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To: Councillor David Absolom (Chair),
Ayub, Ballsdon, Chrisp, Duveen, Hopper,
Khan, Lawrence, Maskell, McDonald,
McGonigle, Page, Rodda and Singh

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5 July 2016

Your contact is: Peter Driver - Committee Services

NOTICE OF MEETING -STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE - 13 JULY 2016

A meeting of the Strategic Environment, Planning and Transport Committee will be held on Wednesday 13 July 2016 at 6.30pm in the Council Chamber, Civic Offices, Reading. The meeting Agenda is set out below.

AGENDA

	<u>WARDS AFFECTED</u>	<u>PAGE NO</u>
1. DECLARATIONS OF INTEREST		
2. MINUTES OF THE MEETING OF THE STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE HELD ON 5 APRIL & 25 MAY 2016		1 7
3. MINUTES OF THE MEETINGS OF THE TRAFFIC MANAGEMENT SUB-COMMITTEE OF 15 JUNE 2016		9
4. MINUTES OF OTHER BODIES		
(A) JOINT WASTE DISPOSAL BOARD - 15 JANUARY & DRAFT MINUTES OF 8 APRIL 2016		28 32
(B) AWE LOCAL LIAISON COMMITTEE - DRAFT MINUTES OF 23 MARCH 2016		36

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5.	PETITIONS Petitions submitted pursuant to Standing Order 36 in relation to matters falling within the Committee’s Powers & Duties which have been received by Head of Legal & Democratic Services no later than four clear working days before the meeting.	-
6.	QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC Questions submitted pursuant to Standing Order 36 in relation to matters falling within the Committee’s Powers & Duties which have been submitted in writing and received by the Head of Legal & Democratic Services no later than four clear working days before the meeting.	-
7.	DECISION BOOK REFERENCES To consider any requests received by the Monitoring Officer pursuant to Standing Order 42, for consideration of matters falling within the Committee’s Powers & Duties which have been the subject of Decision Book reports.	-
8.	NATIONAL AIR QUALITY ACTION PLAN A report seeking the Committee’s ongoing commitment to the Air Quality Action Plan for achieving compliance with European air quality standards set out by the Government.	BOROUGHWIDE 44
9.	DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT VS WEST BERKSHIRE COUNCIL AND READING BOROUGH COUNCIL: REPORT ON THE JUDGEMENT OF THE COURT OF APPEAL AND IMPLICATIONS FOR THE OPERATION OF THE COUNCIL’S AFFORDABLE HOUSING POLICIES A report inviting the Committee to consider the implications of a Court of Appeal judgement regarding the Borough Council’s Local Plan affordable housing policies.	BOROUGHWIDE 63
10.	EMPLOYMENT AND SKILLS PLANS - ANNUAL PROGRESS REPORT A report informing the Committee of progress with implementing Employment and Skills Plans required for all major developments under the Employment, Skills and Training Supplementary Planning Document, 2013.	BOROUGHWIDE 73
11.	SOLAR COMMUNITY SCHEME - SHARE PURCHASE A report inviting the Committee to delegate authority to officers to purchase shares in the Solar Community Project being developed by Reading Community Energy Society.	BOROUGHWIDE 82

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|-----|---|-------------|-----|
| 12. | MAJOR TRANSPORT & HIGHWAYS PROJECTS: UPDATE | BOROUGHWIDE | 123 |
| | A report providing the Committee with an update on major projects in the Borough. | | |
| 13. | APPOINTMENT OF DIRECTORS: READING TRANSPORT LTD. | BOROUGHWIDE | 130 |
| | A report inviting the Committee, acting as shareholder of Reading Transport Limited (RTL), to appoint directors to the RTL Board. | | |

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**STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE
5 APRIL 2016**

Present: Councillors D Absolom (Chair), Chrisp, Hopper, Lawrence, Maskell, Page, Stevens, Whitham and R Williams.

Apologies: Councillors Ayub, Dennis, McDonald, and Rodda.

28. MINUTES

The Minutes of the meeting of the Committee held on 24 November 2015 were confirmed as a correct record and signed by the Chair.

29. MINUTES OF TRAFFIC MANAGEMENT SUB-COMMITTEE

The Minutes of the meetings of the Traffic Management Sub-Committee held on 14 January and 10 March 2016 were received.

30. MINUTES OF OTHER BODIES

The Minutes of the meeting of the Joint Waste Disposal Board of 16 October 2015, the Minutes of the meeting of the AWE Local Liaison Committee of 2 December 2015 and the Minutes of the Reading Climate Change Partnership of 29 January 2016 were submitted.

Resolved: That the Minutes be noted.

31. QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC

Questions on the following matters were asked in accordance with Standing Order 36.

Questioner	Subject
Sarah-Jane Lock	Cycling to Redlands Primary School
Councillor Whitham	Pay and Display Parking Revenue - Hospital and University Area Study

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

32. ENDORSEMENT OF REVISED GREEN PARK MASTERPLAN, 2016

The Director of Environment and Neighbourhood Services submitted a report on revised Master Plan proposals for the Green Park Business Park. The report provided the context and the main changes to the existing Masterplan. The Revised Masterplan would guide the evolution of the Park and the preparation of planning applications for future developments but it would carry no material weight in decision making. The report sought the Committee's comments on the proposed changes and on a draft letter of endorsement of the Revised Masterplan that had been requested by Oxford Properties, the new owners of the Green Park Business Park. The report had appended:

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Appendix 1 - Copy of Illustrative Masterplan Map
Appendix 2 - Draft Letter of Endorsement of Revised Masterplan

The report summarised the key changes proposed in the 2016 Revised Masterplan compared to the 1999 Masterplan, as follows:

- 1) Two new plots - the Gateway site and the new Hotel site;
- 2) 600 South Oak Way was proposed as 10 storeys - this had been identified as a landmark building within the 1999 Masterplan (8-10 storeys);
- 3) 500-600 Longwater - larger and more intensively developed than the illustrative plan in 1999 masterplan;
- 4) 700-900 South Oak Way - located closer to M4;
- 5) Landscape and setting adjustments - to give greater presence of buildings to roads through the site;
- 6) Revised Flood Management Strategy;
- 7) Some broadening of uses to include new retail and leisure users primarily aimed at serving the users of Green Park;
- 8) The Revised Masterplan proposed an overall uplift of floorspace of 50,000m² (approximately a 19% uplift overall) within the plots with existing unbuilt consents. These unbuilt consents currently amounted to 93,125m²;
- 9) Improvements to signage, way-finding and branding.

Oxford Properties had been invited to present their Revised Master Plan for Green Park to the Committee. The following people attended to give the presentation:

Ian Lyon, Director, Oxford Properties
Rory Carson, Director, Oxford Properties
Peter Easton, Practice Partner, Aukett Swanke
Caroline McDade, Director, Deloitte
James Overend, LLP Director, Peter Brett Associates

The full presentation was made available on the Reading Borough Council website.

The meeting discussed the importance of provision of appropriate infrastructure to support the developments in the revised Masterplan and an amendment to the endorsement letter was proposed.

Resolved:

- (1) That the Revised Green Park Masterplan 2016 be noted, welcomed and endorsed as the basis for preparing planning applications for future developments in Green Park, subject to the various caveats set out in the report and in the draft letter attached at Appendix 2 to the report, as amended by (2) below;
- (2) That the draft letter of endorsement that officers proposed to send to the owners of the site, Oxford Properties, be endorsed, subject to adding 'appropriate infrastructure provision' to the development management process items listed in its penultimate paragraph;

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- (3) That the letter to be sent to Oxford Properties be finalised by the Head of Planning Development and Regulatory Services, having regard to the Committee's comments and in consultation with the Lead Councillor for Strategic Environment, Planning and Transport and the Chair of Strategic Environment, Planning and Transport Committee.

33. PLANNING ANNUAL MONITORING REPORT APRIL 2014 TO MARCH 2015

The Director of Environment and Neighbourhood Services submitted a report on the Annual Monitoring Report (AMR) for 2014-15, which presented a digest of monitoring information collected by the Council to assess the progress of planning policies and to monitor the outcome of Local Development Framework policies. The AMR had been published on the Council's website in December 2015 and the report highlighted key points from the AMR.

Resolved: That the contents of the Annual Monitoring Report be noted.

34. LOCAL PLAN ISSUES AND OPTIONS - OUTCOME OF CONSULTATION

The Director of Environment and Neighbourhood Services submitted a report summarising the results of community involvement on the Issues and Options for the Local Plan, which had been approved by the Committee on 24 November 2015 (Minute 22 refers).

The report stated that community involvement was the first stage in replacing Reading's current development plan documents with a new comprehensive Local Plan. Community involvement had taken place between 22 January and 7 March 2016 and the report described the process and briefly summarised the headline results. It explained that a full report of the consultation would be prepared once the results had been fully analysed, which would include summaries of each comment received and each consultation event undertaken. The summaries of individual comments would need to be brought back to a future meeting of the Committee to approve the Council's response to them.

The report also sought approval for amending the Local Development Scheme, which was the document setting out the programme for producing new planning policies. The suggested amendments were set out in Appendix 1 to the report, but the report explained that they were mainly to revise the timetable for the next stages of the Local Plan to reflect the delay in consulting on Issues and Options.

Resolved:

- (1) That the summary of the responses received as a result of community involvement on the Issues and Options for the Local Plan be noted;
- (2) That the Local Development Scheme (Appendix 1 to the report) be approved and brought into effect, and that it form the basis for production of planning policy, with effect from 6 April 2016.

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35. TECHNICAL CONSULTATION ON IMPLEMENTATION OF PLANNING CHANGES

The Director of Environment and Neighbourhood Services submitted a report regarding a “Technical consultation on implementation of planning changes” that had been published by the Department for Communities and Local Government (DCLG) on 18 February 2016. The report explained that the consultation document was very wide-ranging and significant to the operation of the planning system in England. It covered thirteen chapters, each dealing with a different matter. The document asked numerous questions upon which DCLG was seeking the views of respondents by the consultation deadline of 15 April 2016.

The report summarised the changes to the planning system proposed in the technical consultation and considered some of the possible implications for the planning system as it currently operated, and specifically the implications for the Council.

The report sought the Committee’s approval to a recommended draft response to the consultation questions, which was set out in Appendix 1 to the report.

It was noted that a similar report was being submitted to the Planning Applications Committee on Wednesday 6 April 2016.

Resolved:

- (1) That the report and the various proposed changes to the planning system contained in the “Technical consultation on implementation of planning changes” published by DCLG in February 2016, be noted;
- (2) That the Council’s recommended response to the specific consultation questions set out in the “Technical consultation”, attached as Appendix 1 to the report, be approved.

36. CONSERVATION AREAS ENHANCEMENT PILOT PROJECT - UPDATE ON TRAINING DAY

Further to Minute 20 of the previous meeting, the Director of Environment and Neighbourhood Services submitted a report giving a further update on the Conservation Areas Enhancement Pilot Project.

The Committee had previously agreed to establish a working group of officers and community representatives to examine priorities for environmental action and improvement and ways to deal with priority matters in Conservation Areas in the Borough, within available budgets and resources (Minute 31 of the meeting on 26 March 2015 refers). The report provided an update on the operation of the group and specifically on the outcomes of a Training Day on the preparation of Conservation Area Appraisals that had taken place on 24 February 2016.

The report explained that various matters had been discussed during the training day, including provision of green conservation area road name signage in all conservation areas in the Borough, providing leaflets and guidance for residents and the establishment of a Conservation Area Advisory Committee (CAAC).

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A follow-up “Masterclass” was to be held on 6 April 2016. Participants had been asked to review the existing conservation area appraisals for their areas, noting the special characteristics and issues for the area.

The report explained that in light of the offer of training on Conservation Area appraisals, it had been decided that officers would not carry out a review of the existing Castle Hill/Russell Street Conservation Area appraisal, as had been indicated at the previous meeting (Minute 20 refers). Officers considered it was now more appropriate for the assessment to be community-led, with some technical support from officers.

The working group had further discussed proposals to establish a Reading Conservation Area Advisory Committee. The report explained that the CAAC would be a community-led group, separate from the Council, comprising people with an interest in the built environment and its heritage, to be drawn from local amenity societies, residents’ associations, independent historical, architectural and planning experts, and local residents and businesses. A draft constitution for the proposed Reading CAAC was set out in Appendix 1 to the report.

Further to Minute 21 of the previous meeting, the report also explained that the non-immediate Article 4 Direction that had been approved by the Committee on 24 November 2015 had been confirmed by Planning Applications Committee on 10 March 2016, to control changes of use to small House in Multiple Occupation uses for properties in Jesse Terrace, Reading. The Direction would come into force on 1 February 2017. A copy of the report which had been submitted to the Planning Applications Committee was attached at Appendix 2.

In accordance with Standing Order 36B, the Chair invited Karen Rowland, Chair of the Baker Street Area Neighbourhood Association, to address the Committee on this item.

Resolved:

- (1) That the outcomes of the Training Day on the preparation of Conservation Area Appraisals that had taken place on 24 February 2016 to assist members of the working group to identify the special historical and architectural interests and develop management plans to preserve and enhance their conservation areas be noted;
- (2) That the setting up of a Reading Conservation Area Advisory Committee (CAAC) be welcomed and supported, based on the draft framework for its constitution set out in Appendix 1 to the report, to continue the work of the pilot group on the enhancement of Conservation Areas on a more formal basis;
- (3) That it be noted that the Planning Applications Committee on 10 March 2016 had confirmed the non-immediate Article 4 Direction to remove permitted development rights to convert from a C3 dwelling house to a C4 House in Multiple Occupation for Jesse Terrace, as shown on the map in the Notice attached at Appendix 3 to the report.

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(The meeting started at 6.30pm and closed at 8.05pm).

STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE MINUTES

25 MAY 2016

Present: Councillor David Absolom (Chair);

Councillors Ayub, Ballsdon, Crisp, Duveen, Hopper, Khan, Lawrence, Maskell, McDonald, McGonigle, Page, Rodda and Singh.

1. ESTABLISHMENT, MEMBERSHIP AND TERMS OF REFERENCE OF TRAFFIC MANAGEMENT SUB-COMMITTEE

Resolved -

- (1) That, under the provisions of Sections 101 and 102 of the Local Government Act 1972, a Traffic Management Sub-Committee be established for the Municipal Year 2016/17 and the following Councillors be appointed to serve on the Sub-Committee:

Traffic Management Sub-Committee (7:2:1:1)

<u>Labour</u> <u>Councillors</u>	<u>Conservative</u> <u>Councillors</u>	<u>Liberal Democrat</u> <u>Councillor</u>	<u>Green</u> <u>Councillor</u>
Debs Absolom	Hopper	Duveen	White
Davies	McDonald		
Dennis			
Hacker			
Jones			
Page			
Terry			

- (2) That the following Councillors be appointed as Chair/Vice-Chair of the Traffic Management Sub-Committee for the Municipal Year 2016/17:

<u>Chair</u>	<u>Vice-Chair</u>
Councillor Page	Councillor Debs Absolom

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- (3) That the Terms of Reference of the Sub-Committee be as set out in Appendix A to the Monitoring Officer's report to Council of 25 May 2016 on the Constitution, Powers and Duties of the Council and Committees etc.

TRAFFIC MANAGEMENT SUB-COMMITTEE MINUTES - 15 JUNE 2016

Present: Councillor Page (Chair).

Councillors Debs Absolom, Davies, Duveen, Hacker, Hopper, Jones, McDonald, Terry, and White.

Apologies: Councillors Dennis.

1. FORMER TRANSPORT USERS' FORUM - CONSULTATIVE ITEM

(1) Questions

Question on the following matters were submitted, and answered by the Chair:

Questioner	Subject
Boyd Butler	LED Street Lighting
Tanja Rebel	LED Street Lighting
Helen Perkins	Albert Road/Highmoor Road
Helen Perkins	Albert Road/Highmoor Road
Helen Perkins	Albert Road/Highmoor Road
James Berrie	Extra Care Facility on Albert Road

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

(2) Presentation - Whiteknights Reservoir Traffic Management Arrangements

Sam Shean, Streetcare Services Manager, gave a presentation on plans for a project to construct a flood wall for the Whiteknights Reservoir adjacent to Whiteknights Road, Reading. The plans included alterations to the Council-owned embankment including regrading of the slope, installing a rock gambion retaining wall and widening the pedestrian footpath.

