOR T JONES		CHAIR OF SCRUTINY REVIEW TASK AND FINISH GROUP
SERVICE:	PARKING SERVICES	WARDS:	BOROUGHWIDE
LEAD OFFICER:	ELIZABETH ROBERTSON	TEL:	01189 373767
JOB TITLE:	CIVIL ENFORCEMENT MANAGER	E-MAIL:	Elizabeth.robertson@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 To update the Committee on the Residents Parking Review and to report the options for future changes to the Residents Parking Scheme that has been identified by the Task & Finish Group established in June 2016.

1.2 Appendix 1: Residents Parking Scrutiny Task and Finish Group report

2. RECOMMENDED ACTION

2.1 That, on consideration of conclusions of the Residents Permit Parking Scrutiny Task and Finish Group, the Sub-Committee makes a recommendation to Policy Committee (16th January 2017) to:

2.1.1 Recommend a charge for the first permit.

2.1.2 Recommend the permit charge for the first (and second) residents permit as set out in 4.3.2 Options 1-5 and to which of the following groups of discretionary permits are also charged and what the charge should be as set out in 4.3.4:

Discretionary Resident Permits (first permit)
 Charity first permit
 Carer (first and second)
 Doctor (Medical Practitioner)
 Healthcare Professional
 Teacher

2.1.3 Introduce the charges from 1st April 2017.

- 2.2 That the Sub-Committee agree to amend/add to the permit scheme rules and definitions in relation to: Teacher permits (4.4.2), Transitional Arrangements (4.4.4), Proof of vehicle ownership (4.4.5), Visitor Permits renewals (4.4.6) & Refund/Transfer Policy (4.4.7).
- 2.3 That the Sub-Committee agree the service improvements outlined in paras 4.3.8 - 4.3.13.
- 2.4 That, subject to Policy Committee agreeing the recommendation of the Sub-committee, that the current permit holders be notified by letter on the changes to the residents permit scheme.

3. POLICY CONTEXT

- 3.1 The proposals are in line with current Transport and Planning policy.

4. THE PROPOSAL

4.1 Background

- 4.1.1 Residents' Permit Parking (RP) was established in Reading over 40 (1976) years ago and the Council provide a permit scheme through its parking services teams within the transport service area.
- 4.1.2 The current RP scheme was approved by the Council's Cabinet in December 2010, this followed a review of the service undertaken in 2009-2010 and reported through Cabinet and scrutiny processes in September 2009, February 2010 and July 2010. A revised scheme was introduced in April 2011.
- 4.1.3 Further amendments to the RP scheme and permit management rules were taken through Cabinet, Full Council and Traffic Management Sub-committee (and formally Traffic Management Advisory Panel) meetings in July 2011, September 2011, June 2012, February 2013, June 2013 and January 2014.
- 4.1.4 A further review of the service was undertaken through the Council's scrutiny process at the meeting in January 2013.
- 4.1.5 The Policy Committee meeting held on the 30th November 2015, agreed to increase the 2nd and 3rd resident permit charges to their current levels of £120 and £240 respectively from the 1st February 2016.
- 4.1.6 At Traffic Management Sub-Committee meeting held on the 14th January 2016 it was agreed to amend the charges for second discretionary permits, 2nd to 4th charity permits and community agency permits to £120 from the 1st February 2016. Other amendments to the permit scheme rules and definitions were also agreed at that time.
- 4.1.7 At Traffic Management Sub-Committee meeting held on the 15th June 2016, it was agreed to set up a Task and Finish Group to review the Parking Permit Scheme.

4.2 Current Position

4.2.1 Previously there were 52 Residents Parking zones across the Reading Borough but this has been revised to the current 19 Residents Parking Zones.

4.2.2 The 19 Residents Parking zones across the Borough encompass all the areas and residential properties covered by the previous scheme but they now provide more space on-street throughout the larger zones. These changes are in line with previous decisions by Cabinet and reflect the outcome of the survey of all residents within the Residents Parking Scheme.

4.2.3 In 2015-2016 the following permits were issued, the current charges are set out below:

Permit Type	Total issued in 2015/2016	Current Charges
Business	19	£275
Business Discretionary	15	£330
Charity (free)	26	£0
Charity (charged)	13	£120
Carer	133	£0
Doctor	52	£0
Health Care Professional	490	£0
Resident Discretionary (free)	236	£0
Resident Discretionary (charged)	64	£120
Resident Discretionary (3rd Permit)	3	£240
Resident - First Permits	7,536	£0
Resident - Second Permits	1,463	£120
Non-UK Registered Vehicle Permits	4	£330
Nanny	0	£330
Teacher	64	£0
Tradesperson - Annual	86	£330
Tradesperson - Daily	598	£10
Temporary Permits	3,482	£15
Visitor Books - Free	9,543	£0
Visitor Books - Charged	1,973	£22
Visitor Business	107	£22
Visitor Discretionary (free)	314	£0
Visitor Discretionary (charged)	139	£22
Total	26,360	

4.2.4 Residents have been able to renew residents and visitor permits online since April 2012. The table below shows that the majority of residents preferred this method of renewing their permits. The number of permits being renewed online is increasing year on year as more residents are using this facility.

Permit Type	Total Renewed Online 2015/2016	Total Issued 2015/2016 (first & second)	Percentage renewed 2015/2016	Percentage renewed 2014/2015	Percentage renewed 2013/2014
Business	10	19	53%	33%	29%
Resident	4,866	8,999	54%	52%	53%
Visitor	2,065	11,516	18%	13%	10%

Processing requirements

- 4.2.5 New applications for residents' permits require one proof of residency and one proof of vehicle ownership. The majority of applications are currently received by post, however, applications can also be received by e-mail or hand delivered to the Civic Offices.
- 4.2.6 Resident permits are valid for 12 months. Permits can be renewed online without the requirement for further proofs; however, if a resident chooses to renew their permit by post, they require the same level of proofs as a new application.
- 4.2.7 Residents are sent a reminder letter approx. 1 month before their permit expires reminding them to renew. Visitor permits are also valid for 12 months from issue and can also be renewed online. However, if the renewal date is missed, they are required to complete a new application and provide the proof of residency.
- 4.2.8 Temporary permits are issued if a resident changes their vehicle, has a temporary change or has just moved into a Residents Parking Zone. The majority of temporary permits are issued via the Civic Offices Customer Services reception.
- 4.2.9 Further detailed scheme information is available on line at - <http://www.reading.gov.uk/parkingpermits>

4.3 Options for Consideration

- 4.3.1 The current RP scheme has now been in place for 5 years and the Residents Parking Scrutiny Task and Finish Group has now concluded its review. Attached at Appendix 1 is a summary of the meetings and the recommendations made.

Changes to Permit Charges

- 4.3.2 First Resident Permit charges - in order for the scheme to cover its costs and that of enforcement of the permit scheme, the introduction of a charge for the first residents permit is recommended. The various options the Task and Finish Group considered and estimated income generated from this is set out below:

Option 1

Permit Type	Total Issued in 2015/2016	Current Charge	Proposed Charge	Income
Resident First	7,536	£0	£30	£226,080
Resident Second	1,463	£120	£120	£175,560
Total				£401,640

Option 2

Permit Type	Total Issued in 2015/2016	Current Charge	Proposed Charge	Income
Resident First	7,536	£0	£50	£376,800
Resident Second	1,463	£120	£120	£175,560
Total				£552,360

Option 3

Permit Type	Total Issued in 2015/2016	Current Charge	Proposed Charge	Income
Resident First	7,536	£0	£30	£226,080
Resident Second	1,463	£120	£90	£131,670
Total				£357,750

Option 4**

Permit Type	Total Issued in 2015/2016	Current Charge	Proposed Charge	Income
Resident First	7,536	£0	£25	£188,400
Resident Second	1,463	£120	£120	£175,560
Total				£363,960

Option 5**

Permit Type	Total Issued in 2015/2016	Current Charge	Proposed Charge	Income
Resident First	7,536	£0	£25	£188,400
Resident Second	1,463	£120	£145	£212,135
Total				£400,535

- 4.3.3 The Sub-committee is asked to recommend to Policy Committee which charge should be applied for a first resident permit from the options set out in 4.3.2.
- 4.3.4 Discretionary Permit charges - the following permit types are issued free of charge: Discretionary First Resident, Carer, Charity (including Community Agency), Doctor (Medical Practitioner), Healthcare Professional (HCP) and Teacher permits. The Committee is asked to decide if the first permit charge

should be applied to some or all of the other free discretionary permits as listed below and what that charge should be:

Permit Type	Total Issued in 2015/2016	Proposed Charge	Income	Proposed Charge	Income
Resident Discretionary - first	236	£30	£7,080	£50	£11,800
Charity - first	26	£30	£780	£50	£1,300
Doctor	52	£30	£1,560	£50	£2,600
Healthcare professional	490	£30	£14,700	£50	£24,500
Teacher	64	£30	£1,920	£50	£3,200
Carer	133	£30	£3,990	£50	£6,650
Total			£30,030		£50,050

**Option 4 and 5 charge at £25 income charge has not been calculated in the above table

- 4.3.5 If Option 3 or 5 (as set out in 4.3.2) is the preferred option, the second permit charges for resident discretionary, charity 2nd to 4th should be changed to match the second permit charge or retained at £120.
- 4.3.6 Other Permit charges - there is currently no proposal to amend any of the other permit charges.
- 4.3.7 It is understood that residents may be resistant to the new charges, without seeing some benefit to themselves. It is proposed that the following service improvements are implemented (if first permit charges are introduced):
- 4.3.8 Online Permit application process - Software upgrade to the back office permit processing system will open up the opportunity for residents to manage their permit needs. It will provide a quick simple method to order additional visitor permits, and make new applications. The new improved service offer would be available to residents by September 2017 through the new first permit charges.
- 4.3.9 Upgrade the Approved Device (CCTV) vehicle for permit parking patrols - the Council has the opportunity to upgrade the Approved Device vehicle with permit parking date for quicker detection of illegally parked vehicles in the permit zones. The Approved Device vehicle is not permitted to issue a Penalty Charge Notice, but can direct resources to areas for a rapid response to vehicles parking without a permit. The upgrade is expected to take three months through the new first permit charges. Other potential benefits to the upgrade: Bus Lane/Bus Stop improved enforcement and vehicle surveys (to collect data on parking habits).
- 4.3.10 Improved Enforcement of the permit zones: The Council will work with the Contractor to increase visits to the Resident Permit Zones. If there is any additional income, this could be used to employ an additional Civil Enforcement Officer to the Permit Zones.

- 4.3.11 Report vehicle parking illegal via online reporting tool/application (e.g. Love Clean Reading). This can be implemented within a month of the new charges.
- 4.3.12 Renew Visitor permits without the need to re-apply (see point 4.4.6 for further information)
- 4.3.13 Explore options for print at home or virtual visitor permit option - allows residents to book their visitors parking in advance and without the need to display a visitor's permit. Visitor permits by session rather than am/pm which provide more flexibility to the resident's visitor permit allocation.

4.4 Other Options Considered

- 4.4.1 In addition to the recommendations outlined in 4.3, the Task and Finish Group considered other changes to the Residents Permit Scheme as set out below:
- 4.4.2 Teacher Permits: Amend the current permit rules to establish the local need for an individual school needs rather than maximum of 15 permits per school. The Council currently has the following schools applying for permits:

	Sub-Address	Permits Issued	Notes
Oxford Road Community School		15	No on-site parking
Cranbury College	Cranbury Road	11	No on-site parking
Cranbury College	College Road	5	No on-site parking
Battle Primary School		13	10 Parking Spaces
Redlands Primary School			New - no permits yet issued. Currently requested 35 Permits No on-site parking

- 4.4.3 Councillors are asked to decide the allocation of parking permits per school.
- 4.4.4 Transitional Arrangements: to amend the rules/definitions to include a provision for households recently added to a new/expanded permit zone to be granted a discretionary third permit (by Council Officers) at third permit cost for one year. Referrals to the Committee will be made if requests above the third permit are received and request for permit after the first year.
- 4.4.5 Proof of Vehicle Ownership: amend the current permit rules/definitions to exclude permits being issued where the vehicle is not registered at the household the permit is being applied for e.g. temporary residence and use a vehicle registered outside the permit zone or registered to a non-resident. This does not affect residents who use a vehicle for employment purposes and may have a "company car".
- 4.4.6 Visitor Permit renewals - when a resident has missed their online renewal window, they are required to re-apply for the books of visitor permits (and provide proof of residency). It is recommended that until the new online

permit application system is brought in that these could be renewed by the permit team without the need to re-apply if they meet the following criteria:

A valid residents (or carers) permit is on issue to that resident

If the resident does not own a vehicle, other visitor permits currently valid and on issue

If all permits have expired - but only expired in the last 3 months

4.4.7 Refunds/transfer: It is recommended that no refunds are issued for first permit charges. It is recommended the first permit can be transferred to another household as per the current process for second permit charges.

4.4.8 Other points considered but does not affect the Resident Permit Scheme rules/definitions:

4.4.9 Criteria for the introduction of Residents Permit Scheme: to include roads or streets where there is a high proportion of off-street parking already in place.

4.4.10 Consideration the aligning of the entitlement to vehicle permits to the existence of any off-street parking: Reducing the number of permits available to resident in a Residents Permit scheme if off-street parking is available at a property. However, due to current resources, capacity and other competing work-load priorities, it is not an issue being pursued at this time.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 This proposal supports the aims and objectives of the Local Transport Plan and contributes to the Council's strategic aims, as set out below:

- Providing infrastructure to support the economy.
- Remaining financially sustainable to deliver these service priorities

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 The Residents Parking Review included a survey of all 12,000 households within the current Residents Parking zones completed in 2010.

6.2 The Council will write to resident permit holders to advise them on the changes to the permit scheme charges.

7. LEGAL IMPLICATIONS

7.1 There are no legal implications arising from this report.

8. FINANCIAL IMPLICATIONS

8.1 As set out in Section 4.3.2 there may be additional income from first permit charges, however, the amount depends on the charge agreed and which discretionary permits will also be charged for as per 4.3.4.

8.2 The Financial implications are based on a full year of charges.

9. BACKGROUND PAPERS

9.1 September 2009, February 2010, July 2010 and December 2010, July 2011 and June 2012 Cabinet reports. January 2013 Scrutiny Review and February 2013 Full Council reports.

9.2 Traffic Management Advisory Panel June 2012

9.3 Traffic Management Sub-Committee reports January 2014, January 2016 & June 2016

9.4 Policy Committee report 30 November 2015

10. APPENDICES

10.1 Appendix 1 - Residents Parking Scrutiny Task and Finish Group report

Transport Management Sub Committee – 12 January 2017

RESIDENTS PARKING SCRUTINY TASK AND FINISH GROUP

The Task and Finish met three times. However a final meeting, to consider a draft submission, has not been possible and therefore this report is tendered in the name of the Chair of the T&F Group only, Councillor Tony Jones.

Summary

Following consideration of the existing arrangements of the Residents Parking Scheme (RPS) in Reading, the following recommendations are made to the Transport Management Sub Committee:

1. That the criteria for the introduction of RPS be expanded to include roads and streets with a high proportion of off-road parking.
 2. That the criteria for the allocation of vehicle permits to schools in future be considered on the basis of the particular circumstances of each school.
 3. That where a RPS is introduced or expanded, sympathetic consideration be given to the allocation of personal discretionary permits to existing residents.
 4. That permits not be allocated to vehicles (except “company vehicles”) not registered at the RPS address.
 5. To allow the issue of visitor permits books be verified by existing vehicle permit data rather than treating as a separate requirement.
 6. To consider, at some future date, the aligning of the entitlement to vehicle permits to the existence of any off-road parking.
 7. Support the introduction of a charge on the first vehicle permit.
-

Recommendations

- 1. That the criteria for the introduction of RPS be expanded to include roads and streets with a high proportion of off-road parking.**

Past practice has suggested that RPS should not be considered in roads or streets where there is a high proportion of off-street parking already in place. However, this takes no account that circumstances can change over time – where more house-holders create additional off-road parking in an existing RPS – or that considerable extra pressure can be brought where a RPS is newly introduced or expanded in streets adjacent or in the vicinity of properties with off-road parking. The recommendation is that bar on consideration should be removed.

- 2. That the criteria for the allocation of vehicle permits to schools in future be considered on the basis of the particular circumstances of each school.**

Current arrangements give each school an entitlement to 15 permits. However this “one size fits all” approach takes no account of whether there is any on-site capacity for parking. To remove this anomaly it is recommended that where a school falls within a RPS, discussions are held to establish the level of local need.