At the invitation of the Chair, members of the public asked Sam Shean questions on his presentation.

A copy of the presentation slides was made available on the Reading Borough Council website.

Resolved - That Sam Shean be thanked for his presentation.

2. MINUTES

The Minutes of the meeting of 10 March 2016 were confirmed as a correct record and signed by the Chair.

3. QUESTIONS FROM COUNCILLORS

There were no questions submitted in accordance with the Panel's Terms of Reference.

4. PETITIONS

(a) Petition for Permit Parking in St Stephens Close

The Director of Environment and Neighbourhood Services submitted a report on the receipt of a petition from residents of St Stephens Close, asking the Council to provide a shared use permit parking scheme.

The petition read as follows:

'We, the undersigned, call upon Reading Borough Council via the traffic sub-committee to provide residents of St Stephens Close/Claydon Court of the Caversham ward area, with a parking scheme including for shared use resident permit/no waiting at any time access to St Stephens Close area, as identified in the attached plan below [Appendix 1 to the report]. This forms an extension to the scheme already implemented by proposal CA4046, approved on 10th March 2016, for Cardinal Close residents' area.

This petition supports a proposal to extend this scheme defined on CA4046 to the St Stephens Cl/Claydon Ct residents developing an integrated area parking strategy consistent with Cardinal Close residential area

Keeps access road clear of parked vehicle and allows emergency access to the area

Alleviates transferred parking pressure caused by the newly implemented proposal CA4046

Alleviates future resident parking issues due to increasing area population density

Alleviates future resident parking issues due to planned St Martin's precinct retail changes and increased visitor movements

Supports residents access and egress needs to /from private land

Prevents long term parking by third parties

Prevents daily parking by commuters

Legalises the removal of vehicles parked on private land

Supports short term parking of third parties, for access to nearby facilities'.

Resolved -

- (1) That the report be noted;
- (2) That the petition to introduce permit parking in St Stephens Close be considered as part of the 6-monthly Waiting Restriction Review programme and be reported back to a future meeting of the Sub-Committee;
- (3) That the lead petitioner be informed accordingly.

(b) Petition for Permit Parking in Melrose Avenue

The Director of Environment and Neighbourhood Services submitted a report on the receipt of a petition from residents in Melrose Avenue, asking the Council to produce and consult on a residents' parking scheme Melrose Avenue.

The petition read as follows:

'The residents of Melrose Avenue are concerned about parking problems in our road. These problems include: parking by residents of Bridges and Wessex Halls; University staff parking, exacerbated by the University charging for parking; "park and ride" into Reading; and cars associated with the significant number of HMOs in the area (whether registered or not). We believe that residents' parking might be a solution to these problems. We would like the Council to produce a scheme for our road and consult on it'.

At the invitation of the Chair, a resident of Belle Avenue addressed the Sub-Committee on behalf of the petitioners.

The Sub-Committee discussed the report and the representations received and agreed that Belle Avenue should be added to the 6-monthly Waiting Restrictions Review.

Resolved -

- (1) That the report be noted;
- (2) That the petition to introduce permit parking in Melrose Avenue be considered as a part of the 6-monthly Waiting Restrictions Review programme and be reported back to a future meeting of the Sub Committee;
- (3) That Belle Avenue be added to the 6-monthly Waiting Restrictions Review programme;
- (3) That the lead petitioner be informed accordingly.

(c) Petition for Permit Parking in Amherst Road

The Director of Environment and Neighbourhood Services submitted a report on the receipt of a petition asking the Council to investigate the issue of residents' parking in Amherst Road.

Then petition read:

'I live on Amherst Road and agree that parking can be a problem. Parking congestion can mean that it is impossible to find a parking space in the evening and pavements are often blocked. We would like the council to investigate the issue of residents' parking in the road'.

Resolved -

- (1) That the report be noted;
- (2) That the petition to investigate introduction of permit parking in Amherst road be considered as part of the 6-monthly Waiting Restrictions Review

programme and be reported back to a future meeting of the Sub-Committee;

(3) That the lead petitioner be informed accordingly.

(d) Petition for Permit Parking in Rowley Road

The Director of Environment and Neighbourhood Services submitted a report on the receipt of a petition from residents of Rowley Road asking the Council to introduce residential parking permits for Rowley Road.

The petition read as follows:

'We the undersigned petition to Reading Borough Council to introduce residential parking permits for Rowley Road. Having been a resident of this road for many years it is becoming more apparent that residents struggle to park, leaving many of us as residents frustrated'.

Resolved -

(1) That the report be noted;

(2) That the petition to introduce permit parking in Rowley Road be considered as part of the 6-monthly Waiting Restriction Review programme and be reported back to a future meeting of the Sub-Committee;

(3) That the lead petitioner be informed accordingly

(e) Petition for Review of Road Safety of Cemetery Junction

The Director of Environment and Neighbourhood Services submitted a report on the receipt of a petition asking the Council to commit to an urgent road safety review in the Cemetery Junction area.

The petition read as follows:

'There have been three deaths on the roads at Cemetery Junction since 2010. Recently there has been an overturned car and an incident resulting in a boy sustaining serious leg injuries. We want Reading Borough Council to commit to an urgent road safety review of the Cemetery Junction area'.

The report explained that the Council had a statutory duty, as highways authority, to improve road safety through the reduction of casualties and that this was achieved using accident statistics data supplied by Thames Valley Police.

At the invitation of the Chair, Councillor White addressed the Sub-Committee on behalf of the petitioners.

Resolved -

(1) That the report be noted;

(2) That the petition to review the road safety at Cemetery Junction be considered as part of the Council's statutory duty to improve road safety and reduce casualties and be reported back to a future meeting of the Sub-Committee;

(3) That the lead petitioner be informed accordingly

(f) Petition for Permit Parking in Harrow Court

The Director of Environment and Neighbourhood Services submitted a report on the receipt of a petition asking the Council to investigate the introduction of permit parking in Harrow Court.

The petition read as follows:

'Harrow Court, Bath Road, Reading RG1 6JF is a small cul-de-sac leading to a development of 38 terraced houses with garages in blocks, built 47 years ago. The garages are too small for most modern cars and residents do not have their own drives, with the exception of 2 houses which have a short drive than can accommodate a medium size car. They have to park on the road or in the garage area. Parking has become increasingly difficult for residents who are now competing with commuters and shoppers who park in the road and our garage areas seven days a week.

We, the undersigned residents of Harrow Court, petition Reading Borough Council to investigate a Resident Parking Permits scheme for our road'.

The report explained that the petition provided some context of the parking problems on Harrow Court, citing concerns about emergency access, vehicles parking on the footway, and limited parking spaces being available for residents, which was caused by persons living outside the street or commuting to other parts of the town.

At the invitation of the Chair, the petition organizer, Neil Seager, addressed the Sub-Committee.

Resolved -

(1) That the report be noted;

(2) That the petition to investigate introduction of permit parking in Harrow Court be considered as part of the 6-monthly Waiting Restriction Review programme and be reported back to a future meeting of the Sub-Committee;

(3) That the lead petitioner be informed accordingly

(g) Petition for Traffic Calming Measures on Northcourt Avenue

The Director of Environment and Neighbourhood Services submitted a report on the receipt of two petitions asking the Council to introduce traffic calming measures in Northcourt Avenue.

The petition read as follows:

'We the undersigned are very concerned with the speed of traffic in Northcourt Avenue and are asking the Council to consider raising the carriageway to footway level to create priority for crossing pedestrians and encourage drivers to slow down to 20mph at the following locations:

- 1. Cressingham Road - north arm*
- 2. Stansfield Close junction*
- 3. Ennerdale Road junction*
- 4. Wellington Avenue junction*
- 5. Sherfield and Benyon Halls access road junction*
- 6. Christchurch Road - south arm'*

The report explained that the lead petitioner stated the residents' initial request was to ask the Council to raise the carriageway to footway level at the junctions to encourage drivers to slow down and enable pedestrians and vulnerable users to cross the road more safely. It stated that in addition to the petition a letter had been received from the Northcourt Avenue Residents Association requesting the Council to install traffic calming on Northcourt Avenue and supporting the residents' petition.

The letter read as follows:

'TRAFFIC CALMING PETITION in Northcourt Avenue, Church Ward

Northcourt Avenue Residents Association (NARA) wishes to request the Council to take physical measures to calm the traffic in Northcourt Avenue.

This request comes as a result of sustained growth in the volume and speed of vehicles following the measures to restrain traffic capacity on Reading's arterial A327 Shinfield Road.

Residents' recent observations suggest that thousands of vehicles are now using the Avenues every day, most of which travel in excess of the 30mph limit. This was recorded recently by data collected from cameras by Thames Valley police.

Our initial request is for the raising of the carriageway to footway level at the junctions. This will not only slow down drivers at locations where they should be paying attention anyway, but also - most importantly - facilitate pedestrians and vulnerable road users to cross safely without intimidation.

The matter was considered at length during the Annual General Meeting of the Northcourt Avenue Residents Association. The AGM was unanimous in requesting the Council to take the measures necessary to reduce the speed and volume of vehicles in the Avenue, which is, in fact, supposed to be a quiet suburban (unclassified) residential road.

Additionally, NARA supports the Residents in Northcourt Avenue and Wellington Avenue in their TRAFFIC CALMING Petition. The strength of feeling must be evident from the 162 signatures on the petition which is being submitted separately. NARA looks forward to your favourable consideration of what we consider to be a reasonable request.'

Resolved -

- (1) That the report be noted;
- (2) That Officers investigate the proposals in the petitions and present their recommendations to a future meeting of the Sub-Committee;
- (3) That the lead petitioners be informed accordingly.

5. PETITION FOR REVIEW OF THE SAFETY & SIGNAGE OF THE ZEBRA CROSSING IN PROSPECT STREET, CAVERSHAM - UPDATE

The Director of Environment and Neighbourhood Services submitted a report updating the Sub-Committee on a petition that had been submitted to the 10 March 2016 meeting (Minute 75 refers) asking the Council to review the safety of and signage of the zebra crossing in prospect Street, Caversham as a matter of urgency, including investigating an upgrade to a pelican crossing.

The report explained that the petition had highlighted a serious incident on 11 January 2016 in which a woman on the crossing had been knocked down by a lorry, sustaining life threatening injuries.

The report stated that as part of the Council's statutory duty, as highway authority, to improve road safety, officers considered work undertaken by Thames Valley Police in determining the causation factor(s) of accidents. In this case the police report had not suggested that the layout of the road or visibility of the zebra crossing had contributed in any way to the accident that had occurred on 11 January 2016 and that prior to this particular accident this zebra crossing had had a very good safety record without any reported casualties since the Council had become highway authority in 1998.

The report explained that the police investigation was yet to be concluded but that information shared with officers to date had suggested the causation factors were beyond the scope of any road or crossing improvement.

The report stated that there was a desire to pursue the lower 20mph speed limit across parts of Lower Caversham in particular and that the central Caversham area was a prime candidate for a 20mph limit improving the experience of those walking and cycling. As a part of the review of this zebra crossing in Prospect Street it was intended to engage with Caversham and District Residents Association (CADRA) on a reduction of the speed limit to 20mph. The report explained that a report on how the lower 20mph speed limit might be implemented and its impact in Caversham would be presented at a future meeting of the Sub-Committee.

At the invitation of the Chair, the petition organiser, Ed Hogan, addressed the Sub-Committee.

Resolved -

- (1) That the report be noted;
- (2) That a further report be prepared for a future meeting of the Sub-Committee regarding the introduction of a 20mph speed limit in Prospect Street, Caversham and to report on the conclusion of the Thames Valley Police accident investigation.

6. ROAD SAFETY AND ROAD CASUALTIES IN READING BASINGSTOKE ROAD WITH BUCKLAND ROAD & HIGHMOOR ROAD JUNCTION WITH ALBERT ROAD

The Director of Environment and Neighbourhood Services submitted a report on road safety within Reading and informing the Sub-Committee of the on-going police investigations into the sad events that had resulted in fatalities at Basingstoke Road (Whitley) and Highmoor Road (Thames).

The report described the Council's duty as highways authority to take steps to both reduce and prevent collisions on the road network and to secure the safe and expeditious movement of traffic by maintaining and managing the road network. It outlined significant road safety projects undertaken in the Borough in recent years and explained the adverse impact on road safety measures of central government policy changes and funding reductions.

The report explained that the accidents in Basingstoke Road and Highmoor Road were being investigated by the police and that officers had been involved in site visits as a part of those investigations. Some details of what had happened at Basingstoke Road and Highmoor Road had been reported by the local media. The report conveyed the Council's heartfelt sympathies to the families and friends of the two people who been killed in the accidents.

The report explained that the Highway Authority had a duty to determine whether such accidents were related to defects in the highway and, if this was the case, to accept responsibility for any appropriate action.

The report explained that once the police investigations were complete into the circumstances of both these fatal accidents it would be appropriate for the Council to consider their findings.

The report stated that at the Sub-Committee's meeting on 15 January 2015 (Minute 68 refers) it had agreed to a change of priorities at the Highmoor Road/Albert Road junction following the review of the Traffic Sign Regulations & General Directions (TSRGD). As the revised TSRGD had recently been brought into force, the January 2015 decision could now be fulfilled. The report explained that changing the priorities would allow the Highmoor Road traffic to pass through the junction without stopping whilst the Albert Road traffic would have to give-way. As explained in the January 2015 report this option of all those considered at that time was the simplest and most cost effective to deliver. The report recommended that the January 2015 recommendation be implemented and the junction be kept under review.

The Sub-Committee noted that a petition had been received asking for road safety changes in respect of the Highmoor Road/Albert Road junction. At the invitation of the Chair, the petition organisers, Stuart Kemp and Jonathan Lee addressed the Sub-Committee.

At the invitation of the Chair, Mike Johnson, Paul Matthews of Caversham and District Residents Association (CADRA), and Councillor Ballsdon, on behalf of her constituents, addressed the Sub-Committee.

The Sub-Committee discussed the report and representations received and agreed that officers should meet with representatives of CADRA/HARC to investigate the options for

the Highmoor Road/Albert road junction and report to the next meeting of the Sub-Committee.

Resolved -

- (1) That the report be noted;
- (2) That officers meet with representatives of CADRA/HARC to investigate the options for the Highmoor Road/Albert Road junction and report back to the next meeting of the Sub-Committee with recommendations.

7. PETITION FOR A ZEBRA CROSSING ON GOSBROOK ROAD - UPDATE

The Director of Environment and Neighbourhood Services submitted a report providing the Sub-Committee with a summary of the results of a pedestrian/vehicle count (PV²) that had been conducted in response to a petition that had been submitted to the Sub-Committee on 14 January 2016, requesting a new zebra crossing on Gosbrook Road (Minute 57 refers).

The report explained that a pedestrian/vehicle count (PV²) had been conducted at the suspected pedestrian crossing desire line, located between the gated northern entrance to Christchurch Meadows and the footpaths that met at the south-east corner of the Westfield Road green area. The PV² count had confirmed that there was a significant pedestrian movement across Gosbrook Road in the vicinity of this suspected desire line and that the flows appeared to be tidal, with a higher southbound demand in the morning (7am to 9am) and a higher northbound flow in the afternoon (3pm to 7pm) during the week.

The report described the factors Officers had considered alongside the results of the PV² count. The report explained that having considered these factors, Officers recommended that the installation of a zebra crossing, positioned in alignment with the gated entrance to Christchurch Meadows and to the east of the access to Elizabeth House, would be suitable for the needs of pedestrians.

The report detailed the factors that would need to be considered before conducting detailed design work and costing on the scheme and proceeding to statutory consultation.

At the invitation of the Chair, the petition organizer, Ed Hogan, addressed the Sub-Committee.

The Sub-Committee discussed the report and agreed that a further report on the design work and statutory consultation results be submitted to a future meeting prior to deciding whether to proceed with a Notice to install the crossing.

Resolved -

- (1) That the report be noted;
- (2) That the proposal in paragraph 4.4 of the report be developed as a detailed design and be safety-audited, in consultation with the Chair of the Sub-Committee, the Lead Councillors for Strategic Environment, Planning and Transport and Ward Councillors;
- (3) Subject to the results of resolution (2) above:

- (a) That, in consultation with the Chair of the Sub-Committee, the Lead Councillor for Strategic Environment, Planning and Transport and Ward Councillors, the Head of Legal and Democratic Services be authorised to carry out statutory consultation and advertise the alterations to the parking bays as detailed in paragraphs 4.5.4 and 4.5.5 of the report, in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996;
 - (b) That, subject to no objections being received, the Head of Legal and Democratic Services be authorised to make the Traffic Regulation Order;
 - (c) That any objections received following the statutory advertisement be reported to a future meeting of the Sub-Committee;
- (4) That the results of resolution (2) and (3) above be reported to a future meeting of the Sub-Committee, prior to approving a Notice for installation of the crossing.
- (5) That the lead petitioner be informed accordingly.

8. PETITION FOR SAFE CROSSING PLACES FOR SCHOOL CHILDREN ON ROTHERFIELD WAY - UPDATE

The Director of Environment and Neighbourhood Services submitted a report providing the Sub-Committee with an update on the results of Officer investigation in response to a petition that had been submitted to the Sub-Committee on 14 January 2016 (Minute 57 refers), requesting the installation of a crossing place for school children on Rotherfield Way, near to the junction with Surley Row.

The report explained that officers had observed the junction to review the desire line for pedestrians crossing the road, the layout and topography of the junction and, having taken account of a number of factors, which were detailed in the report, officers considered that the installation of a zebra crossing would best serve the needs of crossing pedestrians.

The report described the factors that would need to be investigated and considered in preparing the detailed design for the scheme.

The Sub-Committee was advised that a representation had been received from a member of the public expressing concerns over the proposed zebra crossing and copies of the representation were made available at the meeting.

Resolved -

- (1) That the report be noted;
- (2) That the proposal set out in paragraph 4.4 of the report be developed as a detailed design and be safety-audited;
- (3) That subject to the results of (2) above,
 - (a) The Head of Legal Services be authorised to carry out the statutory Notice procedures for the intention to establish a new pedestrian

crossing, in accordance with Section 23 of the Road Traffic Regulation Act 1984;

- (b) The proposal set out in paragraph 4.4 of the report be implemented;
- (4) That if it was not possible to implement the proposal in paragraph 4.4, a further report be submitted to a future meeting of the Sub-Committee;
- (5) That the lead petitioner be informed accordingly.

9. CRESCENT ROAD AND EAST READING REQUESTS FOR RESIDENT PERMIT PARKING - UPDATE

The Director of Environment and Neighbourhood Services submitted a report providing the Sub-Committee with an update on the request for residents permit parking in Crescent Road, as requested by residents in a petition received by the Sub-Committee at its meeting on 14 January 2016 (Minute 57 refers). The report also provided Officers' initial proposals to address concerns at rat-running traffic in Crescent Road, as requested by the Sub-Committee at its meeting on 10 March 2016 (Minute 78 refers).

The report explained that the Council had received petitions for the introduction of resident permit parking in Crescent Road, Bulmershe Road and Hamilton Road and a petition objecting to the introduction of resident permit parking in Hamilton Road. Following the previous meeting of the Sub-Committee, it had been recommended that these resident permit parking schemes be considered together as part of the next 6-monthly waiting restriction review. It was noted that other petitions for resident permit parking, considered earlier in the meeting would also be included in this review. The report recommended that implementation of any permit schemes within this area be conducted together as an area scheme, following the results of informal consultations and detailed design.

A plan, attached as Appendix 1 to the report, showed the existing, proposed and requested streets for resident permit parking.

The report provided proposals to address concerns about traffic volumes on Crescent Road. It explained that officers considered the installation of a one-way plug, preventing traffic entering Crescent road from Wokingham Road, would significantly reduce the volumes of traffic on Crescent Road. The report stated that as part of this solution, consideration could be given to reversing the one-way direction of a section of Grange Avenue, from its junction with Wokingham Road.

Resolved -

- (1) That the report be noted;
- (2) That Officers conduct an informal consultation for an area-wide resident permit parking proposal, for the area indicated in Appendix 1 of the report, in consultation with the Chair of the Sub-Committee/the Lead Councillor for Strategic Environment, Planning and Transport and Ward Councillors;

- (3) That the proposals set out in report to address traffic volumes on Crescent Road be developed into a detailed design, in consultation with the Chair of the Sub-Committee/the Lead Councillor for Strategic Environment, Planning and Transport and Ward Councillors;
- (4) That the lead petitioners be informed accordingly.

10. RESIDENTS PARKING SCHEME - SCRUTINY REVIEW

The Director of Environment and Neighbourhood Services submitted a report inviting the Sub-Committee to re-establish the Scrutiny Task and Finish Group that had originally been set up in July 2012, to consider Residents Parking in the Borough.

The report included the terms of reference for the group which were:

“To review the performance and current and future arrangements for delivery of Parking Services with a focus on the services relating to residents parking schemes”

The report stated that the Task and Finish Group would need to decide the scope of the review, which would be reported to the next meeting of the Sub-Committee, along with an update on the Group’s work to date.

The report of the original Task and Finish Group was attached as Appendix 1 to the report.

Resolved -

- (1) That a Task and Finish Group be established to consider Residents Parking in the Borough;
- (2) That the membership of the Task and Finish Group shall be Councillors Jones (Chair), Debs Absolom, Hacker, Hopper, Terry and White;
- (3) That the Task and Finish Group meet and agree a scope for the review and report back to the next meeting of the Sub-Committee with an update on their work.

11. BI-ANNUAL WAITING RESTRICTION REVIEW - WRR2016A STATUTORY CONSULTATION

The Director of Environment and Neighbourhood Services submitted a report seeking approval for carrying out statutory consultation and implementation, subject to no objections being received, on requests for or changes to waiting/parking restrictions.

The report explained that requests for new or alterations to existing waiting restrictions were reviewed on a 6-monthly basis commencing in March and September each year. It stated that in accordance with the report to the Sub-Committee on 10 March 2016 (Minute 80 refers), consultation with Ward Councillors had been completed. Appendix 1 to the report provided a list of streets, officer recommendations and relevant proposed plans for the Bi-Annual Waiting restrictions review programme.

The Sub-Committee reviewed the programme and agreed that Dovecote Road should be removed from the list.

Resolved -

- (1) That the report be noted;
- (2) That in consultation with the Chair of the Sub-Committee/the Lead Councillor for Strategic Environment, Planning and Transport and Ward Councillors, the Head of Legal and Democratic Services be authorised to carry out statutory consultations and advertise the proposals listed in Appendix I to the report, excluding Dovecote Road, in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996;
- (3) That subject to no objections being received, the Head of Legal and Democratic Services be authorised to make the Traffic Regulation Order;
- (4) That any objections received following the statutory advertisement be reported to a future meeting of the Sub-Committee;
- (5) That the Head of Transport, in consultation with the appropriate Lead Councillor be authorised to make minor changes to the proposals;
- (6) That no public enquiry be held into the proposals.

12. HIGHWAY MAINTENANCE POTHOLE REPAIR PLAN 2016/17

The Director of Environment and Neighbourhood Services submitted a report informing the Sub-Committee about the £60,000 share which had been made available to the Council from the £50m Pothole Action Fund for pothole repairs in the 2016-17 financial year, following an announcement in the Government's Autumn Statement 2015.

Appendix 1 to the report listed the roads in priority order based on the specified criteria to enable the plan to commence immediately. The report explained how the pothole repairs would be prioritised and stated that, in the event of other roads subsequently being identified or brought to the Council's attention and considered to be of a higher priority, the list would be reviewed to ensure that the worst roads were given highest priority.

Resolved -

- (1) That the £60,000 share from the £50 Million Pothole Action Fund allocated to the Council for pothole repairs in the current financial year, following the announcement in the government's Autumn Statement be noted;
- (2) That the Pothole Repair Plan proposal outlined in Section 4 of the report be approved;
- (3) That an update on progress be reported to future meetings of the Sub-Committee;
- (4) That expenditure of the £60,000 share of the Pothole Action Fund be approved.

13. RESULTS OF STATUTORY CONSULTATIONS - HOSPITAL AND UNIVERSITY STUDY AND A33 MRT PHASE ONE

The Director of Environment and Neighbourhood Services submitted a report providing the Sub-Committee with an update on the results of statutory consultations regarding the Hospital & University Study and the A33 MRT Phase One.

The report explained that following completion of the informal consultations in 2015, it had been agreed at the Traffic Management Sub-Committee in January 2016 (Minute 63 refers) to progress the formal Statutory Consultation on the Hospital and University proposals, and at the Traffic Management Sub-Committee in March 2016 (Minute 87 refers), it had been agreed to progress the formal Statutory Consultation on phase one of the A33 MRT proposals.

The report stated that the Statutory Consultations had commenced on 12 May 2016 for a period of 28 days. Notices had been placed on street informing of the consultation, alongside promotion via the Reading Borough Council website and social media platforms. The results of the consultation on the hospital and university study were presented in a document tabled at the meeting.

The Sub-Committee noted that an on-line petition had been organised regarding the impact of the Hospital and University proposals on staff, patients and visitors at the Royal Berkshire Hospital. At the invitation of the Chair, the petition organiser, Clare Gouldbourn Lay, addressed the Sub-Committee.

At the invitation of the Chair, Mr Sharp and Councillor David Absolom, on behalf of his constituents, addressed the Sub-Committee.

The Sub-Committee was advised that no objections had been received in respect of the A33 MRT Phase One.

The Sub-Committee discussed the report and representations received and agreed a tabled Motion in the terms set out below to suspend implementation of the advertised proposals for the hospital and university area to allow a further report to be submitted to the next meeting.

Resolved -

- (1) That the report and the results of the statutory consultations be noted;
- (2) That the Sub-Committee, having considered the support/objections and comments received in response to the statutory consultation for changes to waiting restrictions as part of the hospital and university area study, agree to suspend any implementation of the advertised proposals to allow a further report to the next meeting of the Sub-Committee on 14 September 2016, which will include:
 - (a) any further refinements to the proposals recently advertised;
 - (b) a further set of proposals for changes to waiting restrictions, including the introduction of residents' parking schemes, to those residential streets in Redlands which currently lacked any parking restrictions;

- (3) That it be noted that suspending the introduction of the proposals did not mean that they had been abandoned;
- (4) That with regard to 2(b) above, it be noted that any refinements made to the advertised proposals could only consist of reducing the restriction type - no new restrictions could be added;
- (5) That the lead petitioner be informed accordingly;
- (6) That, where no objections were received in response to the South Reading MRT proposal, the scheme be implemented as advertised.

14. SCHOOL EXPANSION AND SUSTAINABLE TRANSPORT UPDATE

The Director of Environment and Neighbourhood Services submitted a report providing the Sub-Committee with an update on the progress made towards encouraging sustainable travel to schools through the development of new Travel Plans for the primary schools that were currently expanding.

The report explained that further to Minute 83 of the meeting held on 10 March 2016, it was proposed to upgrade the pedestrian crossing across Caversham Road by York Road by the removal of the older style 'pelican' crossing and introduction of new technologies in a 'PUFFIN' crossing. The new crossing would include detectors that could monitor pedestrian activity within the roadway and extend the red time to vehicles where necessary to allow safe passage of pedestrians. The report explained that the new crossing could be used by groups of parents and children at EP Collier School and that this work and the introduction of the 20mph speed limit agreed at the previous meeting were expected to improve active and sustainable travel to the school with less reliance on car travel.

Resolved -

- (1) That the report be noted;
- (2) That the use of Section 106 monies secured from the expansion of EP Collier Primary School to upgrade the pedestrian crossing across Caversham Road by York Road as set out within the report be agreed.

15. CAR CLUBS

Further to Minute 85 of the meeting held on 10 March 2016, The Director of Environment and Neighbourhood Services submitted a report informing the Sub-Committee about Car Clubs generally together with a summary of progress with development of Car Clubs in Reading.

Resolved - That the report be noted

16. CAR PARK TARIFF CHANGES 2016

The Director of Environment and Neighbourhood Services submitted a report on proposals to change the "off-street" car parking orders as a result of a review of the tariffs.

The proposed Car Park Tariff Charges 2016 were set out in Appendix 1 to the report.

A comparison of car park charges was set out in Appendix 2 to the report.

Resolved -

- (1) That the proposed Car Park Tariffs set out within the report and in Appendix 1 to the report be approved;
- (2) That the statutory requirements for changes to the Borough of Reading (Civil Enforcement Area) (Off Street Parking Places) Order 2012, Borough of Reading (Civil Enforcement Area) (Off Street Parking Places) (Amendment) Order and The Borough of Reading (Civil Enforcement Area) (Off Street Parking Places) (Civic Car Park "B") (Experimental) Order 2014 be authorised and the Head of Legal and Democratic Services be authorised to advertise the proposals.

17. MAJOR TRANSPORT AND HIGHWAYS PROJECTS - UPDATE

The Director of Environment and Neighbourhood Services submitted a report providing the Sub-Committee with an update on the current major transport and highways projects in Reading, namely:

Reading Station Area Development

Cow Lane Bridges - Highway Works

The report explained that since the March 2016 meeting of the Sub-Committee, Network Rail had reviewed the overall project design to investigate potential areas for reduction in scope and associated cost reduction. The Council had been involved in the review to ensure the essential elements of the scheme were retained, (such as the new footway on the east side of the southern bridge). The Council remained reliant on Network Rail in confirming a programme of works, but was hopeful works would commence after Reading Festival 2016.

Cycle Parking on the North side of the Station

The report stated that the new cycle hub located on the north west corner of the Station Car Park had opened on Monday 23 May 2016. The hub had space to park 600 bicycles on a two tier cycle rack system and was covered by a series of shelters. To date, the hub had been very well used, and feedback by users had been positive.

Thames Valley Berkshire Growth Deal Schemes

Green Park Station

The report stated that design work for the station was being progressed in partnership with Network Rail and Great Western Railway to ensure the station complied with the latest railway standards. An updated programme had been agreed between all project partners in line with the target opening date for the station of December 2018. Design work for the multi-modal interchange and surface level car park was being progressed in parallel with the station design work. The report stated that discussions were on-going between the Department for Transport and Great Western Railway regarding the availability of trains to serve the station, however the Berkshire Local Transport Body had agreed that the scheme should be progressed in line with the original programme.

Reading West Station Upgrade

The report explained that the Council had been working with Great Western Railway and Network Rail to produce a Masterplan for significantly improved passenger facilities at Reading West Station. Delivery of the scheme was split into two distinct phases, with Network Rail due to implement Phase 1 as part of their wider programme of works for electrification of the line between Southcote Junction and Newbury. Phase 2, which would include significant improvements such as the station building on the Oxford Road, was currently unfunded. However officers were continuing to seek funding for the scheme from all available sources, including a bid to the Local Growth Fund which was due to be submitted to the Government in the summer.

South Reading Mass Rapid Transit

The report stated that, as agreed at Policy Committee in April 2016 (Minute 102 refers), Phase 1A of the scheme was due to commence on site in mid-July 2016 for a period of 3 months. This initial phase of works would involve construction of a series of bus lanes between the A33 junction with Imperial Way and the existing bus priority provided through M4 Junction 11. The scheme would be achieved predominantly by utilising space in the central reservations and realigning existing lanes where required. The Sub-Committee noted that no comments had been received during the Statutory Consultation.

The report explained that options for future phases of the South MRT scheme were currently being investigated to provide further bus priority measures between Island Road and Reading town centre. Phases 3 and 4 of the scheme had been ranked as the highest priority transport scheme in Berkshire for future funding from the Local Growth Fund.

Eastern Park and Ride

The report stated that work on the planning application for the Mass Rapid Transit scheme was being progressed with the objective of submitting the application towards the end of the year. It was proposed that a series of public drop-in sessions would be undertaken to gain feedback on the MRT scheme prior to the school summer holidays. This would enable feedback from the informal consultation to be incorporated into the scheme design prior to submission of the planning application. Preparation of the full scheme business cases for the P&R and MRT schemes was being progressed and both assessments were anticipated to be submitted to the Berkshire Local Transport Body in November to seek full financial approval for each scheme.

National Cycle Network Route 422

The report explained that the scheme had been granted full funding approval from the Berkshire Local Transport Body in November 2015. Preferred option development had been undertaken and detailed design for the scheme was currently being undertaken, focused initially on the provision of a shared path on the northern side of the Bath Road between the Borough boundary and Berkeley Avenue. The report stated that a programme for delivery of the full scheme was being agreed between project partners, however it was anticipated that the works in Reading would be able to commence during the current financial year subject to detailed design work being completed.