- 3. That where a RPS is introduced or expanded, sympathetic consideration be given to the allocation of personal discretionary permits to existing residents.**

The entitlement of two permits per household has been at the centre of Reading's RPS for many years. However the growing demand for schemes can mean that some existing residents may be disadvantaged where a RPS is introduced where they live. It is recommended that sympathetic consideration be given to the allocation of additional discretionary permits be allocated on an on-going personal only basis when schemes are newly introduced.

4. That permits not be allocated to vehicles (except "company vehicles") not registered at the RPS address.

Reading has a well-established approach of issuing permits where residents can demonstrate that they need a permit for a vehicle they are required to use for their employment – for example, so called "company cars". However, it recommended we avoid issuing permits to residents who may be temporary in their residence and use a vehicle which is registered at an address outside the RPS or registered to a non-resident.

5. To allow the issue of visitor permits books be verified by existing vehicle permit data rather than treating as a separate requirement.

The process to renew vehicle permits is now a very fast and efficient service. However, some improvements should be made to the way the issue of visit permits books is undertaken. Residents can sometime find that on seeking the issue of further books that they have to resubmit basic information regarding proof of residency, even though they may still have valid data in the RBC system supporting their vehicles. The T&F Group were advised that this system can be improved, so it is recommended that arrangements be made for the stream-lining of this part of the RPS service to change during 2017.

6. To consider, at some future date, the aligning of the entitlement to vehicle permits to the existence of any off-road parking.

Some councils such as West Berkshire, reduce the number of permits available to residents in a RPS if off-street parking is available at a householder's property. While there may be merit in such an approach, given current resources, capacity and other competing work-load priorities, it is not an issue which should be pursued at this stage.

7. Support the introduction of a charge on the first vehicle permit.

For many years RBC has been able to protect residents from charging for the issuing of the first vehicle permit. However, in light of current financial pressures and the need to ensure sufficient resources to meet the expanded RPS areas in Reading, this is no longer sustainable and it is recommended that a new charge be introduced for the first permit.

It is recommended that the charge be introduced from 1st April 2017 and be implemented for new permits issued on or after that date and only at the date of renewal of an existing permit.

Vistors permits

Current position

Free books – 9,548 issued

Paid for books – 1,973 issued

RBC can issue two free books of 20 x ½ day permits to each household in a residents parking zone. Five more books can be bought (at £22 each), with an officer discretion to issue up to four more. Any applications in excess of these figures are considered by the Transport Management Sub Committee.

Arrangements in other councils

Residents Parking Permits	1st permit	2nd permit	3rd permit	4th permit
Reading	Free	£120	£240	
Berkshire				
West Berkshire	£30	£30	(£70 in some areas)	
Wokingham	£30	£30		
Bracknell	Free	Free	£20	£40
Windsor & Maidenhead	Free	(only if no off-road parking)		
Slough	£25	£50		
Other South East				
Basingstoke	£30 includes a visitor permit			
Buckinghamshire	£52			
Brighton	£100 or £130			
Crawley	£41	£83		
East Hampshire	£30	£50		
Guildford	£50	£80		
Maidstone	£25	£50	£100	
Medway	£27			
Oxford	£60	£60	£120	£180
Portsmouth	£30	£60	£120	
Sevenoaks	£35	£70	£125	£250
Southampton	£30 (area based range from £0 to £1,000)			
Winchester	£22	£50	£50	£50
Woking	£50	£75		

Residents vehicle permits in Reading

Current position

1st permit – 7,536 issued in 15/16, free of charge.

Revenue raised £0

2nd permit - 1,463 issued, at £120.

Revenue raised £175,560

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF RESOURCES - READING TRANSPORT LTD

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	13
TITLE:	READING TRANSPORT LTD - SHAREHOLDER'S UPDATE		
LEAD COUNCILLOR SERVICE:	COUNCILLOR PAGE EXTERNAL	PORTFOLIO:	PLANNING & TRANSPORT BOROUGHWIDE
AUTHOR:	TONY PETTITT	TEL:	0118 902 7602
JOB TITLE:	DIRECTOR - READING BUSES	E-MAIL:	tonypettitt@reading-buses.co.uk

1. EXECUTIVE SUMMARY

- 1.1 This report provides an operational update for Reading Borough Council on the activities of Reading Transport Ltd during 2015/16. A further report has been presented in closed session which included additional detail on the trading position and financial performance for the year.
- 1.2 The report is submitted to the Council as shareholder of the company.

2. RECOMMENDATIONS

- 2.1 That the report from Reading Transport Ltd is noted.

3. POLICY CONTEXT

- 3.1 Reading Transport Ltd is wholly owned by the Council and this report is submitted to the Council in its role as shareholder as a constitutional requirement of the company.

4. CONTRIBUTION TO STRATEGIC AIMS

- 4.1 Developing and supporting Reading's public transport agenda through the provision of high quality and environmentally sustainable public transport services.

5. OPERATIONAL UPDATE

- 5.1 The year to date for Reading Transport Limited has seen the continuation of the strong network growth and expansion reported previously.
- 5.2 September 2015 saw only minor changes to the core network, with some frequency adjustments to bring supply into line with demand on particular routes (including Clarets & Nineteens and Scarlet 9), following the

introduction of the Lion 4/X4 service to Bracknell. The current year has demonstrated good performance, with underlying trading conditions relatively stable and significant increases in patronage across most parts of the core commercial network. Some investments were always regarded as longer term projects and it remains the case that not all of the earlier initiatives are achieving the level of patronage that was anticipated after nearly two years of enhanced operations. The coming year will also see some additional one-off costs and current year surpluses are intended to provide a margin to address these known issues. There has been exceptionally strong growth in passenger numbers overall in 2015/16 compared to 2014/15 (up 12.3% year on year inclusive of additional routes). Revenues have also increased (11.1% year on year) again achieved without the benefit of the one-off receipts from activities such as the Commonwealth Games that helped improve income in previous years.

- 5.3 Services were further adjusted from September 2016, enhancing the Woodley routes with a new service pattern and vehicles, modifying the Scarlet 9 to serve Whitley and a re-launch of the Tilehurst Royal Blue 33 is planned for later in the autumn, with new buses. This will see the first operation of gas powered double-deckers in the UK.
- 5.4 Following a tendering exercise run by West Berkshire Council the Company has been successful in securing the contract to run local buses in Newbury, Thatcham and the Kennet Valley. This provides additional work for the Newbury Depot (requiring seven peak vehicles including the two commercial routes parallel to and consolidating the Newbury-Thatcham JetBlack 1 corridor). Together with the recent renewal of the Vodafone staff shuttle contract on a five-year term this fully justifies the retention of this facility to generate additional income and support core operations.
- 5.5 Fares were reviewed for the first time in two years in response to increased operating costs and new cash prices were introduced from 5th September 2016. Simplified structures were introduced, removing returns in the urban area, eliminating the route specific rural weekly products and improving the offer for young people. Advances in ticketing technology continue with smartphone, app-based mobile tickets and contactless bank card payments expected to improve boarding times as they are fully rolled out.
- 5.6 RTL continues to be recognised as an excellent operator at a national level with the Company shortlisted for 19 national and local awards in 2016, winning in six categories and also achieving three runner-up awards, a bronze award and a commendation. RTL was awarded "best in class" (Shire Operator) for the fifth consecutive year at the UK Bus Awards.

Awards title	Category	Result
Low Carbon Vehicle Partnership	Low Carbon Road Transport Initiative of the Year	Shortlisted
routeOne Operators Excellence Awards	Operator Training Award	Shortlisted
	Partnership of the Year	Shortlisted
	Innovation of the Year	Shortlisted
	Environment Award	Shortlisted
	Large Bus Operator of the Year	Shortlisted
	Manager of the Year (Martijn Gilbert)	WON
	Engineer of the Year (John Bickerton)	WON
National Transport Awards	Bus Operator of the Year	Shortlisted
	Improvements to Bus Services	Shortlisted
CILT Annual Awards for Excellence	Development of People	WON
Pride of Reading	Business Environment Award	Shortlisted
UK Bus Awards	Environment	WON
	Making Buses a Better Choice	Silver
	New Horizons Award	Bronze
	Putting Passengers First	WON
	Unsung Hero Award (Chris Vest)	Commendation
	Young Manager of the Year (Dan Bassett)	Silver
	Top Shire Operator	WON
	Top Bus Operator of the Year	Silver

6. FINANCIAL IMPLICATIONS

6.1 None.

7. LEGAL IMPLICATIONS

7.1 Under RTL's Articles of Association (Section 12 Annual/interim update) the company must submit an annual review of the performance of the business and also provide an interim update.

8. BACKGROUND PAPERS

8.1 None.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	14
TITLE:	NATIONAL CYCLE NETWORK ROUTE 422		
LEAD COUNCILLOR:	COUNCILLOR TONY PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT
SERVICE:	TRANSPORTATION AND STREETCARE	WARDS:	SOUTHCOTE NORCOT MINSTER
LEAD OFFICER:	EMMA BAKER	TEL:	0118 937 4881
JOB TITLE:	SENIOR TRANSPORT PLANNER	E-MAIL:	EMMA.BAKER@READING.GOV.UK

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report seeks spend approval for the new National Cycle Network route (NCN 422) Phase 1 works programme along Bath Road, funded through the LEP Growth Deal.

2. RECOMMENDED ACTION

- 2.1 That Policy Committee gives spend approval for the National Cycle Network route (NCN 422) Phase 1 works programme.

3. POLICY CONTEXT

- 3.1 The Local Transport Plan (LTP) is a statutory document setting out the Council's transport strategy and policy. Reading Borough Council's third Local Transport Plan (LTP3) for the period 2011-26 was adopted by the Council on 29 March 2011.
- 3.2 The Cycle Strategy 2014: Bridging Gaps, Overcoming Barriers & Promoting Safer Cycling, was adopted by the Council on 19 March 2014 as a sub-strategy to the Local Transport Plan. The strategy includes detailed policies regarding the design principles for delivering infrastructure and route improvements for cyclists on the public highway, as well as policies to encourage and promote cycling.
- 3.3 The NCN 422 scheme is included within the Council's Corporate Plan 2016-19 and Thames Valley Berkshire LEP's Strategic Economic Plan 2016-21.

4. THE PROPOSAL

4.1 National Cycle Network (NCN) Route 422 was granted full funding approval from the Berkshire Local Transport Body in November 2015 to the value of £4.2 million. The cross-Berkshire cycle route between Newbury and Windsor will provide an enhanced £1.2 million east-west cycle facility through Reading, linking to existing cycle routes to the north and south of the borough and directly serving schools and other local facilities/services.

4.2 The Phase 1 scheme along Bath Road from the borough boundary to Southcote Lane consists of shared-use facilities linking to three secondary schools and Prospect Park. The scheme will be delivered by our in-house DLO and existing contractors at a cost of £450,000, including:

- Localised footway resurfacing and widening, supported by the installation of shared-use tiles
- Entry treatments across minor junctions in the form of imprinting or raised tables
- Decluttering and the relocation of street furniture to maximise the effective width of the footway.
- Directional and regulatory signs, including official NCN branding.
- Improvements to formal and informal crossing facilities, including the installation of tactile paving and upgrading existing pedestrian crossing facilities to toucan crossings.

4.3 Detailed designs for Phase 2 from Southcote Lane to Watlington Street are in-progress, alongside conceptual designs for the final phase to the Reading / Wokingham boundary. Scheme and spend approval for these phases will be reported at a future meeting and are expected to be delivered by the end of March 2018.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The delivery of the new National Cycle Network route - NCN 422 outlined in this report helps to deliver the following Corporate Plan Service Priorities:

- Keeping the town clean, safe, green and active.
- Providing infrastructure to support the economy.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 Statutory Consultation has been carried out in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996.

6.2 Regular updates on the development of the NCN scheme have, and will continue, to be reported at Cycle Forum meetings. There are also plans to present the National Cycle Network scheme to the Older People's Working Group in February, following a request at Traffic Management Sub-Committee.

7. LEGAL IMPLICATIONS

7.1 Any traffic regulation orders will be made under the Road Traffic Regulation Act 1984.

8. EQUALITY IMPACT ASSESSMENT

8.1 In addition to the Human Rights Act 1998 the Council is required to comply with the Equalities Act 2010. Section 149 of the Equalities Act 2010 requires the Council to 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.

8.2 An Equality Impact Assessment scoping report has been carried out on the planned National Cycle Network route and reported to Traffic Management Sub-Committee.

9. FINANCIAL IMPLICATIONS

9.1 The costs associated with the design and delivery of the National Cycle Network Scheme Phase 1 will be met by LEP Growth Deal funding to the value of £400,000 and £50,000 Section 106 monies for the Bath Road Lidl development.

10. BACKGROUND PAPERS

10.1 Traffic Management Sub-Committee Report, Major Transport & Highways Projects - Update reports from November 2015 onwards.

10.2 Traffic Management Sub-Committee Report, National Cycle Network Route NCN422 - Update, November 2016.

10.3 NCN 422 Phase 1 Detailed Designs: <http://www.reading.gov.uk/transport-schemes-and-projects>.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ADULT CARE AND HEALTH SERVICES

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	15
TITLE:	DEPUTIES SERVICES		
LEAD COUNCILLOR:	RACHEL EDEN	PORTFOLIO:	ADULT SOCIAL CARE
SERVICE:	DEPUTY'S OFFICE	WARDS:	BOROUGH WIDE
LEAD OFFICER:	SUZIE WATT	TEL:	0118 937 4807
JOB TITLE:	PROGRAMME OFFICER	E-MAIL:	suzie.watt@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out the rationale for adopting the revised policy on how Reading Borough Council (RBC)'s Deputy's Office operates, particularly in relation to charging, which was approved at the Committee's meeting on 26 September 2016 subject to consultation and an Equality Impact Assessment.
- 1.2 The proposed changes have been discussed with stakeholders - primarily current users of the service and their families - over the course of a six week consultation. Consultation feedback is presented here, along with an Equality Impact Assessment which identifies a potential adverse impact, but one which is outweighed by the likely adverse impact of alternative courses of action. Adverse impact can be mitigated via a local hardship policy which is proposed as part of the new Deputy's Office policy.

2. RECOMMENDATIONS

- 2.1 That, having considered the findings of a public consultation on proposed changes to the Council's Deputy's Office service (detailed in the Consultation Report at Appendix A), and also the anticipated impact of the proposed changes to the Deputy's Office service on the discharge of the Council's duties as a public body as set out in the Equality Act 2010 (detailed in the Equality Impact assessment at Appendix B), Policy Committee agrees to the adoption of a revised Deputy's Office Policy (set out at Appendix C) with immediate effect.

3. POLICY CONTEXT & BACKGROUND

- 3.1 Every adult has the right to manage his or her own money and affairs. However, this may be difficult for some individuals due to illness, disability or an accident. Where an individual becomes unable to manage their own affairs without first granting a lasting power of attorney (a legal way to give someone else the power to manage their financial affairs if they cannot) the matter can be taken to the Department of Work and Pensions or the Court of Protection to appoint someone as responsible for helping the individual with financial management. In most cases, family members,

friends or a solicitor will undertake this task. However, where no suitable arrangement can be made with others, the local authority can undertake this role.

- 3.2 RBC offers services through its Deputy's Office Team to help individuals manage their financial affairs. Support is offered by undertaking a role as either an Appointee or Deputy. An Appointee usually works, with the individual's consent and instruction, to manage their benefits and financial affairs, and can do this on their behalf if they lack capacity if authorised by the Department of Works & Pensions (DWP). A Deputy appointed by the Court of Protection has a legal power to manage the individual's finances because they lack the mental capacity to do so themselves.
- 3.3 The provision of appointeeship and deputyship services are not statutory duties for local authorities. However, under the Care Act, local authorities (LAs) must provide '*information and advice on the Court of Protection, power of attorney and becoming a Deputy*'. Further, Care Act guidance makes several references to the LA's ability and power to apply to be appointed. In Reading, the local authority has continued to provide appointeeship and deputyship services to meet identified needs. However, the charges applied for the service have not been reviewed for several years, and are now out of line with practice elsewhere in Court of Protection and in the country.
- 3.4 RBC is the main provider of deputy and appointee services in Reading. The Office acts as a Deputy for approximately 124 Reading residents and Appointee for a further 125 Reading residents. There is relatively little alternative service provision locally, and none offer a service that includes the prevention and early intervention work that the Reading Deputy's Office provides. If the service did not exist, service users lacking mental capacity might need to be supported to manage their finances by care management staff, or via direct payments to purchase the services of external financial advisers.
- 3.5 A proposal to consult on changes to the Council's Deputy's Office Policy was approved by Policy Committee on 26th September 2016.

4. THE PROPOSAL

- 4.1 The proposal is to replace the Council's current (2009) Deputy's Office Policy with the revised Deputy's Office Policy which appears at Appendix C. The main provisions of the new policy are to:
 - (a) Reaffirm the alignment of RBC's charging schedule to any current or future CoPs fixed amounts, or specified rates which is the maximum permissible;
 - (b) Apply the means testing and thresholds outlined by the CoP directive for deputyship;
 - (c) Implement a local exemption criteria in cases where undue hardship may be caused by the payment of any fees, application for exemptions to be considered by RBC's deputies and appointeeship authorising officer (currently the Director of Adult Care and Health Services); and
 - (d) implement local discretionary charging (Category III, IV and disbursement) of specialist services that customers would otherwise be expected to pay for e.g. funeral arrangements, conveyancing for house sales etc, to both deputyship and appointeeship customers.
- 4.2 The alternative to adopting this revised policy is for the Council to continue to charge for Deputy Office functions as currently, which recoups only part of the costs of providing the service and is not in line with national practice in other Authorities, DWP or Court of Protection. The Council's current policy does not give the authority a

basis on which any future changes could be applied¹. Further, any direction from the CoP adding to the compulsory responsibilities² of deputies is likely to impact negatively on RBC's ability to sustain a deputy office, certainly without incurring further cost to the Council.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The current Deputy Office policy (2009) outlines charging for deputyship but not for appointeeship services. A revised Deputy Office Policy (Appendix C) has been prepared for consideration and approval. The revised policy is aligned with the following corporate service priorities:

- Safeguarding and protecting those that are most vulnerable
- Remaining financially sustainable to deliver these service priorities

6. COMMUNITY & STAKEHOLDER ENGAGEMENT

6.1 A six-week consultation was carried out from 3rd October to 14th November 2016. All but one of the existing service users was contacted. The one service user not contacted is in hospital and it was not appropriate for Officers to contact them - Officers will continue to monitor their circumstances.

6.2 A total of 38 responses were received. 89.47% (34) of respondents felt it was important to keep the Deputy Office service in Reading with over half expressing examples of how and why it was important to them. The general feedback was that the service was good, efficient and important to service users as it helped them manage and meet their financial responsibilities and that staff were friendly and approachable.

6.3 39.47% (15) respondents said the changes would impact on them and the majority acknowledged that the proposed changes meant they could be asked to pay more and therefore have less money. A few stated that this would not be their preferred option, but this feedback needs to be read alongside the clear majority view that it is important to retain the service. Just 7.89% (3) respondents answered that it was not important to keep the service in Reading. The consultation material spelled out the need to make changes to the charging rules in order to make the service financially sustainable.

6.4 Informal feedback received by Deputy Officers during face-to-face discussions during the consultation period mirrored much of the formal responses received through the questionnaire. Generally, service users would rather not have to pay or pay more (dependent on their circumstances) but they wanted to have a Deputy's Office available to support them, so accepted the rationale for the proposed changes and were aware that, if adopted, the changes would likely commence in January 2017.

6.5 Consultation feedback is set out in further detail in the Consultation Report which appears at Appendix A. It should be borne in mind that in the absence of adopting the revised policy - which gives a realistic expectation of running the Deputy Office on a cost neutral basis - then the Council could have to consider ceasing the provision of services. At such point, further consultation would be required with existing users (or, if the user is incapacitated, with any representative) who should be given sufficient

¹ OPG has announced it is reviewing the charges that Deputies can charge for, Officers have cited this and fees look to be increasing. Date of intended change is unknown but is likely to be in 2016/17. These have been used to calculate the 2017/18 income as aligning charging means RBC would be in a position to adopt the new charges

² Officers have seen a draft document released by the OPG/CoP that they intend to make it compulsory that annual reports are completed for all Deputies clients compulsory rather than on request only. No changes to services or systems means the current team would be unlikely to take on this responsibility without risk to the quality of service

notice to make any necessary adjustments. It is likely there would be a cost to the Council to execute this.

7. EQUALITY IMPACT ASSESSMENT

7.1 The local authority is under a legal duty to comply with the public sector equality duties set out in Section 149 of the Equality Act (2010). In order to comply with this duty, members must positively seek to prevent discrimination, and protect and promote the interests of people in possession of 'protected characteristics' per the Act. All users of the Deputy's Office are likely to be in possession of protected characteristics by virtue of disability or possibly old age. The likely equality impacts of the suggested changes to the Deputy Office policy therefore need to be analysed and considered before an amended policy is approved.

7.2 A full Equality Impact Assessment (EIA) appears at Appendix B. A potential negative impact on people with a disability has been identified, in that some users of the Deputy's Office service would have less disposable income under the proposed change. However, not introducing these changes would compromise the sustainability of the service, and the impact of closing the Deputy's Office is likely to outweigh the negative impact of intruding the new policy on charging. Adverse impacts will be monitored through the financial planning which the Deputy's Office carries out with each individual service user. This will include support to apply for exemptions under the Council's local hardship policy where appropriate.

8. LEGAL IMPLICATIONS

8.1 The Equality Impact Assessment at Appendix B has been prepared so that members of the Policy Committee can give conscious and open minded consideration to the impact of the public sector equality duty (see para 7.1) before taking a decision on whether to adopt the new Deputy's Office policy.

8.2 The Equality Impact Assessment has in turn been informed by the outcome of public consultation as described above. Case law establishes the following principles in relation to consultation before a policy change is undertaken:-

First, that consultation must be at a time when proposals are still at a formative stage.

Second, that the proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response.

Third, that adequate time must be given for consideration and response and, finally,

fourth, that the product of consultation must be conscientiously taken into account in finalising any statutory proposals.

The Consultation Report at Appendix A has been prepared to enable members of the Policy Committee to consider stakeholder views before deciding whether to adopt the new policy as proposed.

9. FINANCIAL IMPLICATIONS

9.1 The following is a breakdown of the projected expenditure and income for the Office in 2016/17 under current charges, and for 2017/18 under the proposed charging schedule (i.e. full year effect).

	2016/17 current charging practice	2017/18 new charging ¹
Service expenditure	£ 164,349	£160,312
Income	£56,100**	£136,253
Net service cost	£108,249	£24,059
Cost to Adult Social Care	£94,400***	£10,210***

* There is a high probability that this will be affected by staff sickness, back-payment of staff and transferring budgets. The Office has accounted for as much as we know at the moment.

** This is likely to be higher in 2016/17 due to backdated charging project which was processed in Quarter 1 of this financial year.

*** The annual customer service support cost of £13,849, is absorbed within the customer service budget.

9.2 Delivery the service in 2017/18 for the budget proposed here is dependent on several issues:

Policy - The Council agrees and adopts the revised Policy.

Staffing - The Deputy Office needs to be staffed appropriately and have processes and systems in place to secure income. At the moment there is risk within this and this will remain a risk until the CASPAR system is purchased and embedded within the Deputy Office.

Finances - The financial position of customers remains stable - as any significant changes will have an impact on income projections; No other unknown fees or charges are recharged to deputies cost centre.

National policy - any amendments to the CoP practice direction is likely to have an impact on income and possibly staffing projections needed to maintain the Office.

10. BACKGROUND PAPERS

'Deputies Services' report to Policy Committee 26th September 2016

Deputies Office Consultation Report

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1.0 Introduction

Reading Borough Council (RBC) can apply to the Court of Protection (CoP) to become someone's deputy or appointee to help them manage and make decisions about their own financial affairs. RBC only do this when a person does not have the capacity or ability to manage and has no other suitable individual to assist them. RBC offers information, support and advice to others on how to apply.

RBC's Deputy Office policy & procedures were originally published in 2009 and have not been updated since then. A review of the policy was undertaken which highlighted a number of changes in practice that had occurred and also variations in how RBC was applying fixed fees and charges in practice. A new draft Deputy Office policy was written to reflect the changes and variation in practice. The proposed changes were also driven by RBC's need to align the Deputy Office services with guidance set by the Court of Protection (CoP), to secure the service and to make it financially sustainable.

This paper is a summary of the responses to the six-week consultation on the draft revised policy, which ran from 3rd October 2016 to 14th November 2016. It will provide background information on the Deputy Office, details of the consultation - for example, consultation materials, rationale for consultation, who was consulted and how, and finally the outcome.

2.0 Background

The provision of appointeeship and deputyship services are not statutory duties for local authorities, under the Care Act (2014) or otherwise. However, the provision of these services is recognised good practice. In their absence, it is likely that demand on other council services would increase and RBC would need to review its commissioning plans to help meet the needs of some vulnerable Reading residents. The Deputy Office currently acts as either a deputy or an appointee for 211 Reading residents.

The consultation outlined RBC's intention to ask people who can afford it, to pay for Deputy Office Services they receive in future. RBC had not been applying a charge for all services chargeable under its previous policy - for example (where applicable), the annual property management fee. In addition, there had been changes in practice over time contrary to the stated policy on charges for appointees to access a money management service.

The proposed Deputy Office Policy included:

- aligning fees and charges for all Deputy Office service users
- applying charges for all services where a service user utilises them
- introducing a disbursement fee for services that all clients would normally be expected to pay
- protection against service users being placed into undue hardship as a result of paying a fee or charge.

The consultation was designed to generate feedback which would assist RBC to understand the impact of the proposed changes, and also to be transparent about RBC's need make the service financially sustainable in order to secure the future of the service for Reading residents.

3.0 The consultation

3.1 Why we consulted

As RBC was considering making a number of changes to the Deputy Office Policy, the Council felt obliged to consult with those affected. Whilst some of the changes to practice were in line with the Court of Protection's fixed costs and fees guidance, there was some local discretion being suggested and this would primarily impact on those for whom the Council acts as appointee. RBC wanted to seek feedback to help inform the decision as to whether to adopt the changes and also on the value of the service.

3.2 Consultation material

Consultation materials were available both in hard copies and online. The *Deputy Office Consultation* pack posted to services users and/or their families included:

- Consultation Letter (Appendix A)
- An easy read Deputy Office Charging Schedule (Deputy - Appendix B; Appointee - Appendix C)
- Consultation Questionnaire (Appendix D)
- Frequently Ask Questions (Appendix E)

Online consultation materials excluded the consultation letter.

The consultation pack was designed based upon other consultations that had been used by RBC Adult Social Care. The Frequently Asked Questions summary was also developed with input from other RBC Adult Social Care staff and the local Reading Healthwatch. Packs were available in other alternative formats such as large print, Braille and audio as well as in languages other than English on request.

3.2.1 Deputy Office Charging Schedule (Deputy and Appointee)

This document (Appendices B and C) set out a summary of the proposed changes specific to each service. The summary provided an outline and detail of the service, the current fees/charges that are applied and what the proposed new charges would be. A summary was used rather than the full Deputy Office Policy as it was felt it made it easy for people to easily identify the changes and the full policy was available in print form on request

3.2.2 Deputy Office Questionnaire

A questionnaire (Appendix D) with 2 quantitative and 3 qualitative questions was shared for completion. Questions were designed to gather information which could be used to measure the impact the proposed changes would have on service users and also to invite feedback on the Deputy Office services.

3.2.3 Deputy Office Policy

The full version of the Deputy Office Policy was available on request (print) and online as part of this consultation (Appendix F).

3.3. *How we consulted*

A six-week public consultation ran from 3rd October 2016 to 14th November 2016. The consultation was primarily targeted at existing services users, and their family/friends or nominated advocates known to the Deputy Office. The rationale for targeting the consultation was that these were the groups in the best position to inform RBC of the impact of the proposed changes.

A total of 386 consultation packs were distributed by post to the target groups. The consultation was also promoted to the broader community, voluntary and provider networks via the Adult Social Care contacts. These groups were invited and encouraged to respond. Contact details for the Deputy Office Manager were advertised for anyone who wanted to discuss the consultation in more detail.

All deputy and appointee service users that Deputy Officers deliver an allowance to in the community were also consulted face-to-face, and either a Deputy Officers or Customer Service Officer consulted face-to-face with all service users who came into the Civic Centre to collect their allowance during the consultation period. In total this was 108 (51.81%) existing service users.

For the service users that came into the Civic Offices to collect their allowances (Mondays, Wednesdays and Fridays) Officers arranged to have an additional booth and a separate room so that Officers could discuss the consultation with the service user in private and explain how it might affect their personal financial circumstances.

Officers were able to check current balances of service users account to best advise them how the changes in the consultation would affect them financially. As the changes to the charging mainly affected the appointee's Officers were able to explain what they are currently charged annually and a prediction of what they would be charged with the changes. Deputy Service users were informed of the services that were now chargeable for example property maintenance and checks and also of the disbursement fees

Officers asked all the service users whom they saw in this way to sign a form to confirm that they had been informed of the consultation and had an understanding of the consultation and proposed changes and that they had been given an opportunity to have questions answered. Service users were also given a consultation pack and were encouraged to complete the feedback form and were signposted to independent support to help them respond if they felt they needed it.

For the 58 appointee service users who do receive their allowance in person or who did not come in to the Civic Offices during the consultation period, consultation packs were posted to them and to appropriate representatives such as family/friends or advocates (where known to the Deputy Office).

For deputyship service users who reside in residential/nursing/sheltered accommodation, visits were arranged and regardless of the capacity of the individual, people were informed of the consultation. This is in line with the practice of Deputy Office team. Officers requested a care worker to witness the exchange. Officers also consulted with appropriate family/friends,

advocates and other professionals involved with deputy service users where they were available.

158 consultation packs were sent or emailed out to friend/family, advocates and professional involved with existing service users. A self-addressed envelope was included in the consultation packs.

3.4 Who responded

By the close of the consultation on 14th November, 38 formal responses had been received. All but one Deputy Office service user had been contacted either in person or by post.

35 (92%) of respondents completed and return the paper copies of the questionnaire, 3 (8%) respondents completed the online questionnaire. There were minor variations between hard copy questionnaires and the online version and therefore where the variations occur this will be highlighted within the following commentary.

Informal verbal feedback was also received by Deputy Office and Customer Service Officers during visits/contacts with existing services users. Service users and representatives were encouraged to complete the consultation forms and were signposted to support available to help them.

3.4.1 About You

There was very little variance in the number of responses received from women (44%) as from men (52%), which is as expected given the even distribution of existing service users. Over half (52%) of responses came from people aged 55 years and over, and just over 15% were from people under the age of 44.

Nearly two thirds of respondents identified as *White* (65.79%) / *White - Other* (2.63%). 7.89% identified as *Black/Black British Caribbean*. 5.26% identified as *Asian/British Asian (Indian/Pakistani/Chinese/Bangladeshi)* or *Other*. 2.63% identified as *Black/Black British - African*. 2.63% did not identify with any ethnic group and 7.89% did not respond.

Most respondents identified as *Christian* (36.84%), followed by *no religion or preferred not to say* (21% respectively). Just over 10% did not respond.

73.68% of respondents identified as *heterosexual*, just over 10% preferred not to say and over 15% did not respond.

The following *About You* responses are percentages from responses received by hard copy questionnaires. Of the 35 hard copies questionnaires returned:

- 57.14% considered themselves to have a disability, long-term health condition or age-related care or support needs, 17.14% did not and 25.71% did not respond.
- 8.57% said they helped look after someone who has care needs - on an informal/unpaid basis, 60% answered *No* and 31.42% did not answer.
- 28.57% answered *No, I am not in contact with Adult Social Care*; 2.85% *Prefer not say*; 31.42% answered *Yes, I currently receive services from*

Adult Social Care, 2.85% answered Yes, I am a family member of someone receiving services and 34.28% did not respond.

- *5.71% respondents were a volunteer in a voluntary, community or faith organisation, 2.85% respondent was employed in the public sector, 51.42% respondents were not in paid employment and 40% did not respond.*

3.5 Questions

39.47% (15) respondents said the changes RBC is considering would affect them; 50% (19) said no; and 10.53% (4) did not respond. As the proposed changes are likely to have a greater impact on appointees than on deputy's service users the percentage of responses generally reflects the distribution of service users i.e. as just under half of the current Deputy Officer service users are appointees it is reasonable to expect only half of respondents to acknowledge that the changes would affect them.

Respondents were invited to tell us *how* they would be affected by proposed changes. We received 16 responses in total to this question. 93% (15) answer yes to part 1 of the question (above), and one did not respond to the part 1.

The theme across the responses received was general acknowledgment that people would have to pay more for the service/s they received, with some commenting that this meant they would have less money for other things. Although answering *yes* to part 1, one respondent felt the changes would not affect them '*much*'. Two respondents commented that they were already on restricted incomes and that the proposed changes would result in their income being stretched even further, one of these respondents also commented that their benefits had already been impacted on by other government cuts. One respondent raised a concern that they were being asked to pay for a service they could not afford.