Third Thames Bridge

The report explained that a Third Thames Bridge over the River Thames was a longstanding element of Reading's transport strategy to improve travel options throughout the wider area. A group had been established to investigate the traffic implications and prepare an outline business case for the proposed bridge, led by Wokingham Borough Council and in partnership with Reading Borough Council, South Oxfordshire District Council, Oxfordshire County Council, Thames Valley Berkshire LEP and Oxfordshire LEP. The Wokingham Strategic Transport Model was currently being updated to enable the modelling and business case work to be undertaken, and a bid was being prepared to the Department for Transport to seek funding to undertake the next stage of the business case work for the scheme.

Resolved -

- (1) That the report be noted;
- (2) That in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Transportation and Streetcare be authorised to undertake an informal public consultation on the proposed East Reading MRT scheme prior to the school summer holidays to support development of the planning application for the scheme.

18. CYCLING STRATEGY IMPLEMENTATION PLAN 2016/17

The Director of Environment & Neighbourhood Services submitted a report setting the programme for Cycling Strategy implementation Plan 2016/17 and reviewing progress towards delivery of the strategy objectives during 2015/16.

The report explained that the delivery programme for 2016/17 had been developed by assessing the level of available funding alongside an assessment methodology to prioritise projects which met strategic objectives and delivered value for money.

The report stated that the opening of the pedestrian and cycle bridge had led to an increase in cycle use in the vicinity of the River Thames and Thames Path, which was legally classified as a footpath over which the public had a right of way by foot only. Increased cycle use had been highlighted through site visits along the Thames Path and ongoing dialogue with the Cycle Forum that led to the decision to carry out informal consultation seeking the views of key stakeholders regarding the possibility of permitting cycling along the Thames Path between Reading and Caversham Bridges. The report noted that the Council had initiated a process to convert the section of the Thames Path between Reading and Caversham Bridges to a cycle track in 2007, which had received over 150 objections and the Council had decided not to pursue the order further.

The report stated that it was now recommended that a statutory consultation be carried out to seek the views of landowners to identify further options for cycle use along the full section of the Thames path (Footpath 1) in Reading.

Appendix A to the report set out details of the delivery highlights achieved during 2015/16.

Appendix B to the report provided a location plan of serious cycle accidents 2013-2015

Appendix C to the report provided the Cycle Strategy Programme schemes for 2016/17

Resolved -

- (1) That the ongoing monitoring and progress made in delivering the cycling Strategy during 2015/16 as outlined in Appendix A and the location of serious accidents involving cyclists as set out in Appendix B be noted;
- (2) That the Cycling strategy delivery programme for 2016/17, as set out in Appendix C be approved;
- (3) That in consultation with the Chair of the Sub-Committee, the Lead Councillor for Strategic Environment, Planning and Transport and Ward Councillors, the Head of Legal and Democratic Services be authorised to carry out a statutory consultation to identify options for cycle use along the Thames Path.

19. CYCLE FORUM - MEETING NOTE

The Director of Environment and Neighbourhood Services submitted a report informing the Sub-Committee of the discussions and actions arising from the 7 June 2016 meeting of the Cycle Forum under the auspices of the approved Cycling Strategy.

The notes of the Cycle Forum meeting of 7 June 2016 had been circulated prior to the meeting.

Resolved - That the report be noted.

20. EXCLUSION OF PRESS AND PUBLIC

Resolved -

That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of Item 90 below, as it was likely that there would be disclosure of exempt information as defined in Paragraphs 1 and 4 of Part 1 of Schedule 12A of that Act.

21. APPLICATIONS FOR DISCRETIONARY PARKING PERMITS

The Director of Environment and Neighbourhood Services submitted a report giving details of the background to her decisions to refuse applications for Discretionary Parking Permits from a total of 9 applicants, who had subsequently appealed against these decisions.

Resolved -

- (1) That applications 1.2 and 1.3 be referred to the Residents Parking Task and Finish Group for consideration;
- (2) That the Director of Environment and Neighbourhood Services' decision to refuse applications 1.0, 1.1, 1.4, 1.5, 1.6, 1.7 and 1.8 be upheld.

(Exempt information as defined in Paragraphs 1 and 2).

(The meeting started at 6.30 pm and finished at 10.30 pm).

JOINT WASTE DISPOSAL BOARD
15 JANUARY 2016
(2.00 - 3.15 pm)

Present: Bracknell Forest Borough Council
Councillor Mrs Dorothy Hayes MBE
Councillor Iain McCracken

Reading Borough Council
Councillor Paul Gittings

Wokingham District Council
Councillor Anthony Pollock
Councillor Angus Ross

Officers Oliver Burt, re3 Project Manager
Anna Fowler, re3 Communications and Marketing Officer
Steve Loudoun, Bracknell Forest Council
Mark Smith, Reading Borough Council
Josie Wragg, Wokingham Borough Council

Apologies for absence were received from:

Councillor Liz Terry, Reading Borough Council

26. Declarations of Interest

There were no declarations of interest.

27. Minutes of the Meeting of the Joint Waste Disposal Board

RESOLVED that the minutes of the meeting of the Joint Waste Disposal Board held on 16 October 2015 be approved as a correct record and signed by the Chairman.

Minute 21 – It was agreed that a visit to the Sutton Courtney MRF would be arranged for later in the year.

28. Urgent Items of Business

There were no urgent items of business.

29. re3 Partnership Progress Update Report

The Board considered a report providing an update on the progress made in relation to the shared re3 PFI Contract since its last meeting on 16 October 2015. The report covered updates on: street sweepings, correspondence with Government, insurance matters, the re3 Material Reclamation Facility (MRF), business continuity and contingencies and changes to service delivery plans.

It was reported that, following work to ensure the processing of street sweepings met with approval from the Environment Agency, a two month trial during October and November 2015, had collected 718 tonnes of street sweepings. Of which, 75-80% had been recycled. It was stressed that the composition of the sweepings would change through the year and the recycling rates would fluctuate as the trial progressed.

To date no response had been received in response to a letter sent to Defra relating to the strategic requirements of local government and the ways that the Government might create the conditions within which councils and the waste industry could thrive. It was agreed that rather than continuing to correspond with Defra to minimal effect the possibility of arranging a meeting with Defra so that these concerns could be put directly to representatives would be explored.

Further work had taken place to establish more accurate costs for work to improve the existing fire system. Estimates now placed the cost of the work as being approximately £450,000. It was envisaged that this shortfall could be funded from the Maintenance Reserve Fund however the situation would need to be carefully considered.

A workshop had been held to enable the testing of business continuity plans and emergency plans were now being updated to ensure they continued to be fit for purpose.

RESOLVED that:

- i. The progress made over the last quarter in relation to the aspects of contract delivery described in the re3 Strategic Waste Manager's report be noted
- ii. The changes described in paragraphs 5.25 to 5.30 of the re3 Strategic Waste Manager's report be trialled
- iii. A report reviewing the trial described in paragraphs 5.25 to 5.30 of the re3 Strategic Waste Manager's report and recommendations relating to changes to the Service Delivery Plan be brought back to the Board in six months time

30. re3 Proposed Marketing and Communication Activity for 2016

Anna Fowler, re3 Marketing and Communications Officer, attended the meeting to present a report setting out the proposed marketing and communications activity for 2016.

The Board noted that the draft Communications Protocol had now been updated to incorporate comments made at the Board's previous meeting. It was agreed that if a lead member was not available to approve a draft responses to a media enquiry then approval would be sought from the second Board member. If both members from one local authority were not available then approval would be sought from the relevant Council Leader or Deputy Leader. It was agreed that the flowcharts would be amended to reflect this situation.

The Board was presented with drafts of factsheets focusing on waste management processes which could be used to on a number of platforms to answer some of the questions regularly asked by the public. The factsheets had been designed using the refreshed house style and it was proposed that these factsheets would be launched by the lead members from each council at an event held at a local primary school.

RESOLVED that:

- i. The content of the report be noted
- ii. The proposed marketing and communications activities planned for 2016 be approved

31. **Exclusion of Public and Press**

RESOLVED that pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2012 and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of items 8 and 9 which involve the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

- (3) Information relating to the financial or business affairs of any particular person.

32. **Finance Report**

The Board received a report summarising the financial position of the joint waste PFI for the 2015/16 financial year to date, a second draft of the 2016/17 budget and the quarterly performance report for the third quarter of 2015/16.

It was noted that the current combined recycling rate for the re3 councils stood at 37.38% which was below the 50% target in the Contractual Requirements. Government guidelines did not currently permit recycling rate calculations to include figures for the recycling of bottom ash waste from incineration however if these figures were added then the recycling rate would increase by approximately 8%. This mismatch and how it might be challenged was questioned by the Board. The Board was informed that previous representations on the matter had met with limited success and it was suggested that a further representation be made to the appropriate Government Minister. It was suggested that future reports include two columns showing recycling rates with and without the recycling of bottom ash waste.

It was noted that there had been a 1% reduction in the amount of glass tonnage recycled through bottle banks. The Board was informed that feedback showed that some residents were unsure about which bottle banks some glass should be deposited in and it was suggested that this be added to the relevant marketing fact sheets. It was suggested that promotion of the bottle banks should be added to the proposed marketing activity for the coming year.

It was noted that approximately 3% of the residual waste being sent to landfill was wet paper and card board which couldn't currently be recycled. It was questioned whether drying the paper and card before sending it to be recycled might be a suitable way to increase recycling rates of these materials..

It was agreed that the 2014/15 end of year figures would be added to the Quarter 4 report so that comparisons could be made and trends identified.

The Board commended the revised format of the Performance Management Report and it was agreed that the reports should be used to brief their respective Councils on waste matters. It was agreed that re3 Officers would be happy to help present the reports if required.

RESOLVED that the contents of the Financial Report be noted.

33. **Contract Guidance Report**

The Board received a report providing a briefing on the re3 Contract. It was noted that the briefing had been produced to provide Board members and officers with an overview and background understanding of the re3 PFI Contract.

Arising from the Board's questions and comments the following points were noted:

- Similar reports would focusing on payment and performance would be brought to future meetings
- If a procedure change constituted either a budget saving or was cost neutral then authority to approve the decision was delegated to the Project Director. If a change had the potential to incur capital costs then all three Councils had to agree the decision
- The new haulage contract had been agreed in December 2015

The Board noted the report.

CHAIRMAN

JOINT WASTE DISPOSAL BOARD
8 APRIL 2016
(11.00 am - 1.00 pm)

Present: Bracknell Forest Borough Council
Councillor Mrs Dorothy Hayes MBE
Councillor Iain McCracken

Reading Borough Council
Councillor Paul Gittings
Councillor Liz Terry

Wokingham District Council
Councillor Anthony Pollock
Councillor Angus Ross

Officers Anna Fowler, re3 Marketing and Communications Officer
Oliver Burt, re3 Project Manager
Sarah Innes, re3 Monitoring and Performance Officer
Steve Loudoun, Bracknell Forest Council
Mark Smith, Reading Borough Council
Josie Wragg, Wokingham Borough Council

Apologies for absence were received from:

34. Apologies for Absence

There were no apologies for absence.

35. Declarations of Interest

There were no declarations of interest.

36. Minutes of the Meeting of the Joint Waste Disposal Board

RESOLVED that the minutes of the meeting of the Joint Waste Disposal Board held on the 15 January 2015 be approved as a correct record and signed by the Chairman.

Arising on the minutes, it was noted:

Minute 21 – It was agreed that a date would be set for members to meet at the Sutton Courtney MRF.

Minute 29 – It was agreed to progress a date to meet with DEFRA.

Minute 29 – It was confirmed that the Fire System works were ongoing.

Minute 29 – It was confirmed that a report reviewing the trial described in paragraphs 5.25 to 5.30 of the re3 Strategic Waste Manager's report and recommendations relating to changes to the Service Delivery Plan, would be brought back to the Board at the next meeting.

Minute 32 - It was confirmed that future reports would be amended to include two columns showing recycling rates with and without the recycling of bottom ash waste.

37. **Urgent Items of Business**

There were no urgent items of business.

38. **Contract Guidance Report**

The Board received a report providing a briefing on the contract guidance on the Payment Mechanism. It was noted that the briefing had been produced to provide Board members and officers with an overview and background understanding of the re3 contract Payment Mechanism.

The Board was informed about new developments that would affect the Payment Mechanism as a result of trials that had been undertaken.

A successful trial had been undertaken in autumn 2015 to send street sweepings for processing, which had resulted in a significant proportion being diverted from landfill, and at a lower cost to the councils. A Change Notice had been agreed and a new section would be introduced to the Payment Mechanism to capture sweeping tonnage and processing costs. The savings figures that were projected from this trial would be presented to the Board at a later date.

Another trial was being undertaken to send residual material from the Recycling Centres to FCC's MRF in Sutton Courtenay. A small amount of the material was being separated for recycling and the remainder was to be used for RDF (Refuse Derived Fuel), thereby diverting this tonnage from landfill at a lower cost. If this arrangement were to be made permanent then a new section for RDF would be added to the Payment Mechanism.

Further work was also underway to agree a new haulage contract, this aimed to be more prescriptive about the times in which the haulage companies could use the sites.

It was suggested that the Board should arrange a date to visit the Colnbrook Site in Slough.

RESOLVED that the content of this report be noted.

39. **Proposals for the Household Waste Recycling Centres**

Sarah Innes, re3 Monitoring & Performance Officer, attended the meeting to present a report setting out the proposals for the Household Waste Recycling Centres.

In response to the decision by West Berkshire to cease financial contributions. The Board considered a report which proposed five potential changes to the policies employed at the re3 facilities with the intention of generating savings and improving recycling rates.

The report presented a summary of the five proposals in relation to savings and performance.

It was proposed that the proposals would be phased in over summer 2016.

The Board stressed the need for a comprehensive approach to identifying site users, and would like to see the communications plan for this and the other proposals. The Board also emphasised that it was critical that the system for any payments relating to use of the site be efficient.

It was agreed that as a priority the officers would investigate costings and suitability for a Smartcard option which Bracknell Forest currently utilises for other functions.

The Board wished to take the proposals to their respective Leaders and Executive to inform them of the significant changes that had been presented. The Board requested an urgent, supplementary Joint Waste Disposal Board take place (22 April 2016) in order to review the possibility of the Smartcard, as well as to have sight of the Project Implementation Plan and Communications Plan for the proposals.

RESOLVED that:

- i. The content of the report be noted.
- ii. The Board agree in principle the proposals described at 6.3, 6.9, 6.12, 6.18, 6.27 and 6.32 but request that further detail regarding the Implementation and Communications Plan for the Residency Check proposal be brought to a special meeting of the Joint Waste Disposal Board on the 22 April 2016.

40. **re3 Strategy Report**

The Board received a report seeking introduction and endorsement of the draft re3 Strategy.

The re3 Strategy was intended to articulate the aspirations of the re3 partnership, in consideration of the strategic challenges facing the waste services and the councils, and to provide a basis for those aspirations to be delivered.

The Board was presented with a draft of the Strategy which included the breakdown of data by four themes and sub categorised into 23 individual objectives.

The Board noted that the purpose of the re3 Strategy was to provide a focus for efforts within the combined re3 waste service as well as reducing the net cost of waste and improving performance to reach 50% recycling and re-use by 2020.

The Board agreed to take the draft strategy to their respective councils to endorse, comment and approve and bring back to the next Board meeting for further discussion, if needed, and formal approval.

RESOLVED

- i. The process undertaken to develop the draft re3 Strategy be noted
- ii. The strategy objectives as described at 5.8 and the annual cycle for monitoring and renewal as described at 5.11 and 5.12 be endorsed.
- iii. That the Strategy be presented to the councils' individual Executives for endorsement prior to being brought back to the board for approval and adoption.

41. **Financial Report**

The Board received a report inviting it to consider proposals to identify savings in the cost of waste management for the re3 partnership over the remaining term of the PFI Contract and a summary of the financial position of the joint waste PFI for the

financial year to date. The Board was also provided with reports on the operational performance in key areas of the re3 partnership and the Risk Register for the re3 Contract.