84.21% (32) provided a response to the question what they thought the most important part of the service provided by the Deputy Office. 31 (81.57%) of respondents had what could be described as a positive response to this question. Important aspects included:

- safeguarding vulnerable adults who are unable to manage their financial affairs;
- reducing worry about finances;
- ensuring bills are afforded, paid and paid on time;
- support to budget for important things in life (bills, holiday's, furniture),
- reducing the burden on services users and families,
- that it is a safe and reliable service,
- offered property management support,
- offers general practical support and advice and
- that the service is friendly and helpful and there is consistency with staff.

One of these respondent went on to feedback that an individual's finances should not be a way of '*re-appropriating the running costs of the Deputy Office*'. One respondent felt there was no need for the local authority to deal with lasting power of attorneys and deputy orders for property and financial affairs and particularly at a cost to council taxpayers.

89.47% (34) of respondents felt it was important to keep the Deputy Office service in Reading, 7.89% (3) said it was not important and 2.63% (1) did not answer. 60.52% (23) of these

respondents went on to provide comments on the proposed charges to charges, or on the deputy office service in general.

The 7.89% (3) respondents that answered that it was not important to keep the service in Reading, provided the following comments on the service:

Respondent 1: 'The deputy service can be organised by the Court of Protection and solicitors; it is certainly overseen by them and the visitors they appoint. There is no statutory reason why the local authority has to be seen to act impartially when making cuts in budgets. A lean local authority is what is needed, providing only the statutory services.'

Respondent 2: 'I think personally that the service is just another way for 'Nosy parents' to be able to keep a hold of the 'reigns' of their 'GROWN UP CHILDREN, and so they can feel like they are 'STILL NEEDED.' [sic]

Respondent 3: 'My family would say yes. I didn't like it when they cancelled my account. I have been with the bank 16 years. I also didn't like it because my direct debit to Curry's stopped. I disagree with being charged for this service. I don't think it is right and I don't have enough money. I also think it is unfair to charge me for a service I have no choice about, because I am under court protection. My family thinks it is wrong to charge people for a service that they need because of a disability they have.' [sic]

Most of the other 23 respondents to this question provided what could be described as positive comments on the Deputy Office services. There was a general expression of the value of the service with respondents writing 'it's helping me', 'it's important to me', 'without Deputy's I could lose my home', 'would have difficulty managing my money', 'vital service', 'be lost without it', 'helps avoid cowboy builders'.

One respondent fed back that it was hard to comment unless the rates were published with the consultation. They had answered other questions on the survey. The information they referred to was accessible.

Two respondents advised that paying for the service would not be their preferred option and a further two wrote that they felt the proposal was fair.

Two respondents wrote that the service needed to stay local to Reading, one expanded their feedback to say they did not support any outsourcing or consultants. This is not one of the proposed changes. The same respondent also expressed concern about individuals receiving not being treated as a 'cash cow'. The same respondent had expressed concerns about charging people on restricted incomes in the feedback in question one.

4.0 Summary of reactions and outcome

Nearly 90% (34) of respondents felt it was important to keep the Deputy Office service in Reading and over half of these respondents felt the service was good, efficient and important service for Reading residents. Many expressed how the service was valued by them individually and that the staff were friendly and approachable and that the Deputy Office provided them with practical support which helps them manage and protect their finances (or the finances of vulnerable adults). For some people they said this included helping them maintain a level of independence and a sense of security.

People acknowledged that the proposed changes meant they or people they support could be asked to pay more and therefore have less money. A few expressed that this would not be

the preferred option or, should not be considered at all, but this needs to be read alongside the strong majority view of the importance and value of retaining the service.

There were a couple of comments which questioned RBC's need to charge at all for this service, particularly for people who are already on a limited income who have been impacted on already by central government cuts. One respondent felt that it was not necessary for the Council to provide the service in general as there were other options, such as local solicitor services.

Informal feedback received by Deputy Officers during the face-to-face discussion about the consultation mirrored much of the formal responses received through the questionnaire. Generally service users expressed that they were not happy having to pay, or pay more (dependent on their circumstances) but they wanted to have access to a local Deputy's Office so on balance appeared to accept the rationale for the proposed changes.

Some service users did not have or express an opinion, and in cases where service users were unable to understand the consultation, where possible appropriate representatives such as family/friends and advocates were contacted to respond to the consultation. Many representatives spoken to by the Deputy Office Manager expressed a similar view in that they accepted the rationale for the changes and the importance of retaining a Deputy Office in Reading but that charging would not be their preferred option. Everyone who contacted the Deputy Office was encouraged to formalise their views by completing and returning the consultation questionnaire.



Provide basic details

Name of proposal/activity/policy to be assessed

Directorate: Adult Care & Health Services

Service: Deputy Office

Name and job title of person doing the assessment

Name: Suzie Watt

Job Title: Wellbeing Programme Officer

Date of assessment: 12/9/2016 and 1/12/2016

Scope your proposal

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

To revise and update the RBC Deputy Office Policy and Procedures so as to make a number of changes relating to fixed rates fees and charges element that are applied to services and the threshold at which they can be applied.

The proposed changes include:

- the Council charging for all Deputy services which they are legally able to charge for under the direction of the Court of Protection/Office of the Public Guardian.
- the Council aligning the deputy and appointee services and fees for these.
- introducing a flat rate Disbursement fee where Deputy Officers' time is used to support and meet the needs of an existing client where no other cost effective, suitable services or arrangements can be identified despite all reasonable attempts or, where requested and permitted by existing service users.
- introducing an affordability cap, so that people for whom the service looks after less than £750 are not charged.

Who will benefit from this proposal and how?

Reading residents and current service users will have clarity on the Council intends to retain the service and make it a financially sustainable service. It will provide transparency on the fees and charges for the service people receive and what people can reasonably expect from the service. It will also allow people to see if and how this fits within their financial plans.

The Council will be able to demonstrate to the Court of Protection that RBC is compliant with the published guidance.

The Council will create equity in fees and charges applied for all services that the Deputy Office provides, irrespective of whether a person requires deputy or appointee services.

The Council will also have a discretionary threshold which protects service users from undue hardship as a result of paying for the services.

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

It will result in an updated Deputy Office Policy for the Council. The existing Deputy Office Policy was published in 2009 and there are variations between current practice and the policy. The fees and charges determined by the Deputy Office and the OPG/CoP have also changed in that time. Updating the policy will result in the Council being transparent and compliant in its role and responsibility as corporate appointee or deputy.

An updated Deputy Office Policy will create equity in fees and charges for services irrespective of whether we act as a corporate appointee or deputy.

It will significantly increase the probability that RBC will have a financially sustainable Deputy Office service available to eligible Reading residents. This will result in RBC being able to support the most vulnerable adults with financial affairs in the absence of any other suitable alternative.

Who are the main stakeholders and what do they want?

Existing Deputy Office service users, their family/friends, advocates or professionals involved (paid/unpaid) in their life have been the main stakeholders in the consultation. The majority have expressed support for retaining a Deputy Office and recognise the rationale for the proposed changes, however having to pay more would not be their first option.

Adult Social Care staff, community and voluntary sector organisations and private sector organisations involved in supporting adults with social care needs were invited to respond. No written responses were received from representatives from these groups however individuals who have had contact with Deputy Officers throughout the consultation expressed their support for RBC retaining the Deputy Office and recognised the need to make it financially sustainable.

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.)

No - by default deputy or appointee services are only available to people who lack capacity or have limitations to their ability/resources to manage their financial affairs **and** have no suitable alternative or provision that can assist them. RBC only ever undertake this role under the direction of a Court Order (deputyship) or on successful application to the Department of Work and Pensions (appointeeship) and therefore will only act within the framework of these agreements. The proposed changes will have no impact on this.

RBC will continue to carry out their deputy roles and responsibilities in line with the best practice published by the Office for the Public Guardian/Court of Protection and RBC will continue to be audited by them.

Many appointees have the capacity and understanding to make decisions as to whether they appoint or retain using the Deputy Office money management service. In absence of guidance from the Department of Work and Pensions the Deputy Office apply the best practice in carrying out their appointee work.

The proposal aligns the fees and charges applied for the service across both groups of service users (deputy and appointees) and will continue to use the charging directive from the Court of Protection as a guide for fees and amounts.

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

Yes - some concern about the proposed changes was received via the consultation. A small number of respondents felt that the proposed changes were unfair. This related to RBC 'imposing' a charge on individuals who already had limited incomes and had been impacted by other central government cuts. Some respondents also expressed that they did not feel people with a disability should be charged at all for receiving a service that they had no choice but to access (due to lack of capacity). However, the Council is under a duty to plan for financial sustainability, is allowed to apply fees and charges for non-statutory services, and furthermore RBC have used the Court of Protection guidance as a guide for setting these.

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

Think about who does and doesn't use the service? Is the take up representative of the community? What do different minority groups think? (You might think your policy, project or service is accessible and addressing the needs of these groups, but asking them might give you a totally different view). Does it really meet their varied needs? Are some groups less likely to get a good service?

How do your proposals relate to other services - will your proposals have knock on effects on other services elsewhere? Are there proposals being made for other services that relate to yours and could lead to a cumulative impact?

Example: A local authority takes separate decisions to limit the eligibility criteria for community care services; increase charges for respite services; scale back its accessible housing programme; and cut concessionary travel.

Each separate decision may have a significant effect on the lives of disabled residents, and the cumulative impact of these decisions may be considerable.

This combined impact would not be apparent if decisions are considered in isolation.

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
Deputy Office Service Users	Face to face; Consultation Packs (Post) with an option of online	3 rd October 2016 - 14 th November 2016
Family/Friends, Carers (paid/unpaid), advocates, professional representatives of Deputy Office Service Users	Consultation Packs (Post) and Online (via email)	3 rd October 2016 - 14 th November 2016
Community, Voluntary and Private Sector	Online (via email)	3 rd October 2016 - 14 th November 2016

Collect and Assess your Data

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

There is no evidence the change will impact differentially across racial groups.

Is there a negative impact? No

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)

There is no evidence the change will impact differentially across on gender/transgender or by reason of pregnancy/maternity or marriage.

Is there a negative impact? No

Describe how this proposal could impact on Disability

The services under consideration are ones which are accessed by people with disabilities rather than by the general population. Any proposal to change the service therefore carries the potential of a differential impact on persons with protected characteristics by virtue of disability.

The proposal will impact on individuals with a mental, physical or learning disability that require the support of Deputy Office services. Deputy Office services are only available to individuals who are unable to manage or make decisions around their financial affairs and do not have suitable alternatives which can help them meet this need. The Council will only ever act on behalf of individuals under the directive of the Court of Protection or the Department of Work and Pensions. The proposal will not change this. The Deputy Office will continue to carry out their roles and responsibilities in line with the best practice guidance and the proposal will not change this. The service itself will not therefore change.

Consultation feedback has not demonstrated any likely change in take up of the service by reason of the proposed changes to charging. However, some of those who use the service currently will have less disposable income as a result of charges being introduced.

Is there a negative impact? Yes

Describe how this proposal could impact on Sexual orientation (cover civil partnership)

There is no evidence the change will impact differentially on people on the basis of their sexual orientation.

Is there a negative impact? No

Describe how this proposal could impact on Age

Although the majority of people accessing the service currently are older than the average Reading resident, there is no evidence that the proposed change would impact differentially on older people. It will not impact on age.

Is there a negative impact? No

Describe how this proposal could impact on Religion on belief?

There is no evidence the change will impact differentially across religious / belief groups.

Is there a negative impact? No

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

The provision of appointeeship and deputyship services are not statutory duties for local authorities, under the Care Act (2014) or otherwise. However, the provision of these services is recognised good practice.

The current RBC Deputy Office policy & procedures were published in 2009. The level of charges outlined in the Policy were applicable to deputy cases only and the Office have applied local threshold to charging and therefore has not been charging as allowed under the Court of Protection (CoP) and as specified in the Policy. The impact of the proposed changes to the Policy will result in some customers (appointees) paying more each year for RBC to manage their money and for other customers paying a fee for support that RBC had not historically charged for - for example, property maintenance. Across the UK, the CoP Practice Direction (Fixed Costs) is usually adopted for the deputyship service by most other local authorities, and charging for appointee services is by local determination. Most local authorities charge on a full recovery cost basis.

In the absence of charging in line with the Court of Protection (CoP) and on a full recovery cost basis, Reading Borough Council would have to consider the sustainability of the local service provision. The impact of not having a Deputy Office service available to local Reading residents would outweigh the negative impact of proposed changes. The likelihood is any other alternative provision would be at a higher cost to the individual. This is evidenced in the fixed charging directive from the Court of Protection whereby Solicitors are already able to charge higher amounts for the same service.

Reading Borough Council has applied a local discretionary amendment to the fixed fees and charges for the Deputy Services. Whilst these have primarily been aligned with those published by the Court of Protection, the Council proposals outlines that all fees and charges for services are applied upon affordability and are only chargeable to all deputy office clients who have a net savings and accounts in credit of £750 or more. In addition,

in cases where undue hardship may be caused by the payment of any fees, service users may be exempt on application to Reading Borough Council's Deputy Authorising Officer.

Reason

3. Negative impact identified or uncertain

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

How will you monitor for adverse impact in the future?

Adverse impacts will be monitored through the financial planning with each individual service user of the Deputy Office - both existing and new. If the changes to the Policy are adopted in their entirety by Reading Borough Council, Deputy Officers, advocates and representatives will still act in the best interest of service users and will fully support individuals to apply for exemptions should there be evidence that supports the need for this.

Signed (completing officer)



Date 01/12/2016

Signed (Lead Officer)

Date

Deputy's Office Policy

Date published	TBC
Approved by	TBC
Author	Updated by (1) Marie Roeton & (2) Suzie Watt
Service	(1) Deputy Office and (2) Wellbeing Team
Directorate	Adult Care and Health Services
Review date	tbc



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1. Introduction

Every adult has the right to manage his or her own money and affairs. However, this may be difficult for some individuals, due to illness, disability or an accident.

Where an individual becomes unable to manage their own affairs without first granting a lasting power of attorney (a legal way to give someone else the power to manage their financial affairs if they cannot) the matter can be taken to the Department of Work and Pensions or the Court of Protection to appoint someone as responsible for helping the individual with financial management. In most cases, family members, friends or a solicitor will undertake this task. However, where no suitable arrangement can be made with others, Reading Borough Council can undertake this role.

Reading Borough Council (RBC) offers services through its *Deputy's Office Team*, to help individuals manage their financial affairs. Support is offered by undertaking a role as either an Appointee or Deputy. An **Appointee** usually works, with the individual's consent and instruction, to manage their benefits and financial affairs, and can do this on their behalf if they lack capacity if authorised by the Department of Works & Pensions (DWP). A **Deputy** appointed by the Court of Protection has a legal power to manage the individual's finances because they lack the mental capacity to do so themselves.

RBC Adult Care and Health Services undertake the roles of Appointee and Deputy of the Court of Protection in a voluntary capacity. **There is no statutory obligation or duty for local authorities to offer this service.** However RBC believes that this service is important to ensure that vulnerable adults continue to be protected and their best interests identified.

Under the National Assistance Act (1948), RBC has a duty to protect an individual's property when they are hospitalised or removed/relocate from their home under this same Act. RBC's duty to protect property is actioned only if it appears that there is a danger of loss or damage to a client's property because of their absence and no other suitable arrangements have been made.

This document sets out the policy of RBC on managing individual adult's finances and explains its roles of:

- **Appointee** of Department of Work and Pensions;
- **Deputy** of the Court of Protection; and
- **Property protection** under the National Assistance Act (1948).

The Policy will be accompanied by procedures and practice guidance, to support the *Deputy's Office Team* to successfully undertake these roles.

2. Context

The **Mental Capacity Act (2005)** provides the framework for acting and making decisions on behalf of individuals who lack the mental capacity to do these acts or make these decisions for themselves.¹ RBC and its staff work in a professional capacity to support people who lack mental capacity, and therefore have a duty to comply with this Act. The legal framework provided in the Act is supported by the **Code of Practice**, which provides guidance and information to help RBC work in the best interests of adults who lack capacity. RBC's *Policy for Appointee of DWP and Deputy of the Court of Protection Services* and its relevant procedures have been developed in accordance with the legislation above and the Code of Practice and adopts the presumption of capacity and the principle of equal consideration, as quoted from the Code²:

1. A person must be assumed to have capacity unless it is established that they lack capacity.
2. A person is not to be treated as unable to make a decision unless all practicable steps to help him them to do so have been taken without success.
3. A person is not to be treated as unable to make a decision merely because they make an unwise decision.
4. An act done, or decision made, under this Act for or on behalf of a person who lacks capacity must be done, or made, in - their best interests.
5. Before the act is done, or the decision is made, regard must be paid as to whether the purpose for which it is needed can be as effectively achieved in a way that is less restrictive of the person's rights and freedom of action.