The Board was given three proposals to consider. A detailed business case was to be produced for each option and presented to the board in due course.

The Board noted that the projected outturn reflected the contract amendment at the end of December 2015. It was currently estimated that Bracknell would report a £166k underspend, Reading would report a £110k underspend and Wokingham would report a £229k underspend.

The Board noted that the Qtr 4 performance figures were only for January and February 2016, this was due to the reporting mechanism and the timing of the Board meeting.

RESOLVED that:

- i. The proposal described at 5.17 to identify savings in the remaining term of the re3 PFI Contract be endorsed.
- ii. The contents of the financial, performance and risk related information provided within the report be noted.

42. **Any Other Business**

Anna Fowler, re3 Marketing & Communications Officer, attended the meeting to present a verbal overview of the activity since the last meeting.

The Board noted that the “Can you still use it?” campaign was well underway, with posters now being displayed in schools and libraries.

It was also reported to the Board that social media activity was increasing with a Facebook reach rate of approximately 5600 Facebook followers that week.

The Board noted that the factsheets had been successfully launched and that they were available on the re3 website.

The Board confirmed that they would like to be involved in the “Behind the Scenes” feature that the Trinity Mirror Group wished to do.

The Board noted the report.

CHAIRMAN



**Minutes of the 84th AWE Local Liaison Committee Meeting
Wednesday 23 March 2016
AWE, Aldermaston**

Present:

Mark Hedges	Site Manager, Joint Acting Chair
Fiona Rogers	Head of Corporate Communications, Joint Acting Chair
Cllr Lynn Austin	Ashford Hill with Headley Parish Council
Cllr Graham Bridgman	West Berkshire Council
Cllr John Chapman	Purley on Thames Parish Council
Cllr Jonathan Chishick	Tidmarsh with Sulham Parish Council
Cllr Penee Chopping	Ufton Nervet Parish Council
Cllr Roger Gardiner	Basingstoke and Deane Borough Council
Cllr Patricia Garrett	Baughurst Parish Council
Cllr Barbara Jones	Theale Parish Council
Cllr David Leeks	Tadley Town Council
Cllr Marian Livingston	Reading Borough Council
Cllr Mollie Lock	Stratfield Mortimer Parish Council
Cllr George McGarvie	Pamber Parish Council
Cllr Ian Morrin	West Berkshire Council
Mr. Jeff Moss	Swallowfield Parish Council
Cllr Susan Mullan	Tadley Town Council
Cllr Jonathan Richards	Basingstoke and Deane Borough Council
Cllr John Robertson	Mortimer West End Parish Council
Cllr Carolyn Richardson	West Berkshire Council
Cllr Steve Spillane	Silchester Parish Council
Cllr Jane Stanford-Beale	Reading Borough Council
Cllr Clive Vare	Aldermaston Parish Council
Cllr Tim Whitaker	Mapledurham Parish Council
Nick Bolton	ESH Lead
Susie Tucker	AWE
Carolyn Porter	AWE, LLC Secretary
Michele Maidment	AWE, LLC Administrator
Philippa Kent	AWE
John Steele	AWE
Peter Caddock	AWE
Liz Pearce	AWE
Samantha McRae	AWE

Regulators:

Andrew Pembroke	Environment Agency
Bruce Archer	Office for Nuclear Regulation

Visitors:

Craig Strudley	Future Thinking
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Apologies

Apologies had been received from Councillors Philip Bassil, Dominic Boeck, Mike Broad, Keith Gilbert, Gerald Hale, Clive Littlewood, Royce Longton, Ian Montgomery, Barrie Patman, John Robertson, David Shirt and Richard Smith.

Actions from the last meeting

Action 2/82 Fiona Rogers to ensure the reviewed travel plan is accessible on the AWE website; **John Steele** to provide copy direct to Cllr Spillane

The 2015 travel plan is due to be published on the website.

Action ongoing

Action 1/83 Corporate Communications to consider running an 'apprentice open day' at Mortimer Library.

Action ongoing

The Minutes of the 83rd Meeting were accepted as a true record of the meeting.

1. Chairman's update

Our People

The Chairman told members that following a successful assignment as Managing Director of AWE plc, Kevin Bilger will be returning to Lockheed Martin in April and that Iain Coucher joins AWE as its new Chief Executive in April.

Iain began his early career in defence but since then has held leading roles in the transport sector, most notably as the former Chief Executive of Network Rail. His experience of major strategic infrastructure programmes and transformational change in large, complex organisations, will help to drive AWE through the next stage of its development.

Iain is a keen supporter of Corporate Responsibility issues - including AWE's work in the local community and is looking forward to meeting you all at the next LLC meeting in June.

The Chairman also shared the news of the appointment of Ian Tyler as the first independent chair of AWE Management Limited. This is the first time an individual from outside the three shareholders has been selected to chair the organisation. Ian is a former Chief Executive of construction firm Balfour Beatty, with a wealth of experience of working in demanding environments overseeing the management of very large investment and technical programmes.

AWE say farewell and thank you to Fiona Rogers, who has headed up its corporate communications team for the last four years, for her excellent work in shaping AWE's communications and helping us to improve the flow of information to important stakeholders such as the AWE Local Liaison Committee.

Under Fiona's leadership a review of the LLC was carried out and the latest independent research shows that the subsequent improvements such as guidelines for members have been well received.

Fiona leaves us to move back into consultancy and we wish her well.

She is succeeded by Susie Tucker, who takes up the reins as Head of Corporate Communications next month. Susie is currently AWE's Head of Strategy so already knows the business well. Her previous experience of communications and stakeholder engagement in Whitehall combined with several years working in different publications roles makes her well placed to lead the communications team.

Questions on Chairman's brief

Jeff Moss referred to Kevin Bilger's successful tenure as AWE Managing Director and asked what his achievements have been.

Mark Hedges advised that he has been project focused and worked with the customer to achieve stability around the AWE programme and MOD requirements.

Cllr Leeks asked how the nine day fortnight is working out and added that local residents are appreciating the reduced traffic on the non-working Fridays.

Mark Hedges confirmed that it is aligning with working patterns and the benefits are being seen. On the days the site is closed essential maintenance can be carried out thus providing better value for money.

Environment, Safety and Health Update

Nick Bolton, ESH Service Delivery Lead

Performance during the period

Nick gave an overview of the perfect day performance covering the period October to December 2015. He reported that there had not been any plant or process related abnormal events during the period and no regulatory action.

One Community Complaint received in November which related to a residents concern received via a LLC member regarding the SSE Cabling Project. The Road closures and diversions were reported to be adding time and delays to local traffic.

He told members that the historic trend is a routine increase in slips and falls at this time of year and that each year there is a 'Winter Awareness' campaign to minimise the injuries. There were nine work-related injuries requiring treatment above First Aid which included four instances of trips and falls resulting in fracture, three experiences of back pain, one colleague trapping fingers when moving scientific equipment and one colleague who suffered an electric shock.

The electric shock occurred whilst removing cladding from piping. At the time of the incident, AWE took immediate steps to isolate and make safe the faulty equipment as well as

launching a full senior management-led investigation. There was no risk of an explosion or release of radioactive material.

The internal investigation has been completed and shared with the ONR who are conducting their own investigation.

AWE takes the safety and welfare of its employees very seriously and will continue to work to further improve its safety standards

The OSHA total recordable injury rate shows a slight increase over the same period in 2014 though first aid is dropping. The injuries are not necessarily more significant but are leading to more hours taken off work. AWE routinely undertake detailed review of OSHA Rate to understand the trend. The slight increase over the rolling twelve month period is influenced strongly by the reduction in headcount and consequent reduction in hours worked.

The largest contributor to the OSHA rate has been from within the Site function, primarily within the contractor community within Site Operations. One contractor has a significantly higher rate and AWE are working with them to help reduce this rate.

Highlights

Members were told about the new ESH Award; a new award specifically targeted to recognise employee's commitment to the development and implementation of workplace hazard solutions, Safety Leadership and improvements to Environment, Safety and Health practices.

The Annual Review of Safety has been completed.

Items of Interest

LC14 - This Licence Condition relates to good quality safety cases The ONR found that AWE's process for Peer Review of this documentation had not been followed and requested corrective actions which AWE responded to.

At no point did this issue put staff or the public at risk.

Question arising from Environment, Safety and Health Update

Cllr McGarvie referred to the 17 Perfect Days in December 2015 and asked whether the nine day fortnight influenced this number.

Mark Hedges advised that the same number of hours are being worked but over nine instead of ten days.

Cllr Chishick referred to the injury performance over a year and asked how many days are worked in a year.

Fiona Rogers explained that we work in hours at AWE and would advise Cllr Chishick of the conversion into days.

Action 1/84 Corporate Communications to advise Cllr Chishick of the conversion of hours worked over a 12th month period into the number of days.

Action ongoing

Cllr McGarvie referred to the OSHA TRIR and the one contractor with significantly higher rate than others and asked whether this could be as a result of poor reporting from other contractors

Mark Hedges confirmed that the reporting culture is good across all contractors.

Site Update

Mark Hedges, Site Manager

Community Concerns

Mark Hedges reported on the community concerns and clarified that when reported they are always treated as valid. Following the introduction of a new triage system correct assessment is carried out and a number of them are found to be non-AWE related. During 2015 there were nine such concerns.

- 6 x noise reports which when investigated were found to be unrelated to AWE
- 1 x Road Traffic Collision off-site – cyclist and car
- 1 x general enquiry – housing development in the Mortimer area
- 1 x alleged local driving behaviour related incident

Protester Activity

To date it has been quiet but there is a month of activity expected in June. AWE has engaged in local planning with West Berks Council and Thames Valley Police to minimise any disruption.

Questions arising from Site - none

Planning and Estate Development Briefing

John Steele, Planning & Development Manager

Cabling Project

John Steele gave members an update on the SSE cabling project. He advised them that the cable ducting is now complete between AWE and Crookham Hill and that the Crookham Hill installation work is due to be completed over coming weeks.

There are however issues over road closures and traffic light measures at Crookham Hill which need to be resolved by West Berks Council and SSE. Members were told of the drop in session at Thatcham Football Club on the 30th March 16:00 – 19:00. SSE and AWE representatives will be attending to answer any questions.

The entire SSE work is due to be finished by May.

James Lane Closure

Members were advised that James Lane will be closed following the issue of a closure order from WBC whilst the culvert carrying Burghfield Brook beneath James Lane is replaced. There will be a diversion in place via Burghfield and Hollybush Lane.

Questions on Planning and Estate Development Briefing

Cllr Mollie Lock expressed her concern over the proposed diversion route during the closure of James Lane as it could impact the safety of the Mortimer children who walk to and from the Willink School. She would like to see an alternative diversion proposed.

John Steele said he would discuss with West Berks Council who is responsible for identifying the diversion route.

Action 2/84 John Steele to discuss the James Lane diversion route with West Berkshire Council.

Action ongoing

Questions to the Regulators

Environment Agency

There were no questions asked of the Environment Agency.

ONR

Bruce Archer told members that the key points in the ONR report for period include failure of AWE to correctly implement their arrangements for the production of safety case documentation and emergency exercise performance. He also confirmed that ONR are undertaking an independent investigation into the electric shock sustained and will report on their findings in due course.

Cllr Bridgman in referring to the annual demonstration exercises observed by the ONR, expressed concern that the ONR judged the Aldermaston exercise to be adequate whilst the Burghfield one was judged as good.

Bruce Archer advised that the License Condition 11 requires AWE to have adequate arrangements for dealing with any accident or emergency that may arise on the site and this is what licensees aspire to. The purpose of the annual demonstration exercises is to demonstrate those arrangements to ONR, to an adequate standard. A rating of good means that an adequate standard was exceeded. In the case of the Burghfield exercise, the rating of good was given because of a particularly strong command and control performance on the day.

Community Update

Community Engagement Manager

Philippa Kent gave an overview of AWE's recent involvement in the Community. She reported that the community publication 'Connect' has more than doubled its circulation, increasing from 22,000 to 56,000 homes and businesses and now includes a regular LLC feature. The next issue is due out in May.

AWE's charitable giving activity has included collecting in excess of 100 pairs of used spectacles to help the underprivileged, free resuscitation training to schools and the community, donation of science equipment and provision of high vis jackets to a local school.

The AWE Team Challenge raised £17,000, half of which was donated to the Dame Kelly Holmes Trust. Donations have also gone to AWE's charities of the year, Living Paintings and Whizz Kidz.

Philippa told members that the AWE Schools programme is thriving and there have been a number of engineering initiatives run by AWE apprentices in 2016. These included an event at Theale Green School (Girls in High Tech Business) and an engineering challenge at Park House School which was part of National Apprentice week.

AWE has also received an award from Hampshire County Council for its volunteering support.

Community Survey Results

Craig Strudley, Research Director for Future thinking gave an overview of the 2015 community survey and reported on some of the findings. He informed members of the background and objectives of the survey and compared the findings with those of 2014.

Key findings

- Communication to Residents / Schools is generally rated higher than 2014
- Schools rate AWE as more open and transparent and also more safe and secure
- The overall impression of AWE is slightly more negative than 2014. Though the quality of communication has improved, it is not necessarily getting to enough people.
- AWE is still regarded as being reactive rather than proactive when it comes to communicating with the public; this impacts on the overall reputation of the business
- The LLC continue to acknowledge that it is hard for AWE to be completely open and transparent but ratings for this metric have declined;
- It is felt that meetings are rather 'scripted' and that the LLC is sometimes AWE's conduit for positive PR
- AWE still need to be better at understanding the needs and requirements of the LLC; there is still scope to improve relationships
- Awareness of the LLC remains relatively low and so, despite overall positivity, their impact is not as great as it could be in most area

Next Steps

Philippa Kent told members that following the results that have emerged from the survey AWE propose setting up a small forum of members to discuss the results in more detail. She

said that AWE would like the LLC to help it understand their requirements and how to best promote the LLC in the community.

Those members wishing to be part of the forum were asked to notify the AWE LLC secretary as soon as possible.

Questions arising from Community Survey Results

Cllr Lock asked why Mortimer had not been included in the survey distribution
Fiona Rogers advised that the survey had to be controlled and cover the same area as 2014.

Cllr Mullan asked if AWE could provide her with the name of the schools we have on our liaison data base.

Philippa Kent confirmed she would do this.

Action 3/84 Cllr Mullan to be provided with names of the schools on AWE' liaison data base Action ongoing
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Bruce Archer of the ONR asked what was meant by the feedback in the community survey which suggested the LLC meetings are scripted and asked if this referred to structuring the agenda.

Fiona Rogers responded and reminded members that at their request AWE re-introduced the issue of the Chairman's remarks at each meeting. She also referred to the review of the LLC in 2014 and the revised terms of reference which stipulate that any member can request an agenda item and that six weeks' notice is requested.

Any other business

Cllr Spillane asked if there would be any change to the strategy or contract following the appointment of the new Managing Director

Fiona Rogers explained the contract has not changed but is regularly reviewed and that any such decisions are a matter for the Ministry of Defence.

Cllr McGarvie asked if there were any updates on the Submarine Dismantling Project (SDP)
Fiona Rogers advised that there have been no further updates and that an announcement is due later in the year.

2016 Meeting Dates

Wednesday 22nd June

Wednesday 21st September

Thursday 8th December

Carolyn Porter
LLC Secretary

READING BOROUGH COUNCIL

REPORT BY DIRECTORATE OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT		
DATE:	13 JULY 2016	AGENDA ITEM:	8
TITLE:	NATIONAL AIR QUALITY ACTION PLAN		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT
SERVICE:	REGULATORY SERVICES	WARDS:	ALL
LEAD OFFICER:	ROSS JARVIS	TEL:	72424
JOB TITLE:	SENIOR TECHNICAL OFFICER	E-MAIL:	ROSS.JARVIS@READING.GOV.UK

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 This report is being brought forward to inform members on:

- Changes to the National Air Quality Plan resulting from legal action against the UK being instigated for breaches of the EU Directive for Air Quality. Consultation was carried out on the proposed changes and officers presented a paper to SEPT Committee in November 2015 outlining the Council's response.
- The paper recommends that the Council remains committed to delivering the Air Quality Action Plan as updated in 2015 and continues to explore innovative ways to improve Air Quality for residents and visitors of Reading with partners.

2. RECOMMENDED ACTION

2.1 To note the current National Air Quality Plan.

2.2 To note the recommendation to remain committed to delivery of the local Air Quality Action Plan and to work with partners to explore innovative solutions to improve Air Quality in Reading.

3. POLICY CONTEXT

3.1.1 Under the Environment Act 1995, Reading Borough Council has a duty to constantly review and assess the air quality within its borough, and compare pollution concentrations against a set of European and National air quality standards. Monitoring has shown that Reading has areas where concentrations of Nitrogen Dioxide (NO₂) are exceeding both European and national standards, and as such Reading Borough Council has declared an Air Quality Management Area (AQMA) and implemented an Action Plan. The national plan is the approach to achieving compliance with European air quality standards set out by the Government.

National Context

- 3.1 In 2008, an EU Directive for Air Quality required the UK to manage pollutant levels such as Nitrogen Dioxide down to set levels by 2010. The UK failed to meet the deadline with 40 of the 43 air quality zones exceeding Nitrogen Dioxide limits. Following submissions of further management plans, the EU Commission granted consent to extend the period for compliance.
- 3.2 Following submissions by Client Earth and the European Commission to the European Court, the Supreme Court has ruled that the UK's current air quality plan does not comply with the Directive's requirement to ensure that Nitrogen dioxide levels are reduced to meet the limit values "in the shortest time possible".
- 3.3 In order to avoid Legal action through the Supreme Court, the Government revised and consulted on the National Air Quality Plan.

Local Context

- 3.4 The Council are under a statutory duty to regularly 'review and assess' air quality in their areas, and to determine whether or not air quality objectives are likely to be achieved. Where exceedances are considered likely, the Council must then declare an Air Quality Management Area (AQMA) and prepare an Air Quality Action Plan setting out the measures it intends to put in place in pursuit of the objectives.
- 3.5 In September 2009, a single AQMA which covers perceived and actual exceedances in the Borough was declared.
- 3.6 The Air Quality Action Plan was reviewed in 2015. The revised Air Quality Action Plan contains measures to improve air quality across Reading, specifically targeting action on the key pollutants of concern - Nitrogen Dioxide and Particulate Matter (PM₁₀ and PM_{2.5}).
- 3.7 The Corporate plan includes a key action to Narrow the gap to the national average (5.3%) of deaths in over 25s linked to air pollution (PM2.5)
- 3.8 The Sustainable Community Strategy includes addressing the issues of climate change and air quality as one of its key priorities. The Air Quality Action Plan links with Climate Change Strategy 2013-2020 in a number of areas, including:
 - Through Reading Climate Change partnership increasing business participation in reducing emissions through, measures such as cycle to work schemes, reducing building energy use and low emission delivery vehicles.
 - Ensuring that measures to address local air quality do not conflict with climate change actions, by considering the interlinked causal factors, identifying conflicts and promoting mutually beneficial solutions. e.g. Careful consideration of impact of biomass burners.
- 3.9 Planning Policy also requires that developments have regard to the need to improve air quality and to reduce the effects of poor air quality. Development that would detrimentally affect air quality will not be permitted unless the

effects are mitigated. Where required, planning obligations will be used to secure contributions to measures to tackle poor air quality or for air quality monitoring.

4. The Proposal

- 4.1 Following consultation, a few changes were made to the Government’s original proposal for the plan. The biggest change was for the compulsory implementation of Clean Air Zones in 5 cities (Birmingham, Leeds, Southampton, Nottingham and Derby) that are modelled to be exceeding the EU Ambient Air Quality Directive and Fourth Daughter Directive (DIRECTIVE 2004/107/EC) Target Values for Nitrogen Dioxide (NO₂) after 2020. Vehicle owners will be required to pay a charge if they enter a Clean Air Zone which has a standard for their type of vehicle and it does not meet that standard.
- 4.2 Other changes include likely amendments of the implementation guidance for Clean Air Zones and some minor changes to the reporting requirements for Local Authorities. There has been no commitment to additional resources to manage the National Air Quality Plan.
- 4.3 Modelling indicates that Reading will be compliant with Nitrogen Dioxide targets by 2020. This means that a Clean Air Zone is not compulsory in Reading.
- 4.4 The plan does suggest that Local Authorities other than the 5 cities for which it will be compulsory can also focus action to improve air quality by implementing Clean Air Zones. This could be done on a voluntary basis without charging to raise public awareness.
- 4.5 A national framework for Clean Air Zones is to be published to enable a consistent approach to be adopted across participating cities/areas.
- 4.6 The national plan separates out the way in which air quality improvements will be brought about into three levels. The table below provides examples of how the Council’s action plan addresses each of the levels.

NATIONAL AIR QUALITY PLAN	READING’S AIR QUALITY ACTION PLAN
European	
Euro Standards	Emissions Policy for Taxis, Reading Buses investment programme, Council Fleet
Fuel Quality Directive	No local control
Integrated Pollution Prevention & Control	Regulatory Services carry out inspection, permitting and where necessary enforcement of petrol stations, dry cleaners and other businesses covered under the regime.
National	
Clean Air Zones	Following release of the guidance, this option will be explored.
Ultra Low Emission Vehicle incentivisation.	When the grant funding scheme is published, consideration will be given whether to bid.
Improving road networks	Works such as the Southern Mass Rapid

	Transit scheme, pinchpoint schemes and upgrading signalling.
Reducing emissions from buildings and other sources.	Through Reading Climate Change partnership increase business participation in reducing emissions through, measures such as cycle to work schemes, reducing building energy use, low emission delivery vehicles.
Local	
Measures detailed in local plans.	Continued commitment to and delivery of the Air Quality Action plan.

4.7 In addition to the detailed Air Quality Action Plan, officers continue to work with partners to explore options to improve Reading's Air Quality. Current projects include reviewing an approach to vehicle idling across the Borough and reviewing the Hackney Carriage Vehicle Emissions Policy.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The National Air Quality Plan and Air Quality Action Plan contributes to the Council's Plan priority theme 'protecting those that are most vulnerable' by reducing mortality attributable to particulate matter.

5.2 The implementation of the National Air Quality Plan contributes to the strategic aims:

- To Develop Reading as a Green City with a sustainable environment and economy at the heart of the Thames Valley
- To promote equality, social inclusion and a safe and healthy environment for all

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 As part of the update to the Air Quality Action consultation was carried out. The plan is a public document accessible through the Council's website. Any significant changes or policies supporting the plan will likely need further consultation.

7. EQUALITY IMPACT ASSESSMENT

7.1 None required.

8. LEGAL IMPLICATIONS

8.1 Under the Environment Act 1995, Reading Borough Council has a duty to constantly review and assess the air quality within its borough. Where exceedances of European and national standards are identified an Air Quality Action Plan must be drawn up and implemented.

9. FINANCIAL IMPLICATIONS

9.1 The National Air Quality Plan indicates that funding may become available for specific projects, such as Ultra Low Emission Vehicles. External funding will be sought wherever possible in order to continue to deliver the action plan.

9.2 Where local authorities fail to deliver improvements in line with modelling, the Localism Act introduced a mechanism by which Councils could be responsible for paying part of the EU fine.

10. BACKGROUND PAPERS

10.1 Air Quality Action Plan.

Air Quality Action Plan Update

Introduction

Reading Borough Council is committed to taking action to improve air quality, identifying areas where levels of local air pollutants exceed air quality objectives and working with partners and the community to reduce pollutants and their impacts on health.

The Council has reviewed its existing Air Quality Action Plan which has been in place since 2009, as some of the actions have either been completed or superseded. The revised Air Quality Action Plan contains measures to improve air quality across Reading, specifically targeting action on the key pollutants of concern - Nitrogen Dioxide and Particulate Matter (PM₁₀ and PM_{2.5}). Delivering actions to reduce levels and exposure of them will help to safeguard public health and improve quality of life for all.

Background

Legislation and the Air Quality Strategy for England 2007 place an obligation on all local authorities to regularly 'review and assess' air quality in their areas, and to determine whether or not air quality objectives are likely to be achieved. Where exceedances are considered likely, the local authority must then declare an Air Quality Management Area (AQMA) and prepare an Air Quality Action Plan setting out the measures it intends to put in place in pursuit of the objectives.

In September 2006, Reading Borough Council declared six Air Quality Management Areas (AQMA's). In September 2009, monitoring indicated additional areas where nitrogen dioxide levels were being exceeded. As a result the six AQMA's were revoked and replaced by a single management area which covers perceived and actual exceedances.

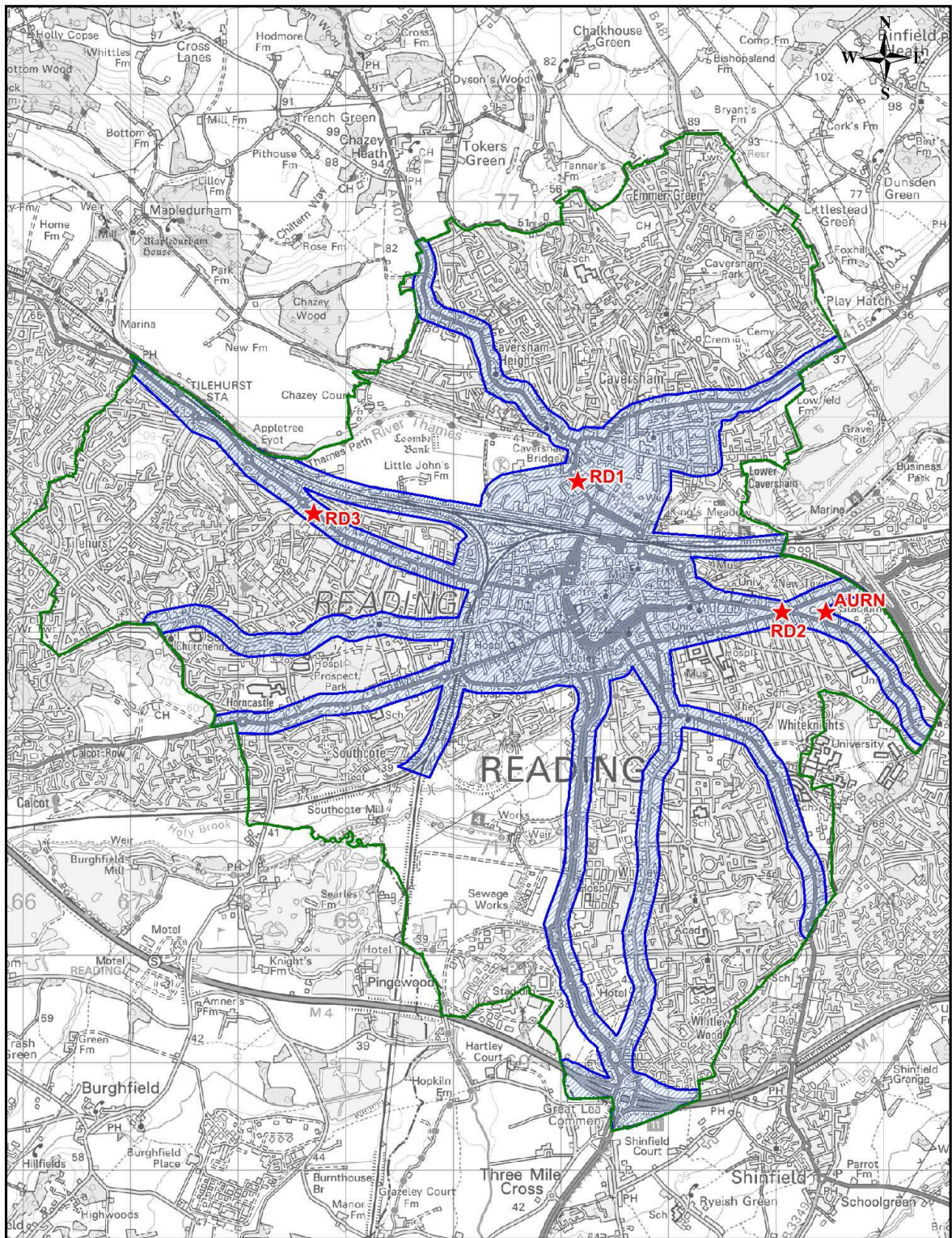
The current AQMA is detailed in Figure 1.

National Context

The UK is failing to meet EU limit values for nitrogen dioxide. This has led to the EU commencing infringement proceedings. If fined for failing to meet these targets, the fines can potentially be handed down to local authorities if they are unable to demonstrate that they have taken the appropriate action. The Localism Act contains reserve powers to enable the Government to passport EU fines to local authorities and public bodies.

On 29th April 2015 Client Earth won a legal battle against the UK government. The Supreme Court ruled that plans to cut illegal levels of air pollution in Britain are insufficient. The ruling means that the Government must start work on a comprehensive plan to meet pollution limits as soon as possible.

Figure 1: Map of AQMA and Automatic Monitoring Sites



Title: **Map of AQMA and Automatic Monitoring Sites**

Date: 30/06/2015 Scale at A4: 1:46,000

Produced by GIS & Mapping Services

Ref: G:\MapInfo\Data\Client datasets\Environment\Environmental Services\Air Pollution

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What are the issues locally?

Air quality in Reading is generally good. However, there are areas close to congested roads where levels of nitrogen dioxide exceed the air quality objectives and where levels of particulates are elevated. Particulates are classified by their mass (PM₁₀ and PM_{2.5}), with the smaller particulates, PM_{2.5} being more harmful due to their ability to travel further into the lung.

PM_{2.5} is understood to have no safe limit for health, it is therefore beneficial to reduce levels at all locations, not just hotspots that break a set limit.

New targets in the UK Air Quality Strategy set a 25µg/m³ 'cap' for hotspots and a 15% reduction in PM_{2.5} levels in all urban locations by 2020.

A report published by The Committee on the Medical Effects of Air Pollution (COMEAP) in 2010 estimated the number of deaths in the UK attributable to exposure to particulate air pollution to be 29,000.

Public Health England published a report in 2014 which used the COMEAP data from 2008 to estimate the percentage of deaths linked to particulate air pollution in local authority areas. In the report, the estimated percentage of deaths attributable to particulate air pollution in Reading is 5.9% of the population over 25, which equates to an estimated 62 deaths in 2008. The report does reflect that these figures are impacted by ambient particulate matter (PM_{2.5}) and therefore the actual levels could range from one sixth to about double these figures.

Department of Health figures comparing the impact on life expectancy from reductions in fine particles (PM_{2.5}) against elimination of road traffic accidents and passive smoking show that there are significant benefits to tackling man made particulate pollution.

	Reduction in PM _{2.5}	Elimination of road traffic accidents	Elimination of passive smoking
Expected gain in life expectancy	7-8 months	1-3 months	2-3 months

The delivery of the Air Quality Action Plan helps to deliver the Corporate Plan Service Priority: Keeping the town clean, safe green and active. Within which it is a key action to narrow the gap to the national average of 5.3% deaths in over 25s linked to air pollution.

Links to Public Health

The AQAP links closely with the Public health agenda. The Joint Strategic Needs Assessment (JSNA) identifies particulates as being of particular relevance to public health due to the strong association with the prevalence of heart disease, respiratory disease and lung cancer. This is of particular relevance in Reading, where hospital admissions due to respiratory illness is higher than the national average (JSNA, 2012).

The vision for a healthier Reading in the Joint Health & Wellbeing Strategy is:

‘Communities and agencies working together to make the most efficient use of available resources to improve life expectancy, reduce health inequalities and improve health and wellbeing across the life course’

Although not specifically mentioned in the strategy, air quality could have an impact on Reading’s vision being realised. Exposure to air pollution can reduce life expectancy and this is reflected in the figures published by Public Health England.

As part of the environment in which we live, poor air quality has also been found to have a disproportionate effect on the disadvantaged. In 2010, a report based on the results of a Health Survey for England, showed a link between poor air quality and low income areas. The Marmot Review: Implications for Spatial Planning, found that poorer communities tend to experience a higher concentration of pollution, having a higher prevalence of cardio-respiratory and other diseases, and that sixty six per cent of carcinogenic chemicals emitted into the air are released in the 10 per cent most deprived wards.