¹ Department for Constitutional Affairs (2007). *Mental Capacity Act 2005 Draft Code of Practice*. p.12

² *Mental Capacity Act (2005) Code of Practice p.19 (2007)* H25

Section 45 of the Mental Capacity Act establishes a special court, one that is a “Superior Court of Record” which can set precedent and is known as the **Court of Protection**, with a new jurisdiction to deal with decision-making for adults who lack capacity. The Court has the power to make decisions and **appoint Deputies** to make decisions and manage financial matters in the best interests of individuals that lack capacity.

The **Office of the Public Guardian (OPG)** is part of the *Department of Justice* and is separate from the Court of Protection (CoP) and as is the Court Funds Office. The OPG’s aim is to:

- Promote and protect the financial and social well-being of its clients; and
- Guide and work with the people who are appointed to look after its clients financial affairs (Deputies or Lasting Power of Attorneys).

The Government **Department of Work and Pensions (DWP)** has the jurisdiction to assign Appointees, to collect individuals’ benefits and (where they have capacity) to work under the individuals’ instruction to manage their financial affairs.³

In April 2016, RBC agreed to the updated version of the **Safeguarding Adults Multi-Agency Policy and Procedures for the Protection of Vulnerable Adults from Abuse**. These policy and procedures were originally published in June 2006 and are a collaborative effort across Local Authorities of Berkshire, National Health Service Trusts, Berkshire Care Association and Thames Valley Police. This policy highlights RBC’s commitment to working in partnership to enable vulnerable adults to live and receive services in an environment that is free from prejudice and safe from financial and other forms of abuse. The procedures assist staff to:

- Identify indicators of abuse;
- Investigate and report potential instances of abuse; and
- Arrange appropriate support for vulnerable adults.

The *Safeguarding Adults Multi-Agency Policy and Procedures for the Protection of Vulnerable Adults from Abuse* dovetails with this *Policy for Appointee of DWP and Deputy of the Court of Protection Services* and its relevant procedures to ensure a holistic approach to protecting vulnerable people in Reading Borough.

3.1 Eligibility

RBC will consider an individual’s eligibility for its Appointee or Deputy service where individuals have not already made arrangements for a lasting power of attorney (LPA).

Sometimes, a person is aware that their mental ability may deteriorate in the future and will make provision to appoint an attorney. RBC can support nominated LPA donee to register as an Attorney (with the Court of Protection), to act on the individual’s behalf in the event that they become incapacitated. In these instances, RBC would not become involved in the role of managing the individual’s financial affairs.⁴

RBC’s eligibility criteria for Appointee and Deputy services are detailed in Table 1.

Table 1: Eligibility for RBC Appointee and Deputy Service

Appointee	Deputy of Court of Protection
Welfare benefits are principle source of income and savings are minimal.	Savings and/or assets: <ul style="list-style-type: none"> • Order Appointing a Deputy for Property & Affairs (minimal savings but each client assessed on individual circumstances) • Single Order – a specific direction issued to assist a client (e.g. sign a tenancy) we only apply for Property and Financial Affairs (Tenancy Single Orders are handled by RBC Legal Department and social

³ The DWP can give authorisation for an appointee to act for a client who lacks capacity. See DWP BF56 form “Application for appointment to act on behalf of someone else”.

⁴ Office of the Public Guardian (2007) *Lasting Power of Attorney guidance booklets*

	workers).
Assessed as unable to act for themselves in claiming and managing benefits to which they are entitled, and benefits are their principle source of income.	Medically assessed as having lost mental capacity under the Mental Capacity Act (2005) and therefore unable to manage their financial affairs independently.
Willingness to cooperate with the appointee to work in their best interests.	Where possible and appropriate, the individual should be aware that a Deputy is being appointed to act on their behalf.
A solicitor does not already undertake the Appointee/ Deputy role and/or the estate value could not offer a commercial incentive.	
No relative or friend who is able, appropriate and willing to undertake the role.	
Assessed (by social worker and Deputy) as having a clear and specific reason for requesting the service and likely benefits are evident. The final decision rests with the official Deputy for RBC who is the Holder of the Post of Director of Adult Care and Health Services.	
The Deputy's Office Department has the capacity to undertake the anticipated work to the required standard.	
The person is a permanent resident of and pays their Council tax to Reading Borough.	

In all other circumstances, the role of Appointee/ Deputy will be undertaken by a friend or relative, or referred to a solicitor external to RBC.

3. Reading Borough Council Roles

Some people in Reading Borough experience mental or severe physical disabilities, which may mean that they are unable to act for themselves and need help to manage their financial affairs. RBC's *Deputy's Office Team* offers support through Appointee and Deputy Services.

3.1 Deputy Office Team

The Deputy's Office Team consists of a Manager, a Deputy's Officer, a Deputy's Administrator and a part-time Deputy's Administrator, who work together to offer support to eligible individuals. This number of staff is able to serve a maximum of 250 individuals in total:

- Coordinate applications for Appointee and Deputyship;
- Establish Appointee and Deputy status and manage individual's financial affairs as per RBC's procedures and practice guidance;
- Support the nominated Deputy in his/her role;
- Undertake tasks to ensure that vulnerable adults' property is protected;
- Allocation/provision of personal allowances for each individual.

3.2 Nominated Deputy for Reading Borough Council

The Court of Protection appoints an individual to act as Deputy for vulnerable adults. Deputy status is appointed in the name of the nominated individual, **not** the name of RBC or the Department.

RBC has nominated the individual in the post of Director of Adult Care and Health Services to act as Deputy for eligible individuals in Reading Borough.

To change the nominated Deputy for RBC, the Director of Adult Care and Health Services and Lead Councillor for Adult Care and Health Services must formally approve the new arrangements in writing.

RBC's roles in providing its Appointee and Deputy Services are detailed in these sections

3.3 Role of Appointee

RBC's role as an Appointee (of the Department of Work and Pensions) is to, with the consent of the person:

- Receive Benefits and Pensions from:
 - Department of Work and Pensions;
 - Council (e.g. Council Tax or Housing Benefit); and
 - Private or Occupational Pension.
- Notify the Department of Work and Pensions if there is a change to the individuals' personal or financial circumstances, which may affect his/her benefits or pension.
- Arrange for a benefits check, to ensure that the individual receives all of the benefits to which they are entitled, and obtain them where required.
- Use the individual's resources to make regular provision for their personal requirements. Arrangements can be made with the individual directly, or through their carer, where appropriate.
- Arrange for creditors (including utilities companies) to be paid on time from the individual's bank account.
- Maintain detailed accounts and receipts of the individual's income and expenditure, as required by the Department of Work and Pensions.

3.4 Role of Deputy for Court of Protection

RBC's role as a Deputy of the Court of Protection is to:

- Act in the best interest of the client at all times;
- Look after the client's property;
- Open a Deputy bank account;
- Claim all benefits that are due to the client;
- Take out insurance which covers the client's income and spending during the term of the Deputy arrangement; take out home contents insurance;
- Ensure that the individual's money is being used to give him or her the best possible quality of life;
- Ensure all income is collected and all bills are paid on time;
- Keep all important documents and other valuable items in a safe place;
- Keep any property secure, in a reasonable state of repair, and adequately insured;
- Deal with the client's income tax and other tax matters;
- Tell the Driver and Vehicle Licensing Agency if the individual holds or applies for a driving licence;
- Tell the OPG if:
 - There are any changes to the individual's financial circumstances, for example, if he or she inherits any property or money;
 - There is a likelihood of the individual getting married, divorced or involved in other legal proceedings;
 - The individual is planning to make a will;
 - There is the possibility of the client recovering;

- The individual dies;
- There are any changes to the individual's address and accommodation fees
- Cooperate with any Court of Protection Visiting Officer.
- Get agreement from the OPG before dealing with any savings or investments;
- Keep all orders and directions the Court makes;
- Pay the relevant Court of Protection fees from the individual's funds when necessary.
- Annual visits to check smoke alarms, to obtain gas safety certificates, to obtain electrical test certificates, and take inventories.

4. Managing potential conflicts of interest

In undertaking the role of Deputy, the nominated individual works under the guidance of the Court of Protection, and acts independently of RBC.

The Deputy will work in the best interests of the vulnerable individual and in doing so there may be potential for conflicts of interest to arise between their RBC Deputy role, and their role as a RBC employee.

The Deputy will have responsibility for identifying potential conflict of interests. Conflict of interests may include instances where the Deputy must act on behalf of the individual to enter arbitration or take legal action against RBC.

In cases where a potential conflict of interest is identified, the Deputy will seek guidance from the Court of Protection, and act in accordance with the Court's direction.

After the Deputy has sought guidance from the Court he/she must notify the Director of Housing and Community Care and discuss the action required to mitigate the conflict of interests and reach a resolution to the individual's issue.

5. Court of Protection Orders

The role of the Court of Protection is to make decisions in cases where individuals have lost mental capacity to manage their financial affairs. The Court has the power to issue one of two orders:

- Order Appointing a Deputy for Property & Affairs.⁵
- Single Order of the Court

5.1. Order Appointing a Deputy for Property & Affairs

The Court of Protection issues an Order Appointing a Deputy for Property & Affairs which will give the Deputy the authority "to make decisions on behalf of [the Client] that he/she is unable to make for him/herself in relation to his/her property and affairs subject to any conditions or restrictions set out in the order".⁶

Managing an individual's financial affairs usually goes further than receiving income. The aim of the court order is to assist the Deputy in the management of all the financial interests of the individual. As a result, in practice the Deputy's duties will include the authorisation to:

- Receive all or part of the client's money that is held in bank or building society accounts;
- Pay any doctor's, solicitor's or Court fees; nursing home or other charges, debits and sundry expenses;
- Sell the client's property or land, or end a tenancy agreement;
- Sell or dispose of a client's furniture or household belongings;
- Look after life insurance policies;
- Provide accounts of how the client's money under RBC's control have been dealt with;

⁵ Adapted from Office of the Public Guardian (2007). *Making an application to the court of Protection*.

⁶ Adapted from an Order Appointing a Deputy for Property & Welfare issued 21/1/08

- Carry out any other actions in the client's best interests;
- Make sure documents, such as the client's will or share certificates, are kept safely.

5.2. Single Order of the Court

The Court of Protection may make a Single Order when the Deputy requires a direction that is not specified in the Order Appointing a Deputy for Property & Affairs. Examples could be:

- Signing a tenancy agreement on the client's behalf.
- Direction regarding trusts.
- The selling of shares.
- Any financial investment.

The need to request a Single Order from the Court can arise when there has been a change in the client's circumstances and the direction specific to necessary action is not contained within the original direction. (e.g. client is moving from owner occupied home to residential care and the property needs to be sold to fund the placement.)

In such instances the Deputy would apply to the Court for a Single Order to obtain guidance and the authority to act on the client's behalf and carry out this action.

6. Property Protection

Councils have a legal duty to provide protection of property under the National Assistance Act 1948 (section 48). This applies where a person is admitted to hospital, residential or nursing care or removed from their home and relocated under the National Assistance Act and no one has been identified as being able to protect the property on behalf of the client.

In Reading Borough, where an individual does not have other suitable arrangement for protecting their property, the RBC Deputy's Office Team will assess the risk of loss of, or damage to, individuals' property, and take reasonable steps to protect it. **Care managers will not undertake this role.**

RBC's Property Protection Principles

Under the National Assistance Act (1948), RBC has a duty to:

- Act in the best interest of the service user at all times.
- Look after the service users property, including making provision for pets;
- Ensure that the service user's money is being used to give him or her the best possible quality of life.
- Keep any property secure, in a reasonable state of repair, and ensure that adequate insurance is in place.
- Keep all important documents and other valuable items in a safe place.
- Take reasonable steps to prevent or mitigate any loss or damage.

RBC's roles in Property Protection

The services provided by RBC under the Act are as follows:

- Securing service user's property.
- Conducting inventories of service users property.
- Storage of service user's property; if the client has funds.
- Arranging for the boarding of pets;.

- Arranging the valuation, sale or disposal of service user’s property.

RBC has developed procedures and practice guidance to support staff to fulfil its duty of Property Protection under the National Assistance Act (1948).

7. Fees and Charges

Deputyship

Deputyship clients can expect to be charged in line with the practice direction [19B Fixed costs in the Court of Protection](#). This is subject to change, when changes are approved and published by the Office of the Public Guardian, the deputy office will give 28 days’ notice before changes to charges will take effect. The Deputy’s Office Policy will be updated during the annual review.

The Council will also seek disbursement for services that a deputyship client would otherwise pay for had they retained capacity. Please see Table 2 Service Fee – *Disbursement*, for more information.

Appointeeship

The DWP do not have formal guidance on charges or fees for corporate appointeeship services, however they do state that any payment for services received need to be proportionate and reasonable. RBC have referred to the Care Act (2014), the Care and Support Statutory Guidance and the Court of Protection guidance.

In cases where RBC become the approved corporate appointee, the client can expect to pay for the service they receive. The amounts are based on the most recently published Practice Direction 19B fixed charged costs in the Court of Protection – See Table 2.0 for more information. Amounts paid will be subject to change. When changes are made for example when published by the OPG, the Deputy’s Office will give 28 days’ notice to all clients before changes to charges will take effect. The Deputy’s Office Policy will be updated during the annual review.

Table 2. Service Fee

Category	Detail	An amount not exceeding
Category I	<p>Work up to and including the date upon which the DWP appoint RBC as the corporate appointee.</p> <p>Clients can expect to pay this once in their lifetime where the Council act on their behalf, irrespective of the service they receive from the Deputy’s Office, for example if an appointee transitions to a deputy service.</p> <p>If an application to the CoP is made to change a client’s nominated deputy, then the client will be charged again in the CoP guidance.</p> <p>Existing appointee clients(prior to the 31st December 2016) can expect to pay this only if RBC apply to the CoP to become their deputy.</p>	£670
Category II	<p>Annual money management fee where RBC acts as corporate appointee for benefits:</p> <p>(a) For the first year:</p> <p>(b) For the second and subsequent years:</p> <p>Where the net savings of an individual are below</p>	<p>£700</p> <p>£585</p>

	<p>£16,000, the local authority corporate appointee may take an annual management fee not exceeding 3% of the client's net savings on the anniversary of the DWP approving the corporate appointee application.</p> <p>Clients whom transition from appointee to deputyship services will have their anniversary date moved to the date of the court order and pro-rata calculation will be made for the annual management fee up to the date of the court order. Clients can expect not to pay any more than an annual fixed management rate in any one calendar year. The years of the annual management fees will be continuous and not reset where clients transition from one service to another.</p> <p>Existing appointee (prior to the 31st December 2016) can expect to be charged the 2nd year and subsequent fee for their lifetime on an anniversary date identified either in an agreed financial plan or as change comes into effect.</p>	
Category III	Annual property management fee to include work in the ongoing maintenance of property – optional service which may be made available to corporate appointees by prior arrangement only and will be included by agreement with clients or appropriate representatives in a financial plan.	£270
Category IV	Preparation and lodgment of an annual report or account to the appointee – optional service which may be made available to corporate appointees by prior arrangement only and will be included by agreement with clients or appropriate representatives in a financial plan.	£195
Disbursement	<p>Local Authorities are allowed to charge for specialist services that all clients would normally be expected to pay. Where a Deputy Office client requires additional ad hoc support and there are no suitable, cost effective alternative service provisions, the professional services of the deputy office may be available for a fixed hourly rate. This is available by prior arrangement only and in agreement with the Deputy Office Manager and will be included by agreement with clients or appropriate representatives in a financial plan.</p> <p>The Council will also charge for arranging of funerals for deceased estates under the Public Health (Control of</p>	<p>£40 per hour</p> <p>Plus actual cost/fees relating to any items/transactions or services arranged</p>

	<p>Disease) Act 1984.</p> <p>Any fees or transactions cost (for example bank fees) relating to the management of the financial affairs of Deputy Office clients are payable by the client.</p>	
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All fees and charges for services received will be applied upon affordability and are chargeable to all deputy office clients who have net savings and accounts in credit of £750 or more. Category I and II fees will be charged on the RBC payment schedule on or after the anniversary date as per agreed client financial plan. Category III, IV and Disbursement are payable on first available payment schedule following receipt of services. Fees will be collected by standing order or by transfer.

In cases where undue hardship may be caused by the payment of any fees, then in such circumstances clients may be exempt from the fee on application to RBC's Deputies authorising officer. Applications can be submitted either by clients or appropriate representatives, for example an advocate or an allocated Adult Health & Social Care worker.