Measures carried out to improve the health and wellbeing of the population for one Public health objective can have co-benefits for another. For example, vehicle emissions are responsible for a large proportion of air pollution. As well as reducing air pollution, measures that focus on encouraging people to use sustainable transport, such as walking and cycling can have the following co-benefits:

- Create an environment that is more pleasant to walk and cycle, therefore increasing physical activity levels;
- Reduce risks of injury and death from road traffic collisions;
- Reduce community severance, increase community cohesion and social interactions;
- Reduce noise pollution which also enables people to open windows to buildings, reducing the costs of air conditioning and
- Contribute to reducing the urban heat island effect.

Travel & Transport

There are a large range of transport related actions that help improve air quality across the borough and wider area.

Vehicle emissions are the main source of air pollution in Reading. Studies carried out in 2013 identified diesel cars as the largest contributors of nitrogen dioxide (an average of 40%), compared to petrol cars, which made up an average of 14%. Therefore actions targeting these sources, diesel cars in particular, are likely to see the biggest reduction in nitrogen dioxide levels.

It is not always possible to make a direct impact on the amount of emissions released from privately owned individual vehicles; however public transport is one area where

direct influence and improvements are possible. Considerable investment has been made at Reading Buses in new hybrid buses, and buses that run on Compressed Natural Gas (CNG). Additionally, the Council recently secured funding to carry out the conversion of 100 Reading Hackney Carriages to run on a Compressed Natural Gas (CNG) diesel blend in order to reduce their emissions.

Local Transport Plan 3 (LTP3) contains all objectives, policies and plans for improving transport in Reading over the period 2011- 2026. Reading's LTP objectives for this period are a reflection of the national and regional context and the local vision for Reading. The plans and programmes contained within the LTP are important to the delivery of all of the Government's shared priority areas, including that of better air quality.

Sustainability

Readings Climate Change Strategy has the target of reducing the carbon footprint of the borough by 34% as compared to levels in 2005.

The strategy sets out to encourage a low carbon economy and prepare for climate change. The strategic priorities encourage a reduction in emissions, energy saving, more careful use of resources and more generally, the adoption of the principles of sustainability across all sectors within the borough. These ideals have close links with the aims of the Air Quality Action Plan and most actions taken to reduce carbon emissions are likely to have co-benefits for air quality e.g. modal shift to public transport, cycling and walking.

It is however acknowledged that that the largest source of carbon dioxide (CO₂) emissions are different to the dominant sources of other air pollution relevant to the Air Quality Action Plan (Nitrogen dioxide and Particulate Matter), in that transport only makes up 16% of CO₂ emissions, while the main source of CO₂ (51%) is from industrial, commercial and retail premises. Consequently there may be some conflicts between actions taken to reduce carbon emission and other air pollutants such as nitrogen dioxide and particulate matter (PM₁₀). Examples include the increase in use of biomass burners, fuel switch to gas from electric heating systems and the widespread switch from petrol to diesel cars.

The Council aim to take a "win/win" approach, where actions taken to address air quality will also benefit or have a neutral impact on climate change actions and vice versa. Preference will be given to air quality actions that also reduce emissions of greenhouse gas emissions. A balance will be struck where there is a conflict. For example a ground source heat pump might be favoured over a biomass burner in the Air Quality Management Area.

Planning

National Policy

The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and how they are expected to be applied. In relation to conserving and enhancing the natural environment, paragraph 109 states that:

“The planning system should contribute to and enhance the natural and local environment by.... preventing both new and existing development from contributing to or being put at unacceptable risk from, or being adversely affected by unacceptable levels of soil, air, water or noise pollution or land instability.”

Paragraph 124, also states that:

“Planning policies should sustain compliance with and contribute towards EU limit values or national objectives for pollutants, taking into account the presence of Air Quality Management Areas and the cumulative impacts on air quality from individual sites in local areas. Planning decisions should ensure that any new development in Air Quality Management Areas is consistent with the local air quality action plan.”

Local Policy

Policy DM19 in Reading Borough Council’s Sites and Detailed Policy Document requires that development have regard to the need to improve air quality and to reduce the effects of poor air quality:

“Development that would detrimentally affect air quality will not be permitted unless the effect is to be mitigated. The following criteria should be taken into account:

- Whether the proposal, including when combined with the cumulative effect of other developments already permitted, would significantly reduce air quality;
- Whether the development is within, or accessed via, an Air Quality Management Area; and
- Whether it can be demonstrated that a local reduction in air quality would be offset by an overall improvement in air quality, for instance through reduction in the need to travel.
- Where a development would introduce sensitive uses (such as residential, schools and nurseries, hospitals, care facilities) into, or intensify such uses within, an Air Quality Management Area, detrimental effects on that use will be mitigated. Mitigation measures should be detailed in any planning application.”

The Council has adopted a Community Infrastructure Levy (CIL) which secures funds from new development to improve infrastructure and support growth and development. The Council publishes a list of infrastructure which would benefit from CIL which includes:

- Air quality - The infrastructure required to undertake Borough wide continuous monitoring of air quality.

S106 planning obligations may still be sought from development in relation to securing site specific mitigation for developments which could include measures that support the implementation of the actions listed in the AQAP.

How will this plan improve air quality?

The actions within the plan are split into the two key areas: Intervention and Education/Promotion. It is acknowledged that there will be a certain amount of cross over between some actions.

INTERVENTIONS

Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
Railway upgrade	Track and platform capacity will be increased to reduce this significant bottleneck on the national rail network.	Network Rail, Transport, Planning	2016	Progress Reports to Berkshire Local Transport Body
Green Park Station	Reducing congestion and improving sustainable travel options to major employment sites and future housing and employment sites.	Transport, Planning	2018	Progress Reports to Berkshire Local Transport Body
Southern Mass Rapid Transit (MRT)	Sustainable transport provision, improving accessibility of travel to and from Reading whilst minimising congestion and reducing emissions.	Transport, planning	2018	Progress Reports to Berkshire Local Transport Body
Eastern MRT	Sustainable transport provision, improving accessibility of travel to and from Reading whilst minimising congestion and reducing emissions.	Transport	2020	Progress Reports to Berkshire Local Transport Body
East (Thames Valley Park) Park & Ride	To reduce the mode share of trips by car to central Reading, thereby reducing congestion and emissions and improving accessibility.	Transport Wokingham BC	2020	Progress Reports to Berkshire Local Transport Body

Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
Winnersh Triangle Park & Ride	To reduce the mode share of trips by car to central Reading, thereby reducing congestion and emissions and improving accessibility.	Transport, Wokingham BC	2016	Progress Reports to Berkshire Local Transport Body. Monitoring of patronage
Southern (Mere oak) Park & Ride	To reduce the mode share of trips by car to central Reading, thereby reducing congestion and emissions and improving accessibility.	Transport, Wokingham BC	2015	Progress Reports to Berkshire Local Transport Body. Monitoring of patronage
Traffic signal upgrading	Managing congestion on the transport network	Transport	2016	Reports to transport management sub-committee
A33 Congestion Relief Pinchpoint scheme	Reducing the impact of congestion on the transport network, higher quality public realm, environmental benefits, healthier lifestyles and improved access to central Reading.	Transport	2015	Reporting to transport management sub-committee
A4 Congestion Relief Pinchpoint scheme	Reducing the impact of congestion on the transport network, higher quality public realm, environmental benefits, healthier lifestyles and improved access to central Reading.	Transport	2015	Reporting to transport management sub-committee

Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
<p>Work towards the electrification of the vehicle fleet.</p> <ul style="list-style-type: none"> • Introduction of charging points into carparks and as part of new developments • Replacement of Council fleet vehicles with electric vehicles where feasible. 	The electrification of the vehicle fleet will reduce vehicle emissions and improve local air quality.	Transport, Sustainability, Environmental Protection	2020	Number of charging points installed. Electric vehicles in use.
Expansion of ReadyBike cycle hire scheme	Increase options for people travelling across Reading. Reduce congestion and impact on air quality.	Transport	2017	SEPT report
Cross boundary cycle routes continue the development of the national cycle network	Increase options for people travelling across Reading and beyond. Reduce congestion and impact on air quality.	Transport, Wokingham, Bracknell Forest, Windsor & Maidenhead	Ongoing	Cycle strategy implementation plan
Cycle route infrastructure improvements	Increase options for people travelling across Reading and beyond. Reduce congestion and impact on air quality.	Transport	Ongoing	Cycle strategy implementation plan
Thames pedestrian/cycle bridge	Direct access to Reading Station and leisure facilities through an area of future regeneration and development. Promoting cycling and walking, reducing congestion and impact on air quality.	Transport	2016	Bridge open for public use.

Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
Ensuring that industrial emissions to air are minimised through appropriate application and enforcement of the Environmental Permitting Regulations 2010. Identification of businesses that should be permitted.	Emissions to air from polluting premises will be controlled.	Environmental Protection	Ongoing	EP Annual subscriptions and applications. Annual search for unpermitted processes
Through Reading Climate Change partnership increase business participation in reducing emissions through, measures such as cycle to work schemes, reducing building energy use, low emission delivery vehicles.	Reducing the impact of business on air quality.	Sustainability, transport, Environmental Protection	2020	Reading climate change partnership
We will ensure through the planning process that future development does not result in any further deterioration of air quality and where possible, results in an improvement in overall environmental quality.	New development will not result in significant worsening air quality	Planning, Environmental Protection	Ongoing	Air quality assessments produced for new developments. Monitoring results.
We will ensure that measures to address local air quality do not conflict with climate change actions, by considering the interlinked causal factors, identifying conflicts and promoting mutually beneficial solutions. E.g. Careful	Minimising conflicting initiatives that undermine each other's targets.	Sustainability, Environmental Protection	Ongoing	Number of conflicting measures installed within the AQMA.

consideration of impact of biomass burners. Winter watch - where solid fuel is supplied use smokeless authorised fuel.				
Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
Continue Reading Buses investment programme to ensure the bus fleet has the lowest emissions it can.	Particulate and NO2 emissions from buses will be continually reduced. The impact of these reductions will be most noticeable on busy bus routes and bus stop interchanges.	Transport	Ongoing	Reporting to transport management sub-committee
Continue to explore and implement ways to improve emissions from Readings taxi fleet	Reduce NO2 and particulate emissions	Licensing, Environmental Protection, Transport	Ongoing	Changes in makeup of taxi fleet. e.g. Retrofitted taxis, EURO standard.

Education/Promotion Actions

Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
Continue to offer Bikeability cycle training to all schools across Reading	Improve accessibility of cycling to children by improving road awareness, cycling skills and confidence.	Transport	2018	Uptake of scheme
Continued funding for a Cycle development officer to help promote cycling and deliver the Cycling Strategy.	Implementation of cycling strategy leading to increased participation in cycling	Transport	2017	Percentage of road users cycling according to cycle cordon readings.
Continue to inspire people to walk more via initiatives such as Beat the Street.	Increase numbers of people walking especially targeting children and those with long term conditions who are least active.	Public Health, Transport	2016	Number of people signed up to scheme
Continue to monitor air pollution at existing monitoring locations and make results available to view on RBC website.	Quantify current pollution levels. Allow contractors to use to inform air quality impact assessments for new development. Available for the use of interested residents	Environmental protection	Ongoing	Monitoring data available on RBC website. Achieve a good level of data capture.
Investigate the feasibility of introducing locally based alert system to inform residents of forecasted pollution episodes.	Reduce the impact of pollution episodes on the residents most vulnerable to air pollution.	Environmental Protection	2017	Complete an assessment of the feasibility of such a system.
Bonfires - Provide advice to residents and take enforcement action where appropriate to discourage the use of bonfires when disposing of waste material.	Reduce the emission to air of pollutants from bonfires. Reduce the amount of nuisance caused to neighbours by smoke from bonfires.	Environmental Protection	Ongoing	Update guidance on website. Number of complaints recorded.
Action:	What difference will this make	Who Will do it	When	How will we

			will it be done by	measure progress
Solid Fuel Burning - The Smoke Control Survey 2014; Showed there was a relative lack of knowledge of smoke control areas, it is now proposed to inform people of the existence of smoke control areas, how to find out if you live in one and what you should or shouldn't do if you live in one. This will be done through an awareness raising campaign to promote best practice for people heating their homes using wood, coal and other solid fuels.	Reduce the emission of pollutants from open fires and wood burners.	Environmental Protection	2015	Pamphlet to businesses selling appliances. Press release in run up to winter.
Provide advice, guidance and support to improve home energy efficiency through the private sector renewal scheme and winter watch.	reduce emissions from heating systems, additional benefits of Reducing fuel bills, thus reducing fuel poverty; Reduces likelihood of damp and mould occurring, which aggravate respiratory disease; Reduce the number of falls in the home (falls are more likely to occur in cold homes due to poor blood circulation)	Sustainability, Private Sector Housing	Ongoing	Home Energy Conservation Act report EPC rating of houses.
Generate a larger proportion of energy from renewable sources. 8% by 2020	Lower emissions from fossil fuels through business and household electricity usage and heating	Sustainability, Planning	2020	Government registration
We will seek funding to assist implementation of projects from the action plan and support additional projects that support the corporate plan target to narrow the gap in deaths due to air	Funding to help implement projects will help to speed up the pace that we are able to implement actions and make improvements to air quality	Environmental Protection, Transport, Sustainability, Public Health	Ongoing	Applications for grant funding

pollution to the national average.				
Action:	What difference will this make	Who Will do it	When will it be done by	How will we measure progress
Improve the local environment through planting greater numbers of trees and plants. Increase of 10% by 2030 as of numbers in 2010.	Increase numbers of trees and plants to help absorb pollution, improve mental health and improve resilience to climate change	Planning, Parks	Ongoing	Number of trees planted Periodic monitoring and review of Tree Strategy

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READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	13 JULY 2016	AGENDA ITEM:	9
TITLE:	DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT VS WEST BERKSHIRE DISTRICT COUNCIL AND READING BOROUGH COUNCIL: REPORT OF THE JUDGEMENT OF THE COURT OF APPEAL AND IMPLICATIONS FOR THE OPERATION OF THE COUNCIL'S AFFORDABLE HOUSING POLICIES		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICE:	PLANNING	WARDS:	BOROUGHWIDE
LEAD OFFICER:	KIARAN ROUGHAN STEVEN QUAYLE	TEL:	0118 9374530 0118 9372302
JOB TITLE:	PLANNING MANAGER PLANNING SOLICITOR	E-MAIL:	kiaran.roughan@reading.gov.uk Steven.quayle@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 Committee will recall that West Berkshire District Council and Reading Borough Council applied for a judicial review of the Secretary of State's Written Ministerial Statement (WMS) to Parliament on changes to national planning policy. Those changes sought to exempt developments of 10 or less dwellings from planning obligations for affordable housing and social infrastructure contributions and to introduce a new measure known as the Vacant Building Credit. The policy changes set out in the WMS were accompanied by amendments to the section on Section 106 agreements in the National Planning Practice Guidance ("NPPG").
- 1.2 The High Court handed down its judgement on the case on 31st July 2015. The High Court found in favour of the challenge by the local authorities and quashed the amendments to the NPPG. The Secretary of State appealed the judgement and the Court of Appeal has now quashed the decision of the High Court. This report provides a concise summary of the judgement, its implications for this Council and proposals for how the Council will implement its policies, in particular Policy DM6 of its Sites and Detailed Policies Document, in relation to this new national guidance.

2. RECOMMENDED ACTION

- 2.1 That the Committee notes the Judgement of the Court of Appeal; and
- 2.2 That Committee agrees the interpretation, set out at paragraphs 4.12 - 4.25 of this report, of its adopted policies on the provision of affordable housing in the future determination of planning applications where Policy DM6, in particular, is relevant;

- 2.3 That Option 2, as set out in paragraph 4.21 below, be applied as the basis for determining planning applications where Policy DM6 is relevant.
- 2.4 That any application involving the application of the vacant building credit be considered on its own merits to assess whether local circumstances in a particular case justify not applying the vacant building credit as an exception to the national policy as indicated in paragraph 4.26 below.
- 2.5 That Committee agrees that a review of the Council's Community Infrastructure Levy Charging Schedule should be undertaken in due course in the light of significant impact that these changes are likely to have on the viability of development.