8. How Policy and Policy Amendments will be communicated

RBC will take steps to:

- Give early advice to clients on the policy, highlight changes to each individual and provide assistance with how this may affect their financial affairs and financial plans.
- Provide advice on how and when charges will come into effect.
- Provide clear and concise information on how to raise awareness of hardship as quickly as possible and take necessary action to avoid causing any undue hardship.
- Raise the implications for non-agreements with clients, appropriate representatives and suitable professionals involved.
- Review each case individually, taking into account the known circumstances of that client, if possible and endeavouring to find a remedy to any issues which place a client at risk of undue hardship.
- If a fee or charge remains unpaid because of unforeseen financial issues arising, then advise the client what will happen and let the client know what action can be taken and which organisations or agencies can advise them and how they can be contacted.

9. Policy Summary

- Wherever possible, RBC will encourage and support individuals to manage their own financial affairs or support nominated friends and family to assist.
- Where RBC does take on the responsibility to manage an individual's financial affairs, it will act responsibly and in the interests of the individual.
- RBC will only manage an individual's financial affairs if there is no other suitable person to undertake this role and/or where there is evidence of conflicting interests, suspicions or accusations of abuse.
- RBC offers services through its *Deputy's Office Team*, to help vulnerable individuals manage their financial affairs. Support is offered by undertaking a role as either an Appointee of the Department of Work and Pensions or a Deputy of the Court of Protection. An **Appointee** works with the individual's consent and instruction to manage their benefits and financial affairs. A **Deputy** manages the individual's finances because they lack the mental capacity to do so themselves.
- RBC has a duty under the National Assistance Act (1948) to protect individual's property when they are hospitalised or removed/relocate from their home and no one has been identified as being able to do this on the client's behalf. RBC will develop and agree procedures to accompany this policy, to assist staff to meet this duty competently.
- There are fees and charges which will be applied for deputy and appointee services. These will be regularly reviewed and will be included in the financial plans prepared with and for people RBC act for.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE & COUNCIL		
DATE:	16/24 JANUARY 2017	AGENDA ITEM:	16
TITLE:	BUDGET 2017-18 - APPROVAL OF COUNCIL TAX BASE, NNDR1 ESTIMATE & ESTIMATED COLLECTION FUND SURPLUS - APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18 AND REMOVAL OF EMPTY AND SECOND HOME COUNCIL TAX DISCOUNTS		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	AREA COVERED:	CORPORATE SERVICES
SERVICE:	FINANCIAL	WARDS:	BOROUGHWIDE
LEAD OFFICER:	Rachel Musson / Alan Cross	TEL:	72058 / 9372058
JOB TITLE:	Director of Finance Head of Finance	E-MAIL:	Rachel.Musson@reading.gov.uk Alan.Cross@reading.gov.uk

This report sets out the recommendation of Policy Committee, but as explained to the Committee the NNDR1 form had not at that stage been fully reviewed and the proposed council tax base was being reviewed. Any necessary update will be advised to Group Leaders ahead of Council.

1. PURPOSE AND SUMMARY OF REPORT

- 1.1 By 31 January 2017 it will be necessary to have estimated and informed the Thames Valley Police & Crime Commissioner, Royal Berkshire Fire & Rescue Service and Environment Agency of the Council Tax base to be used for setting the tax and levy for 2017/18. In order to do this it will be necessary to estimate the anticipated Council Tax collection rate and therefore the allowance to be made for non collection and changes to the Council Tax Base.
- 1.2 Also, by 31 January it will be necessary to have estimated and informed the Royal Berkshire Fire & Rescue Service and DCLG of the estimated collectible business rates to be used for setting the budget and ultimately the council tax for 2017/18. This is done by completing a form known as NNDR1.
- 1.3 On 16 January 2017 there is/was a requirement to estimate the collection fund surplus or deficit separately for both council tax and business rate transactions as at 31 March 2017. Any surplus or deficit is then to be taken

into account when calculating the total amount to be collected from Council Tax payers in 2017/18. This report sets out forecast council tax collection and the resulting impact on the Collection Fund and in the context of tax setting as a whole it is helpful for Council to note.

- 1.4 Government regulations require that the Council Tax Base and related collection rate to be used for calculating Council Tax are made by the full Council, and cannot be delegated to a Committee or to an officer. The approval of NNDR1 can be done by either Policy Committee or an officer, but given its potential significance it is suggested Policy Committee or Council approval is appropriate and the collection fund estimate must be done on a specific day, so is/was done by the Chief Finance Officer to meet that legal requirement, on the basis of the information then available.
- 1.5 This report also seeks formal Council approval for the Council Tax Support Scheme for 2017/18. As part of the Council's budget measures, proposed changes to the local scheme were detailed in a report to Policy Committee on 31 October 2016 including a proposal to implement these for a period of two years followed by a review for future years. A statutory public consultation on these proposed changes to the local scheme took place from 4 November to 30 December 2016.

The changes we propose to apply from 1 April 2017/18 and 1 April 2018/19 are:

- to increase the minimum contribution from 20% to 25%,
- to remove earned income disregards from the earnings calculation
- to increase non-dependant deductions.

These changes generally apply in combination. In addition DCLG has completed an annual update of various allowances particularly as the scheme affects pensioners and those changes have been incorporated. When we consulted on the original principles of the new local scheme in the summer/autumn of 2012, we indicated that various allowances would be subject to annual uprating, so there would be no need for further public consultation on the principle of that point each year.

Appendix B to this report sets out a summary of the responses to the consultation on the proposed changes to the local scheme and the officer response and advice. This includes the recommendation not to reduce the capital limit allowance from £6000 to £3000.

- 1.6 The report also notes that the various technical changes to Council Tax made in previous years will continue, and subject to your approval of this report, further changes will be introduced this year to reduce discounts for Major Works and for second homes.

A consultation has also taken place on these proposed changes and details of the consultation response and a summary of the key points made can be found in Appendix C.

The proposed changes remove the current 50% for 12 months discount on properties undergoing works, and for properties that are empty and unfurnished remove the 100% for 1 month and remove the 5% discount on properties that are classed as second homes. You are recommended to approve the proposal to be implemented from 1 April 2017.

- 1.7 The Equality Impact Assessment in respect of the proposed changes to the Council tax Support Scheme and Council Tax discounts is included at Appendix F.
- 1.8 Pursuant to the approval of the Council Tax Support Scheme and other estimates explained, the report then sets out the detailed calculations to be made under the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, which Council is asked to approve.
- 1.9 Council may recall that part of the process of putting the Council Tax Support Scheme formally in place involved fully adopting the Government's "default" scheme (which we then amended). That document was over 160 pages long, so was not printed in full in previous years, or this agenda. The same continues to apply to our adoption of government changes, but a copy was placed in the Member's room and on the website.
- 1.10 The following are appended:-

Appendix A - Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016

Appendix B - Summary of consultation responses on the proposed changes to the Local Council Tax Support Scheme

Appendix C - Summary of consultation response on proposed changes to Council tax discounts

Appendix D - CTB1 Return

Appendix E - Draft NNDR1 Return

Appendix F - Equality Impact Assessment on proposed changes to the local Council Tax Support Scheme and changes to discounts for empty homes and second homes.

Appendices A, D and E and the full technical details of the Local Council Tax Support Scheme have not been produced for committee as they are very technical documents. Copies are available on the website / internet / in the Members' room.

2. RECOMMENDED ACTION

2.1 Council is requested to approve the 2017 uprating of the allowances in the council tax support scheme and other amendments to the scheme as set out in paragraph 6.7.

2.1.1 Notes that we have adopted:

- (i) the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (SI 2886(2012)) in 2013
- (ii) the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013 (SI 3181 (2013)) in 2014
- (iii) the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014 in 2015
- (iv) the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015 in 2016

and these will remain in place as the basis of our 2017-8 scheme (to the extent the requirements in each regulation remain prescribed).

2.1.2 Council is asked to now adopt the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016 which came into force on 15 January 2017 and apply to local schemes from 1 April 2017 as set out in Appendix A.

2.1.3 Council is asked to approve the proposed local changes set out in Appendix B for 2017/18 and 2018/19 and the overall Local Council Tax Support Scheme for 2017/18. (Appendix B sets out the summary of responses to the consultation on the Local Council Tax Support Scheme)

2.1.4 Council should note the Council's "plain english" guide to the Council Tax Support Scheme which explains how these regulations as amended locally will work together, and that an update will be published on the website to reflect the 2017/18 scheme.

2.2 Council is recommended to approve (following consultation) the changes to discounts for certain empty property and second homes as set out in Appendix C.

2.3 Council is recommended to approve that for the purpose of, and in accordance with, the provisions of the Local Authorities (Calculation of Council Tax Base) Regulations, 1992 (as amended):

- (a) The estimated Council Tax collection rate for the financial year 2017/18 be set at 98.75% overall (unchanged since 2015/16);

(b) Taking account of 2.1, the Council Tax technical changes made since 2013/14 and above, the amount calculated by Reading Borough Council as its Council Tax base for the financial year 2017/18 shall be 53,650 (figure being reviewed).

2.4 Council is asked to note that a surplus of £1,045,075 (to be confirmed) has been estimated in respect of Council Tax transactions as at 31 March 2017, and Reading's share of this is £900,000 (to be confirmed).

2.5 Council is asked to note that a surplus of £x,yyy,000 (to follow) has been estimated in respect of NNDR transactions as at 31 March 2017, and Reading's share of this is £zzz,000 (to follow).

2.6 Council is asked to note and approve the NNDR1 form in Appendix E (to follow), noting that we're estimating that we'll collect £ (figures being reviewed), of which Reading retains £3p.qqqm after rrr.sm (to follow, the DCLG tariff).

3. POLICY CONTEXT

3.1 Under Government regulations it is necessary for the Council to review its Collection Fund and decide the following:

Its estimated Council Tax surpluses or deficits for the 2016/17 year
Council Tax Collection Rate for 2017/18
Business Rates collectable in 2017/18
Council Tax Base to be used for setting 2017/18 Council Tax

3.2 The Director of Finance makes the necessary estimates relating to any collection surplus/deficit, and the business rates collectable, both of which follow prescribed requirements, but requires that only the Council can agree the calculation of the Council Tax Collection Rate and (the related) Council Tax Base.

3.3 Following the introduction of the Council Tax Support Scheme (CTSS) in 2013/14 and technical changes to the Council Tax regime the estimates and calculations take account of our experience of the new arrangements. Both CTSS and technical changes effectively changed the way individual bills are calculated, so affecting the tax collectable, and hence the tax base (whereas historically Council Tax Benefit operated as a relief that helped pay some taxpayers bills).

4. COUNCIL TAX

4.1 Council Tax is largely a property based tax with a 25% discount for people living alone.

- 4.2 The amount each household will pay depends on the value of their property on 1 April 1991 which determines which Council Tax band it is in. (Households in Band A will pay at the rate of two thirds of Band D and households in Band H will pay at the rate of twice Band D).
- 4.3 The following table sets out these proportions, and the number of properties on the valuation list (at the time of our CTB1 return to DCLG in October (Appendix D), in Reading, in each band.

Table A

Band	Amount Payable as a Proportion of Band D	Properties in Each Band	
		Number	%
A	6/9	6,254	9
B	7/9	13,851	20
C	8/9	28,594	41
D	9/9	10,796	15
E	11/9	5,412	7
F	13/9	3,273	5
G	15/9	1,829	3
H	18/9	79	-
		70,066	100

This is an increase in properties on the list of 1,093 over the last year (which had 68,876 properties). In the previous year the increase was only 695.

5. HOW THE TAX IS CALCULATED

5.1 Council Tax will be calculated by dividing the sum of the budget requirements of Reading, the Royal Berkshire Fire & Rescue Service (RBF&RS) and Thames Valley Police (TVP) by the total number of properties adjusted to a Band D equivalent by applying the proportions above (adjusted to allow for a small amount of non collection). The “properties adjusted to Band D equivalent” is known as the taxbase. The Band D tax rate will then be multiplied by the proportions shown in Table A above. As 70% of properties are in Bands A to C the average level of Council Tax in Reading will be lower than the Band D rate.

Council Tax Requirement

5.2 The council tax requirement for Reading, the Thames Valley Police & Crime Commissioner and the Royal Berkshire Fire & Rescue Service (RBF&RS) will be calculated as follows:

General Fund net expenditure less share of Grant Allocation (RSG) and retained NNDR equals council tax requirement to be funded by Council Tax.

Council Tax Base

- 5.3 The Council Tax base must be calculated in accordance with Government rules.
- 5.4 Each year the Government collects tax base information. This information is periodically used in the grant distribution process, but does not take account of any losses on collection.
- 5.5 However, the tax base to be used in setting Council Tax will be the “relevant tax base” (the tax base submitted to the DCLG and adjusted for technical changes, the Council Tax support scheme multiplied by the estimated rate of collection).

Collection Rate

- 5.6 By 31 January 2017 it is necessary to have estimated and informed TVP, RBF&RS and levying bodies of the Council Tax base to be used for setting the tax for 2017/18. In order to do this it will be necessary to estimate the anticipated Council Tax collection rate.
- 5.7 Under original Government regulations, the calculation of the Council Tax base and the collection rate and therefore the actual Council Tax base to be used for calculating Council Tax can only be made by the full Council, and cannot be delegated to a Committee or to an officer.

6. CALCULATION OF COUNCIL TAX BASE AND COLLECTION RATE FOR 2016/17

- 6.1 The calculation of the Council Tax base and collection rate must be made in accordance with the rules set out in the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended.
- 6.2 It is necessary to explain how these calculations are made in order that the Council can formally adopt them. The calculations required by the regulations are set out below.

Council Tax Base Return (CTB1)

- 6.3 During October 2016 we were required to submit to DCLG a form, CTB1 which analyses the valuation list into the various bands and then provides further detail of those properties subject to the full charge, those entitled to discounts and those which are exempt.
- 6.4 The details from the CTB1 return are shown at Appendix D. The return also converts the equivalent total number of properties in each band to a Band D equivalent figure of after adjusting the tax base to reflect reduced

discounts for second homes which are not included in the CTB1 return, which forms the initial base for the calculation of the tax base.

Council Tax Technical Changes

- 6.5 At December 2012's Cabinet we adopted and Council in January 2013 approved various technical changes to the Council Tax. These had the effect of increasing the charges in certain circumstances for people with second and empty homes. Subsequent amendments were made last year and a further amendment is proposed this year. Fuller details are set out in Section 8 below.

Council Tax Support Scheme

- 6.6 At December 2012's Cabinet we agreed the principles of the local Council Tax Support Scheme. The scheme has the effect of reducing the charges in certain circumstances for people with a low income. We first approved a scheme with a minimum 15% contribution for working age claimants at Council in January 2013, and have subsequently made technical changes that made it easier for some claimants to receive their reduction. As part of a comprehensive review of the options available to the Council last year we increased the minimum payment from 15% to 20%, and introduce a minimum £5 per month award, to avoid the high administrative costs that arises with very low value awards.
- 6.7 Following consultation, we now propose formally to implement the changes set out in 1.5 above and presented in detail at Policy Committee on 31 October 2016. Following the consultation it is recommended to proceed with these changes other than we are recommending not to proceed with the proposal to reduce the capital limit allowance from £6,000 to £3,000.
- 6.8 Appendix B sets out the approach to consultation, and the key issues emerging. As part of the consultation process, there has been some additional engagement with the advice agencies in relation to these changes. We will continue to do annual uprates of allowances in the scheme. The formal scheme requires approval by Council and we will update the plain english guide on the website once the changes are agreed.

Collection Rate

- 6.9 Broadly, the actual tax base to be used in calculating Council Tax will be the tax base from the CTB1 adjusted for the technical changes and council tax support scheme multiplied by the estimated rate of collection.

Council Tax Collection

6.10 Table B summarises actual collection to 31 December 2016.

Table B

Cash Collection	2016/17 £m	Previous Year's Arrears Target £000
Target cash collection 2016/17	84.00	1.70
Amount collected to 31 December 2016	71.86	1.39
Balance to achieve target set	12.14	0.31

6.11 Cash Collection for 2016/17 & Older Debt

The final direct debit payment from most taxpayers was collected at the beginning of January which together with collection to the end of December has taken collection to around 90% of the annual target and similar to recent previous years.

We expect the Council will achieve an in year cash collection rate of around 96.75% for 2016/17 (2015/16 Collection in year was and 2014/15 96.8%), which will eventually rise to just over 99% of the final debit when arrears are collected. In our historic collection statement all years up to 2012/13 now show a collection rate above 99%, and 2013/14 and subsequent completed years well over 98%. The table above indicates that we are well on the way to collecting our arrears target and overall we should be at or close to cash collection targets for the financial year by 31 March 2017.

There will however be outstanding arrears from 2016/17 and earlier years to collect in 2017/18 and future years. Action to recover arrears remains strong and effective, though we experience some write offs where it is deemed that tax payers have little or no ability to pay the arrears even after bailiff action, or debt is otherwise irrecoverable.

Allowance for Non Collection

Last year we made a 98.75% recovery rate assumption overall (in deciding a taxbase of 51,050). Any under or over estimation of the collection rate will need to be taken into account when setting the budget and Council Tax in 2018/19. If the collection rate is under estimated then there would be a surplus on the Collection Fund and the Council Tax for Reading will reduce, or budget increase accordingly. However, if the collection rate is overestimated the resulting deficit on the Collection Fund will increase the Council Tax or further reduce the budget we are able to set in 2018/19.

- 6.12 Collection performance has largely held up, though we need to be mindful that the changes to LCTS and empty and second homes discounts may result in some collection difficulties, although the position regarding collection from households receiving council tax support is now better understood with the benefit of several years of the scheme.
- 6.13 Taking account of our historic collection performance, the estimated collection rate should remain at 98.75%. (This is slightly less than the 99% forecast of ultimate collection as we need to make a small allowance (0.25%) for banding appeals on new property). Assuming continued tax base growth, and making an allowance for the on-going discount review, adjusting for the proposed changes to the scheme at 2016/17 tax levels we anticipate that our tax income (at this collection rate) will increase to around £76.16m which is equivalent to a tax base of 53,650.

ESTIMATING THE COLLECTION FUND SURPLUS/DEFICIT - COUNCIL TAX & NNDR

7. COUNCIL TAX

- 7.1 We have reviewed the Collection Fund, the buoyancy of the tax base, and the level of arrears recovery expected over the medium term, and have concluded that, taking account of the collection fund deficit of £0.208m as at 31 March 2016, the estimated collection fund surplus of £0.235m, the collection performance indicated above in Table B, that the total estimated surplus at 31 March 2017 (in respect of Council Tax transactions) should be £1,045,075.
- 7.2 The surplus will be apportioned according to 2016/17 council tax requirements; so shares will be:

Table C

Reading BC	£ 900,000
Thames Valley Police	£ 105,850
Royal Berkshire Fire & Rescue Authority	£ 39,225

These will be taken into account in setting the tax for 2017/18. Any variance at the year end will be taken into account in setting 2018/19's tax in due course.

7.3 NNDR

In a similar way, we need to estimate the surplus or deficit arising from NNDR transactions. This is significantly more difficult to do with reasonable certainty, because of outstanding rating appeals, so considerable judgement is needed. The latest review of our appeals liability estimated it as over £13.9m, though Government regulations allow for us to account for part of that liability over 5 years which we have elected to do (so the last £2.4m is due to be provided for in 2017/18).

In addition to this, Virgin Media has made an application to have all its property put on a single list, essentially on the basis its network is a single entity. If this application is successful we will have a liability of around £3.3m, most of which is not included in the above figure. We closed the 2015/16 accounts with a £1m surplus in line with which we had estimated, so no adjustment is needed for prior years. However, on the basis of information available in January, the estimated overall surplus as at 31 March 2017 will be around £X (to follow)m.

- 7.4 The surplus will be apportioned according to government rules; so shares will be:

Table D

Reading BC	(49%)	£y,000
DCLG	(50%)	£z,000
Royal Berkshire Fire & Rescue Authority (1%)		£w,000

These will be taken into account in setting the tax for 2017/18. Any variance at the year end will be taken into account in setting 2018/19's surplus/deficit in due course.

8 DISCOUNTS

- 8.1 As reported previously, following the Local Government Act 2003, Councils have been given greater freedom to approve Council tax Discounts. The following sections summarise the position following the changes made in 2013/14, subsequently and those proposed this year. A consultation took place over the autumn of 2016 on proposed changes and the summary of the responses is set out in Appendix C.

Second Homes and Empty Homes

- 8.2 In particular this has now been amended further by Section 11A (4A) and Section 11B (2) of the Local Government Finance Act 2012. This gives the billing authority the power to determine the level of council tax discount or premium where there is no resident of the dwelling. This can be any percentage up to 100% in relation to the old Class A, C and second homes, and up to 150% for properties that are classed as long term empty and have been empty for 2 years or more.

Second Homes

- 8.3 The provisions allow for councils to reduce the second homes discount from 50% to 0% depending on the class the property falls into. In 2016 the discount was set at 5%. From 1st April 2017 the discount for second homes will be removed (i.e. we are setting the discount at 0%).

Empty Homes

- 8.4 The provisions allow councils to reduce the empty homes discount from 100% to zero, depending on the class they fall into. In 2016 we set the discount for properties that are empty and unfurnished at 100% for one month, followed by a full charge. From 1st April 2017 this discount will be removed.
- 8.5 In 2016 we set the discount for properties that are empty, unfurnished and uninhabitable/undergoing major works at 50% for 12 months, followed by a full charge. From 1st April 2017 the discount will be removed.
- 8.6 For properties that have been empty for 2 years we charge an empty homes premium of 150% of the Council Tax due.
- 8.7 Table D sets out the existing discount classifications made under the Council Tax (prescribed classes of Dwellings) (England) Regulations 2012.
- 8.8 Last year we removed the Class F's and Class B's 50% discount rate after the 6 month void period.

Table D

Description	Rates
<u>Standard Empty</u> Empty/Furnished Accommodation must be job-tied, a caravan or a boat.	50% discount
<u>Second Home Class A</u> Empty/Furnished Accommodation must be a holiday home, which cannot legally be occupied for more than 28 days per year.	50% discount
<u>Second Home Class B</u> Empty/Furnished Second or subsequent home.	(5% discount in 2016/17) 0 % from 01.04.17
<u>Empty Class C/ Now discount Class C</u> Empty/Unfurnished	(*1 month 100% discount followed by full charge in 2016/17) 0 % from 01.04.17
<u>Empty Class A/ Now known as discount Class D</u> Empty/Unfurnished	(*12 months 50% discount followed by full charge IN 2016/17) 0 % from 01.04.17
<u>Exemption Class F</u> Empty/Unfurnished (following probate granted on deceased's property)	6 Months void followed by full charge
<u>Exemption Class B</u> Empty/Unfurnished (charitable property)	6 months void followed by full

	charge
<u>Long-term Empty Premium</u> Properties empty for 2 years or more	150% charge

*Note that properties that were only part way through the 1/12 month discount period as at 31 March 2017, will also be affected from 1 April.

- 8.9 Section 76 of the 2003 Act includes Section 13A of the Local Government Finance Act 1992, allowing councils to set local discounts, the cost of which must be borne by local Council Tax payers as the cost of any discounts will need to be included in the General Fund budget requirement.
- 8.10 It is recommended that no local discounts are agreed. Authority to grant the discretionary charitable discount has been delegated to the Head of Customer Services (after consultation, and subject to broad criteria).

9 BUSINESS RATES

- 9.1 As part of the localised business rate arrangements introduced in 2013/14, we are required to estimate what business rates we will actually collect in 2017/18. This figure is then split between DCLG (50%), ourselves (49%) and the Fire Authority (1%).
- 9.2 While we have always made such an estimate, prior to 2013/14 this estimate, which is made on a form known as NNDR1, (Appendix E) because business rates were fully pooled, had to be made in accordance with rules prescribed by DCLG and the result was reported to DCLG as an officer process. While many of those rules remain in place, three key aspects of the rules have been changed to permit local discretion and judgement given the new regime. These changes are the estimates that are made for the impact of revaluations and other losses on collection, appeals, and new property.
- 9.3 Our latest available analysis of the Valuation Office appeals data shows 373 properties (last year - just under 300) subject to appeal affecting rateable values in excess of £57m, and the estimated liability is £14m, reduced from the £16.5m estimate at the end of last year (reflecting concluded appeals).
- 9.4 In 2015/16, in our NNDR1 form we provided £7.3m for rate losses arising from appeals and other losses. As at December about £5.3m of this appears to have been used (mainly associated with appeals). The 2015/16 form assumes we'll provide £5.0m reflecting that over the first two years of the revised finance system we have been able to make reasonable provisions for appeals and losses, and taking account of the position overall, we should have set aside sufficient money for all appeals that settle before 31 March 2017.

- 9.5 On 1 April 2017 a revised valuation list will be used to determine business rates. At a national level the amount of rates collected will increase by inflation, but as the value of properties has increased by more than inflation between 2008 and 2015 (the dates of valuation for the 2010 and 2017 lists) Government is only increasing the rate poundage charged from 48.0p to 48.4p {tbc} (rather than 49.0p, which the RPI change would suggest).
- 9.6 However, the distribution is not evenly spread throughout the country. In Reading the rateable values have increased from £253m to £305m, and although the rate poundage is falling, Government has estimated that the gross rates will increase by over £10m from £122.4m to £133m. However, we will not retain any of this additional rates, as Government is also adjusting the tariff payment to compensate, and therefore after the Government's 50% share, the 1% Fire Authority Share and the increased tariff of £xx.y (to follow), the retained rates will be around the £30.8m we have been forecasting for some time.
- 9.7 At the year end we will be required to report the actual business rates collected on a form known as NNDR3. This will be reviewed by the external auditor, and any variations will be shared in the same proportions (in practice this will be on an estimate basis, in the same way that the collection fund surplus or deficit is estimated).
- 9.8 To the extent to which these estimates prove incorrect, they will need to be adjusted for in future years.

10 CONTRIBUTION TO STRATEGIC AIMS

To secure the most effective use of the Council's resources in the delivery of high quality, Best Value public services.

11 COMMUNITY ENGAGEMENT AND INFORMATION

- 11.1 A consultation exercise was carried out on the range of options taken forward to make amendments to the local Council Tax Support Scheme for the 2017/18 financial year, and changes to the Local Council Tax Discount Scheme for 2017/18.
- 11.2 A statutory consultation period took place between the 4th November and the 30th December 2016. A total of 23,220 Customers were contacted directly by email to ask them for their views. Views and comments were also requested from our key stakeholders including the Voluntary Sector Organisations, Advice and Support Agencies, Private Landlords, Housing Associations and other stakeholders, and included our preceptors.

- 11.3 In addition the consultation questionnaire was published on our Website for wider public consultation for the period 2nd November to the 30th December 2016. There is a statutory requirement to carry out consultation on a Local Council Tax Support Scheme. The guidance recommends that public consultation should be carried out as early as possible to ensure feedback can influence the scheme and allow sufficient time for the feedback to be gathered, impacts to be understood, and a scheme to be shaped.
- 11.4 Although Government's code of practice on consultation states that normally 12 weeks is appropriate, billing authorities may wish to consider the appropriate length of their consultation depending on the impact of their proposals and the ability to complete the consultation exercise within budgetary timetables.
- 11.5 The code of practice indicates that where timing is restricted, for example, due to having to meet a fixed timetable such as a budget cycle, there may be good reason for a shorter consultation, and any documentation should be clear for the reasons for the shorter.
- 11.6 We have carried out the statutory consultation and this report forms part of the consultation process.

12 EQUALITY IMPACT ASSESSMENT ON PROPOSED CHANGES

- 12.1 A Full Equality Impact Assessment on the proposed changes is set out at Appendix F.
- 12.2 All of the current options impact negatively on all customers of working age currently in receipt of Council Tax Support. Those that also have non-dependants living with them will also see a further reduction in the amount of Council Tax support they receive and will have to pay an increase in Council Tax.
- 12.3 Pensioners remain unaffected by these proposals.
- 12.4 In the situation where a customer presents in hardship or financial difficulty as a result of these combined changes, we will continue to consider the award of discretionary Council Tax Support in order to mitigate this effect on their household, pending a full financial disclosure of the household. We will specifically target the use of discretionary Council Tax Support where the non-dependant deductions are causing the greatest impact to households and are causing exceptional hardship.

13 LEGAL IMPLICATIONS

As set out in the report.

14 FINANCIAL IMPLICATIONS

- 14.1 The direct financial implications are as set out in the report.
- 14.2 Inasmuch as various judgements have been made about estimated tax and business rate collection, changes to the tax debit etc., we have made these in the context of the Council developing the overall budget proposal. The budget proposal as a whole will include a section where the Director of Finance comments on its robustness.
- 14.3 Whilst we anticipate that those comments will have some similarities to previous years where you will recall they advised that the Council was setting a very tight budget which contained a continuing high level of risk. You will have seen from budget monitoring that we have had a substantial overspend in 2016/17 and also overspent 2015/16, and the impact of this will affect the advice. The advice in the context of developing the Council's 2017/18 budget proposal is that the estimates and assumptions made in this report are the best ones that can reasonably be made at the current time.

15 BACKGROUND PAPERS

Local Authorities (Calculation of Tax Base) Regulations 1992, as amended.
Local Government Finance Settlement
Local Government Finance Act 2012, and regulations made thereunder
Local Government Finance Settlement (draft) 2017/18
31 October 2016 Policy Committee - agenda and minutes
Pro forma consultation response on discount saving proposal
Pro forma consultation response on LCTS saving proposal

Appendix B

Consultation Response Summary - Proposed Changes to Local Council Tax Support

The consultation was published on the Council's website, and council taxpayers for whom we hold an e-mail address were told about it. 300 responses were received, 28 of which indicated they were currently in receipt of Council Tax Support (so would be impacted).

There were 5 proposals and in summary the responses were as follows:

- (i) 67% agreed the proposal to reducing the Capital Limit to £3000 (but leave at 20% contribution. Those commenting against the proposal felt that a reduction to £3,000 left very limited funds available should there be a financial emergency.
- (ii) 70% agreed the proposal to remove earned income disregards. Those opposing expressed concern about its impact on work incentive, though one comment from someone likely to be impacted thought it was manageable.
- (iii) 60% supported the proposal to reduce the maximum level of support for working age customers from 80% to 75% (i.e. increase the minimum contribution to 25% of the full tax). Those opposing generally expressed concern about affordability.
- (iv) 60% supported the proposal to limiting applicants for Council Tax Support to having a maximum capital limit of £3000 based on a minimum contribution of 25%. Comments generally reflected concern about affordability, and
- (v) 63% supported the proposal to remove earned income disregards, amend level of non-dependent deductions and increase minimum contribution to 25%

Officer Comment & Advice

After consideration of the responses with the Administration, it is recommended that the capital limit is not reduced from £6,000 to £3,000 and that we go forward with the proposed changes on Earned Income disregards and Non-dependant deductions on a 25% minimum contribution.

Appendix C

Consultation Response Summary - Proposed Changes to Discounts on Empty Property

The consultation was published on the Council's website, and council taxpayers for whom we hold an e-mail address were told about it. 355 responses were received.

There were 3 proposals and in summary the responses were as follows:

- (i) 57% of respondents agreed with the proposal to remove the discount on empty and unfurnished property. Of those opposing this proposal the most common comment was that if properties were empty then there was not a drain on Council Services; therefore why they should pay. Landlords generally felt it to be unfair as there was no time to refurbish property or find a new tenant.
- (ii) 44% of respondents agreed with the proposal to remove the discount on property undergoing major work. Those opposing felt that it would discourage owners buying older properties to renovate and bring back to standard. They felt that it would discourage landlords from carrying out works between lets leading to poorer living standards for tenants. It was also suggested that it would discourage investors buying in the Reading area as some other Councils do provide this discount. Landlords also felt again that was not a drain on Council Services; therefore why should they pay.
- (iii) 80% of respondents agreed the proposal to remove the (remaining 5%) discount on second homes. Those opposing suggested that as they were not using services whole year round or at all, why should they pay.

In each case, excepting a few non respondents the remaining respondents opposed the proposal.

Officer Comment and Advice

Having considered the responses and comments, officers observe that they do not raise any significant reason not to pursue the proposal as envisaged. In respect of the second proposal, opposed by a small majority of respondents officers observe that removing the discount encourages refurbishment to be completed as quickly as possible so as to help with the pressures for accommodation in Reading. Related issues should largely be managed by the impact of the local housing market.



Provide basic details

Name of proposal/activity/policy to be assessed

Council Tax Support Scheme 2017/18 introduction of higher non-dependant deductions, removal of earned income disregards in our calculations, changes to temporary absence, limit the number of dependent children in the calculation of CTS to 2 from April 17 , and an increase to a minimum 25% contribution

Directorate: Corporate Support Services

Service: Customer Services

Name and job title of person doing the assessment

Name: Kirsty Anderson

Job Title: Income & Assessment Manager

Date of initial assessment: 5th September 2016

Scope your proposal

What is the aim of your policy or new service?

In 2013/14 the government abolished council tax benefit and local authorities were required to introduce local schemes. Overall funding was cut by 10% and there was a proviso that pensioners would be protected and made no worse off. The local scheme we introduced was designed to cost the Council the same as when we received Revenue Support Grant which meant requiring a contribution of 15% from residents assessed as eligible for support. We increased the minimum contribution to 20% for the 2016 /17 year and restricted the support to a Band D to continue to offset the reduction of grant funding.

However with continued budget pressures, and having to find further income streams to fund our budget position, we are proposing to increase the minimum contribution and change other aspects of the scheme. It is still however our intention is to ensure the Local Council Tax Support scheme continues to provide support to low income households in Reading, whilst managing the decrease in funding.

The aims of this policy are:

- to manage the cost of the scheme within the available funds, ensuring that additional burdens are not put upon the general fund at further cost to local taxpayers;

- to maintain a scheme that meets the requirements of the Local Government Finance Act, the Equality Act 2010, the Child Poverty Act 2010, and the Housing Act 1996

- to ensure that the scheme is clear and easy to understand for applicants and to simplify administration where possible.

We are proposing that the application and calculation process used by the existing council tax support scheme will remain much the same but there will be some changes as follows:

- Working age benefit claimants would face a 25% minimum contribution in respect of their contribution to their Council Tax liability.

Currently we have 10,771 customers receiving Council Tax Support, 6879 are working age and 3892 pension age.

Our proposals also aim to ensure that the protection already offered to vulnerable claimants as part of the original Council Tax Support Scheme is retained, along with work incentives created through the award of extended payments for those going into work.

As our Council Tax Support scheme continues to follow the calculation routes originally designed in the Council Tax Benefit Scheme, our scheme is still based on the award of premiums and applicable amounts that reflect disability and age. Therefore it continues to protect those of pensioner age and those in receipt of disability benefits by offsetting by ways of a means test in the main.

However we also propose to introduce a change to the level of Council Tax Support non-dependant deductions, remove the earned income disregards in line with the changes in Universal Credit, and reflect the changes to temporary absence in the Housing Benefit Rules in to the scheme.

There is not specific data available to be able to identify on a case by case basis the impact on each individual claim. We will continue to use the discretionary Council Tax Support fund as part of our local council tax support scheme to help people who may face exceptional and extraordinary difficulties in paying their council tax.

This could include those people who are disproportionately affected by these changes other changes under welfare reform agenda.

Who will benefit from this proposal and how?

The Council faces significant challenges over the next few years, as it continues to receive reductions in grant funding, and increasing demands on service delivery.

This proposal forms part of the ongoing work that is being undertaken to address the Council's budget position.

Everyone who currently receives Council Tax Support, except pensioners, will be affected in a negative way by these changes in that they will receive less financial

support. Those with non- dependant working adults forming part of their makeup will be effected more by these changes and they will need to seek additional contributions from the working adults living with them. However to continue to provide Council Tax Support at the level currently provided would cause such a shortfall in the authority's budget and the budget of those that levy a precept to it (Fire and Police Authorities) that could not be met without ceasing, reducing or seeking additional charges for services - also likely to have disproportionate effect on the most vulnerable.

What outcomes will the change achieve and for whom?

The Council's budget cannot cover a continuing shortfall in Government funding without increasing the Council Tax for all residents, or reducing the cost of statutory services or cutting or reducing non- statutory Services. This mitigates an element of the cost of the Council Tax Support Scheme across working age customers in receipt of Council Tax supports.

Who are the main stakeholders and what do they want?

70,000 Council Tax payers including 10,771 in receipt of Council Tax Support

Preceptors

Neighbouring Councils

Special interest organisations such as Citizens Advice Bureau, Welfare Rights, Housing Associations, National Federation of Landlords

Organisations representing vulnerable groups

Disabled people

Low income out of work

Low income in work

Homelessness prevention.

Consultation

Relevant groups/experts	How were/will the views of these groups be obtained	Date when contacted
Members / Senior Officers	Series of meetings regarding budget saving proposals summer 2016,	Commenced September 2016

APPENDIX F

<p>Consultation</p> <p>We consulted on our proposals through November and December 2016.</p>	<p>Public on line survey</p>	<p>2nd November to 30th December 2016.</p>
<p>Targeted invitation to participate in on line consultation:</p> <p>23,220 Customers</p> <p>Preceptors</p> <p>Neighbouring Councils</p> <p>Special interest organisations such as Citizens Advice Bureau, Welfare Rights, Housing Associations, National Federation of Landlords</p> <p>Organisations representing vulnerable groups</p> <p>Disabled people</p> <p>Low income out of work</p> <p>Low income in work</p> <p>Homelessness prevention.</p>	<p>Email including Web on line survey link</p>	<p>4th November to 30th December 2016.</p>

Collect and Assess your Data

Describe how this proposal could impact on Racial groups

Data regarding ethnicity is not available from the Council Tax Support Database. However, the 2011 census confirms the following on data on ethnicity in Reading:

Ethnicity Group	Reading 2011
White British	66.9%
Other White	7.9%
Mixed	3.9%
Indian	4.2%

APPENDIX F

Pakistani	4.5%
Other Asian	3.9%
Black Caribbean	2.1%
Black African	4.9%
Black Other	0.7%
Chinese	1.0%
Other ethnic group	0.9%

National studies show that children from Black and Minority Ethnic communities face a particularly high risk of growing up in poverty. In Reading a higher proportion of Mixed race and children from Black communities are eligible for free school meals (an indicator of poverty) than White children, but a lower proportion of Asian and Chinese children are.
Source: RBC school census 2015

Therefore Black and Minority Ethnic households could be disproportionately affected by reductions in CTS

Data provided in relation to customers in receipt of JSA in Reading who would by default be entitled to Council Tax Support in July 2015 show that the proportions of JSA claimants are broadly representative across ethnicity:

63% of the 1470 people claiming JSA are white British people and 355 BME claimants
 33% of the respondents to the consultation were Black and Minority Ethnic.

Is there a negative impact? Not sure

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)

Specific data is not available on those protected characteristics for the Council Tax Support client base. The gender profile of respondents to the consultation was

Male	163	54.33%
Female	132	44.00%

Is there a negative impact? Not sure

Describe how this proposal could impact on Disability

The number of working age customers currently in receipt Council Tax Support with disability premiums (disability, enhanced disability, severe disability, disabled child) continue to receive a level of protection as their benefit calculation continues to reflect an allowance for disability. If they are in receipt of qualifying

benefits which the majority are; they do not attract a non-dependant deduction therefore will be not be affected by the changes to the non-dependant amounts.

However If they are working they will be effected by the earned income disregards. These customers would see a small increase in their contribution.

However this is not disproportionate across the other working age customers in receipt of Council Tax support. In fact they still remain to have more of their total income disregarded in the calculation so are affected to a much lesser extent.

Is there a negative impact? No

Describe how this proposal could impact on Sexual orientation (cover civil partnership)

Civil Partnership is reflected and recognised within the overall benefits system, therefore these customers are affected in the same way as all customers There are no differences in the calculations.

Is there a negative impact? No

Describe how this proposal could impact on Age

Pensioners will be protected from any increase in contribution as they have been protected by the Government advising that they cannot be asked to contribute any additional amount therefore their Council Tax Support entitlement remains the same.

For households of working age where the customer is not on passported benefits which means they are working or in receipt of work related benefits, these customers are affected by the changes, we have identified there are 271 customers who are likely to receive the largest reduction of up to 30% in lost council tax support. This should not cause financial difficulties if the customer seeks to pass on this loss to the working non-dependants within the household and asks them for a greater contribution to the household bills. However should this continue to cause the customer hardship we will consider the use of the discretionary Council Tax Support Scheme to mitigate in part this loss.

Is there a negative impact? Yes

Describe how this proposal could impact on Religious belief?

Specific data is not available on those protected characteristics for the Council Tax Support client base

The consultation respondents represented a range of religion and belief although the majority were Christian or No Religion.

Is there a negative impact? No

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

- | | | |
|---|----------------|---|
| 1. No negative impact identified | Go to sign off | |
| 2. Negative impact identified but there is a justifiable reason | | X |

Reason

The Council's budget cannot continue to cover a continuing shortfall in Government funding without increasing the Council Tax for all residents, or reducing the cost of statutory services or cutting or reducing non- statutory Services. This mitigates an element of the cost of the Council Tax Support Scheme across working age customers in receipt of Council Tax supports.

Whilst there is a negative impact the options proposed have been identified to have the least impact on equality groups based on an affected customer base of working age and therefore more likely to have the opportunity to make life choices that will improve their financial positions. These include taking on more hours, better positions, or requiring additional adults within the household to contribute more to living expenses.

How will you monitor for adverse impact in the future?

Listen to customer feedback and comments / complaints as changes are proposed and or implemented

We will provide updates on known impacts as the changes are implemented through the officer welfare & poverty steering group

Signed (completing officer) Kirsty Anderson
(reviewed)

Date 4th January 2017

Signed (Lead Officer) Zoe Hanim

Date 4th January 2017

READING BOROUGH COUNCIL
REPORT BY DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE		
DATE:	16 JANUARY 2017	AGENDA ITEM:	17
TITLE:	BUDGET MONITORING 2016/17		
LEAD COUNCILLOR:	COUNCILLORS LOVELOCK/ PAGE	PORTFOLIO:	FINANCE
SERVICE:	FINANCIAL	WARDS:	BOROUGHWIDE
LEAD OFFICER:	RACHEL MUSSON & ALAN CROSS	TEL:	01189372058 (x72058)
JOB TITLE:	INTERIM DIRECTOR OF FINANCE & HEAD OF FINANCE	E-MAIL:	Rachel.Musson@reading.gov.uk Alan.Cross@reading.gov.uk

1. EXECUTIVE SUMMARY

1.1 This report set out the budget monitoring position for the Council to the end of November 2016.

2. RECOMMENDED ACTION

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

3. BUDGET MONITORING

3.1 The results of the Directorate budget monitoring exercises are summarised below. The overall overspend has decreased by £62k since the previous report.

	Emerging Variances £000	Remedial Action £000	Net Variation £000	% variance budget
Environment & Neighbourhood Services	3,672	(4,257)	(585)	-1.8%
Children's, Education & Early Help Services/	6,919	0	6,919	20.4%
Adults Care and Health Services Inc. Public Health	3,980	(2,913)	1,067	2.7%
Corporate Support Services	837	(363)	474	3.8%
Directorate Sub total	15,408	-7,533	7,875	
Treasury	(302)	0	(302)	
Total	15,106	-7,533	7,573	

3.2 Environment & Neighbourhood Services

Overall, the Directorate is now reporting an underspend of £585k. This is less than 1% of the Directorate's gross General Fund budget of circa £68m. This is an aggregation of a number of relatively minor changes as a result of positive action to reduce spend; one off savings achieved; and additional income in some areas which is hard to predict with complete accuracy. This includes overall underspends of £201k within Transport and Streetcare, (largely arising from additional income) and £307k in Planning Development & Regulatory Services (additional planning & sundry property income more than offsetting reported pressures in this area).

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 £536k is reported this month relating to known pressures, offset with £431k savings. Officers will continue to review any opportunities to further mitigate these pressures through alternative income streams in the coming months.

The 2016-17 net budget for Bed and Breakfast was increased by £600k above 2015/16 budget levels reflecting increased homelessness pressures. Forecasting outturn is challenging as this is a demand led budget - with a range of factors impacting beyond our control and demand does not follow predictable patterns. However, projections (and scenarios) have been, and will continue to be recast regularly based on latest demand forecasts and project delivery plans. Having reviewed progress and the impact of mitigations in place and planned, additional measures have been implemented to prioritise moves for larger families and those who have been in placements for longer periods. There were 120 families and 36 singles in B&B at the end of November 2016. Numbers have remained steady for the past 2 months and the latest projection is that there will be a net underspend of £60k on the B&B budget at year end.

3.3 Children, Education & Early Help Services

The forecast overspend has risen by £228k since the last report. Detail regarding the full overspend is provided below.

A new structure was proposed in February 2015 for Children's Social Care based on the need of having manageable caseloads. This structure cost £750k more than the approved budget for 2016/17 and remains unfunded. Currently there are a significant number of agency workers covering vacancies 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. This initial recruitment strategy has been changed recently to a wider recruitment campaign (with a UK focus). This has resulted in the extended use of agency workers than previously anticipated. The current predicted overspend based upon staffing is £3.6m (including the unfunded £750k). This estimate is based upon predicted start dates of workers and handover time for agency workers.

There is a risk with this forecast in that the recruitment strategy needs to have more accurate profile, which could impact on this projection.

Service demand pressures continue for the service with external placements currently predicted to be overspent by over £2.2m, including the LDD external placements. This estimate is based upon current usage and assumes the LAC numbers will plateau until the end of the year. A current profiling exercise is being undertaken which will assist in improved monitoring of this area. There is also a saving of £545k allocated against the service which is currently unachievable following the OFSTED report.

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. In addition to this there is a pressure of £160k for short breaks and direct payments, where further analysis is required. Early Help services are underspent by £281k, mainly to holding of vacant posts and early achievement of 2017/18 savings. There is a pressure of £293k within Governance and Transformation all in relation to staff costs. £223k of this is through the need to use agency to cover vacant posts along with a further £70k of unfunded costs within the Structure.

Whilst the above represents the position with regard to the General Fund, we are forecasting a £3.6m pressure on the high needs block funded by the Dedicated Schools Grant as was reported to Schools Forum in July, and will be considered further at the next meeting in January 2017.

3.4 Adult Care & Health Services

During November the forecast overspend being reported by DACHS has decreased, from £1,158k to £1,067k. Elements of the BCF are being redirected to cover expenditure within the Adult Services budget, within the equipment, telecare and adaptations budgets. However the usage of this has been slightly negated by the expectation of the transformation programme achieving required savings, mainly within CHC and Mental Health projects. As reported last month, the Directorate holds most of the training budgets across the Council, which have been reduced significantly 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 by around £550k.

- 3.5 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 take the Service to a break-even position either in-year or on an ongoing basis.

3.6 Corporate Support Services

The review of CSS has identified an increased adverse variance of £338k. £200k of this arises from an increased shortfall in HB grant in comparison with HB payments, and much of the balance is in Finance, arising from additional agency costs and additional audit fees.

4. TREASURY MANAGEMENT

- 4.1 A review of the capital financing budget has identified a potential underspend of £302k, a minor improvement from last month's position. In terms of treasury activity, we have arranged £73.8m of temporary borrowing during the year (with £177m 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 mid February. 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 November £41.0m 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 £13.6m has been spent against budget of £16.0m.

7. HRA

- 7.1 There are currently projected to be various over and underspends within both revenue repairs and capital works but it is currently projected that this will be managed to the budgeted amount for both revenue and capital aspects. A provisional budget of £600k was included for Coley Water Main but this project has not progressed and this will not be spent this year.
- 7.2 Current projected expenditure for capital financing (debt interest, Minimum Revenue Provision and debt management expenses) is projected to be £225k less than budgeted due to the interest rate on borrowing being less than budgeted.
- 7.3 There are various under and overspends within supervision and management including £300k underspend on the PFI budget as it is now projected that there will not be a requirement to add to the PFI reserve in this financial year.

7.4 The rent income budget includes budgets of £720k for voids loss and £720k for addition to the bad debt provision. Due to better than budgeted void loss (projected loss of £330k compared to a budget of £710k) and continued good collection rates the projected rental income is £920k better than budget. Service charge and other income is currently projected to be £449k above budgeted levels.

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 November 2016 position is:

Council Tax	2016/17 £000	Previous Year's Arrears £000	Total £000
Target	64,316	1,350	65,666
Actual	64,039	1,292	65,331
Variance	277 below	58 below	335 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 November 2016, collection for the year was 73.85% compared to a target of 73.88%, and collection is slightly behind of 2015/16 (73.92% by end of November 2015).

10.3 Business Rates Income to the end of November 2016

Business Rates	2016/17 £000	2016/17 %
Target	83,062	72.00%
Actual	81,815	70.92%
Variance	1,247 below	1.08% below

The target for 2016/17 as a whole is 98.50%. By comparison, at the end of November 2015, 70.21% of rates had been collected.

11. OUTSTANDING GENERAL DEBTS

11.1 Most other money owed to the Council is collected through the General Debtors System. The amounts outstanding can vary significantly from month to month depending upon levels of invoicing, and the extent to which people pay on time, and we allow a month for "normal" payment before recognising the debt as outstanding and overdue. In particular at any point in time we are usually owed large amounts of money by other public sector bodies; notably in the health sector linked to the close working between health and social care.

11.2 As at the end of November, the Council's outstanding debt was £7.501m. £2.853m of the balance as at 30th November 2016 is more than 151 days old, the majority of which relates to adult social care, some of which is awaiting the sale of a property before settlement.

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.