3. BACKGROUND AND ISSUES

3.1 On 28th November 2014, Brandon Lewis MP, in a Written Ministerial Statement (WMS) to Parliament, announced various changes to the government's planning policies. Subsequently, the NPPG was amended to take on board the changes announced in Parliament. In summary the main changes affecting Reading Borough were:

- *Due to the disproportionate burden of developer contributions on small scale developers, for sites of 10-units or less, and which have a maximum combined gross floor space of 1,000 square metres, affordable housing and tariff style contributions should not be sought. This will also apply to all residential annexes and extensions.*
- *A financial credit, equivalent to the existing gross floorspace of any vacant buildings brought back into any lawful use or demolished for re-development, should be deducted from the calculation of any affordable housing contributions sought from relevant development schemes.*

The WMS also referred to different thresholds for designated rural areas and Rural Exception Sites but, while the latter was of relevance to West Berkshire, it had no implications for Reading Borough.

3.2 The challenge by the two Local Planning Authorities to the WMS and the revised NPPG was heard in the High Court over 2 days on 29th and 30th April 2015 by Mr Justice Holgate. The 2 LPAs were represented by David Forsdick, QC and Alistair Mills.

3.4 The grounds pursued at the hearing in relation to the national thresholds for affordable housing contributions and the vacant building credit are summarised as follows:-

1. The Secretary of State failed to take into account material considerations;
2. The national policy is inconsistent with the statutory scheme and its purposes;

3. The consultation process carried out by the Secretary of State was unfair;
 4. In deciding to adopt the new national policy the Secretary of State failed to comply with the public sector equality duty in section 149 of the Equality Act 2010; and
 5. The decision to introduce the new national exemptions from affordable housing requirements was irrational.
- 3.5 The Judgement found in favour of the challenge by the LPAs on 4 of the 5 grounds pursued at the hearing. In relation to Ground 5, the judge did not consider that he needed to consider this further in the light of his judgement on the other grounds.
- 3.6 His judgement quashed the amendments to the NPPG. He also ruled that the policies in the WMS must not be treated as a material consideration in development management and development plan procedures and decisions.
- 3.7 The Secretary of State appealed the judgement on all grounds. The Court of Appeal, which comprised 3 senior judges including Lord Justice Dyson, Master of the Rolls, the most senior civil law judge, heard the case on 15 & 16 March 2016. The judgement was handed down on 11th May 2016. All four grounds of appeal succeeded and the appeal was allowed. The judgement quashed the decision of the High Court. Costs were awarded against the 2 LPAs.
- 3.8 As a result, the WMS was reinstated. DCLG has now republished changes to the NPPG that reflect the original changes that were quashed in the High Court. The WMS and the changes to the NPPG therefore now become “other material considerations” in the determination of planning applications.
- 4.0 COMMENTARY
- 4.1 This is a very disappointing decision. The Judgment in relation to Ground 2, which was central to the case, revolved around the application of basic legal principles in particular noting that the Secretary of State’s power to formulate and adopt national planning policy is not given by statute. It is an exercise of the Crown’s common law powers conferred by the Royal Prerogative. This played a major part in the judgment. Ministers have wide and extensive common law powers to do many things. It is up to Ministers to decide whether to exercise them, and if so to what extent.
- 4.2 The Court determined that, while the development plan is the starting-point for the decision-maker, it is not the law that greater weight is to be attached to it than to other material considerations. The Court also found that policy may overtake a development plan (“... a plan can become outdated and superseded by more recent guidance”).
- 4.3 On Ground 1, The High Court Judge considered that the Secretary of State had failed to take into account certain “obviously material” considerations in developing the policy set out in the WMS. However the Court of Appeal decided the Secretary of State was not obliged to go further than he did into the specifics and in consequence is not to be faulted for a failure to have sufficient regard to relevant considerations in formulating the policy set out in the WMS.

- 4.4 The High Court judgement had concluded that the Secretary of State had failed to give sufficient reasons for his proposal so as to enable intelligent consideration and responses to be given. The judgement also concluded that the Secretary of State had failed to take the product of the consultation conscientiously into account. In particular he failed to consider evidence that the policy would have a substantial impact on affordable housing provision. The Court of Appeal found no criticism of the Minister both in terms of the fairness of the consultation and the adequacy of consideration to the responses to it.
- 4.5 The final ground revolved around the failure to undertake any Equality Impact Assessment prior to issuing of the new policy and the adequacy of the Assessment that was produced subsequent to the High Court Challenge. The High Court Judge had been very critical. However, the Court of Appeal considered that the judge was in error by his adoption of a more stringent and searching approach to the Equality Impact Assessment. They considered that compliance with the terms of Section 149 was achieved by what was done in this case.
- 4.6 While the appeal succeeded on all grounds, the decision provides some pertinent legal advice on the interpretation of ministerial policy. At paragraphs 16 -18, the decision sets out 2 principles:
- The decision maker cannot blindly follow a pre-existing policy without considering anything said to persuade him that the case in hand is an exception;
 - a policy-maker (notably central government) is entitled to express his policy in unqualified terms. He is not required to spell out the legal fact that the application of the policy must allow for the possibility of exceptions.

The Court accepted the statement made on behalf of the Secretary of State that, *“local circumstances may justify lower (or no) thresholds as an exception to the national policy.”* It is clear therefore that an LPA can seek to demonstrate that local circumstances can be used to justify an exception to the WMS and NPPG. This is an area that local authorities will be picking up and is discussed in more detail below.

- 4.7 Consideration has been given to seeking leave to appeal to the Supreme Court, the Court of Appeal having refused permission. However, West Berkshire and Reading Borough Council have now made the decision to not to appeal.

Implications of the Decision

- 4.8 In challenging the WMS, the Council has avoided granting planning permission for applications that did not provide affordable housing or contributions towards infrastructure provision. The Council has operated the Community Infrastructure Levy for all applications determined since April 2015 which means that the provisions in the Statement to exclude developments of 10 dwellings or less from Section 106 infrastructure payments has no effect in the Borough.
- 4.9 There are currently around 60 planning applications to which Policy DM6 on affordable housing applies. Many of these have been held in abeyance at the applicant’s request pending the decision of the Court of Appeal. It is appreciated that applicants have been very patient in requesting that applications are held in

abeyance. The Council will now need to make decisions on these applications. The WMS becomes a material consideration in the determination of these applications.

- 4.10 Committee should also be aware that a number of developments have been granted planning permission subject to the provision of affordable housing under a Section 106 Agreement, and which have not yet been implemented. In such cases, it is open to the applicant to resubmit an application to carry out the same or similar development and arguing that a Section 106 Agreement securing an affordable housing contribution is no longer necessary. Alternatively they can seek to discharge or vary their Section 106 obligation in existing Agreements.
- 4.11 As a result of the decision of the Court of Appeal, the Council now needs to set out how Policy DM6, in particular, will be interpreted in the light of the WMS and other material considerations, having considered the local circumstances. Policies on Affordable Housing will also need to be reviewed in the light of emerging policy based on the new measures introduced in the Housing and Planning Act 2016, in particular those measures requiring the provision of Starter Homes. It should be noted that the Council has already received 2 appeal decisions that have given the WMS significant weight, outweighing the need to make decisions in accordance with the Council's policies. As a result both appeals have been allowed without securing an affordable housing contribution.

Interpretation of Policy in the light of the Decision of the Court of Appeal

- 4.12 The decision of the Court of Appeal has reinstated the WMS and allowed the Secretary of State to issue new guidance in the NPPG which states that, "contributions for affordable housing and tariff style planning obligations should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1000sqm."
- 4.13 The Guidance also states that "Where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace."
- 4.14 The assumption is that local authorities will follow WMS and the guidance. However, as indicated above, the Court of Appeal accepted that, "*local circumstances may justify lower (or no) thresholds as an exception to the national policy.*" It is clear that an LPA can seek to demonstrate that local circumstances can be used to justify an exception to the WMS and NPPG. Officers are currently preparing a detailed case on behalf of the Council on these grounds.
- 4.15 Policy DM6 covers the provision of affordable housing on proposals of 1-14 dwellings. The Council adopted an Alteration to its Local Plan on 27th January 2015 (and in so doing has complied with all statutory requirements). This Alteration made minor changes to Policy DM6 in its Sites and Detailed Policies Document based on an up to date viability assessment. The Draft Alteration had been through Examination and the Inspector's final report was received on 17th December 2014. This was after the WMS which was made to Parliament on 28th November 2014. The Inspector found the Alteration to be sound and did not request any modifications. The Council can legitimately argue that Policy DM6, was approved and adopted subsequent to the WMS and this should give it considerable weight.

- 4.16 The policy seeks to assist the Council in meeting the requirements of the NPPF which state that:

“local planning authorities should...use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework,....”

The Council considers that the policy is essential to assist in meeting the very high need for affordable housing in the Borough and in the wider area in compliance with the NPPF.

- 4.17 The Borough experiences exceptionally high levels of need for affordable housing. The Berkshire Strategic Housing Market Assessment (BSHMA) found that Reading had almost half of all households in the Western Berkshire Housing Market Area (HMA) that are currently in need of affordable housing and more than twice as many as either Bracknell Forest or Wokingham Borough. This is borne out by the Council’s own register which exhibits high levels of homelessness and priority cases for affordable housing. In terms of forecasts, Reading also has significantly higher levels of newly forming households with housing need compared to the other authorities in the Western Berkshire HMA.
- 4.18 The BSHMA sets out the overall estimated level of Affordable Housing Need per annum for each of the Berkshire Authorities. This provides each authority’s Objectively Assessed Need (OAN). For Reading Borough an affordable housing need of 406 dwellings per annum represents 58% of the overall housing need of 699 dwellings per annum. The corollary is that of the OAN of 699 dwellings, the Borough only needs to provide 293 market priced and market rented units per annum. All the rest should be affordable units as currently (pre-Housing and Planning Act 2016) defined. The situation becomes more complicated if we feed in Starter Homes, which are proposed to be defined as affordable housing, into the affordable housing demand and supply equation.
- 4.19 On the supply side, an average of around 155 new affordable housing units per year has been provided through planning agreements since 2001, partly bolstered in recent years by a small contribution from Policy DM6. Levels of affordable housing delivered in future years are currently looking likely to be less than this average. Reading has seen around 40-50 rented units per year sold through Right To Buy which will also soon apply to Housing Association stock. Policy DM6 was forecast to provide around 45 - 50 new affordable housing units per year, with sites of 10 units or less providing a high proportion of these numbers, certainly at least 25 - 30 units per year. As can be seen, Policy DM6 is intended to provide a significant proportion of the new affordable housing units in the Borough.
- 4.20 The OAN for affordable housing in Reading is exceptionally high. It is clear that the Council will have to consider all means of achieving affordable housing provision in the Borough if it is to deliver its OAN for affordable housing. The provision of affordable housing on small sites of 10 or less houses will be an essential part of this delivery. In the light of the very high OAN for affordable housing in the Borough, the very limited supply and the large impact should DM6 dwelling units not be provided, the Council contends that exceptional local circumstances justify lower (or no) thresholds as an exception to the national policy.

4.21 In that light of those conclusions, while recognising the change in government guidance, a number of options for the future interpretation of policy DM6 have been considered as follows:

- 1) Continue to implement Policy DM6 as indicated in the Sites and Detailed Policies Document and as interpreted in the Affordable Housing Supplementary Planning Document.
- 2) Implement Policy DM6 as above but excluding proposals that solely involve the conversion of an existing property, where the conversion involves the provision of 10 or less dwelling units (i.e. not HMOs), or the replacement of dwellings by the same number of replacement dwellings where there is no net increase.
- 3) Policy DM6 operates different requirements at different thresholds. The Council could decide not to seek provision for schemes below 5 units (i.e. 1-4 units). However, proposals of this size could contribute significant financial contributions despite the fact that only 10% affordable housing provision is being sought.
- 4) The Council could decide not to seek provision for schemes below 10 units (i.e. 1-9 units). However, that would mean giving up a major part of the potential contribution that Policy DM6 can provide and is only one unit short of what the WMS requires.

4.22 The very high need for affordable housing implies a pressure to continue to apply the Council's existing policy in full as indicated by Option 1. However, the WMS talks about reducing "disproportionate" burdens on developers. While the work the Council has undertaken on viability of the development of small sites indicates that affordable housing provision in accordance with adopted policies does not impose disproportionate burdens on developers, some of the smaller developments provide limited financial contributions that it is difficult to argue will provide a meaningful contribution towards the provision of affordable housing. Officers are of the view that proposals involving conversions of buildings to provide residential uses, usually in the form of flats and replacement dwellings where there is no net increase in the number of dwellings (Option 2)) should no longer be subject to a requirement to provide a contribution towards affordable housing. As such, developments providing no or relatively little new floorspace are caught by the provisions of the vacant building credit (see below). Inevitably, because of the high existing use value of the existing floorspace, viability assessments often conclude that such developments can only contribute relatively small sums that would only make up a small proportion of the cost of providing an affordable unit. It is difficult to argue that such small developments will make any more than a very small contribution. It is therefore questionable that it can now be successfully argued that seeking such small contributions justifies being considered as an exception to national policy.

4.23 Analysis of financial contributions, sought and agreed following the submission of a viability appraisal and negotiation, point to the fact that proposals involving net increases in dwellings of 1-4 units (Option 3) can provide quite sizeable contributions towards affordable housing provision. The provision of a single additional unit can provide tens of thousands of pounds that can make a significant contribution to providing units of affordable housing. It is therefore reasonable to argue that seeking such contributions justify being considered as an exception to

national policy. Obviously that argument is more reasonable to justify in relation to larger proposals involving 5 or more units.

- 4.24 Having considered the above options, officers recommend that option 2 be used as the basis for determining planning applications where Policy DM6 is relevant particularly given the recent appeal decisions attached.
- 4.25 The financial credit referred to in the WMS and in the changes to the NPPG, will also have a significant impact on affordable housing provision in Reading. Reading Borough is almost wholly urban and relies on previously developed land for nearly all its new development. Under its adopted policies, the Council seeks affordable housing on the whole scheme and then considers any viability evidence that points to reducing the requirements. The change in government policy now introduces a financial credit to count against the affordable housing requirement. Essentially, any existing floorspace on a site will be deducted from the total new floorspace of the development before any calculation of the affordable housing requirement is made. Perversely, in accordance with the NPPF and existing local authority policies, applicants will also be able to continue to argue that the viability of a scheme cannot support even the new lower level of provision. This mechanism will have an impact on the provision of affordable housing but that impact is unclear. Officers recommend that, for the moment, any application involving the application of the vacant building credit be considered on its own merits to assess whether local circumstances in a particular case would justify not applying the vacant building credit as an exception to the national policy.
- 4.26 The Court of Appeal decision, and the measures coming out of the Housing and Planning Act 2016, will have significant implications for the viability of developments on small sites. It would therefore be prudent for the Council to consider reviewing its Community Infrastructure Levy Charging Schedule in due course in the light of the significant impact that these changes are likely to have on the viability of development in the Borough.
- 4.27 The Council is currently developing a replacement Local Plan which will provide an opportunity to review and update its adopted Policies. Any revisions to Policy DM6 will need to take account of the Government's position in relation to thresholds and starter homes as well as the local housing circumstances in the Borough. A robust case to continue to secure affordable housing contributions from development will be made as part of this process.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The Planning Service contributes to the Council's strategic aims in terms of:
- Seeking to meet the 2015 -18 Corporate Plan objective for "Keeping the town clean, safe, green and active."
 - Seeking to meet the 2015 -18 Corporate Plan objective for "Providing homes for those in most need."
 - Seeking to meet the 2015 -18 Corporate Plan objective for "Providing infrastructure to support the economy"

The matters referred to in this report will have an impact on the Council's ability to achieve the provision of affordable housing to meet the need for such housing in the Borough.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 The High Court judgement had highlighted the importance of ensuring that consultation documentation provides sufficient reasons for the proposals and that the product of, and responses to, consultation must be taken conscientiously into account before finalising policy. However, this is substantially watered down, certainly in relation to government policy in the light of the decision of the Court of Appeal

7 EQUALITY IMPACT ASSESSMENT

- 7.1 Where appropriate the Council must have regard to its duties under the Equality Act 2010, Section 149, 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.

- 7.2 The Court of Appeal judgement appears to play down the importance of carrying out an Equality Impact Assessment as part of the development of policy and did not sanction the publication of a policy in the absence of such an assessment. However, it does not take away the clear need to undertake EQIA before finalising policy so that any policy is informed by such an assessment.

8. LEGAL IMPLICATIONS

- 8.1 These are dealt with in the Report.

9. FINANCIAL IMPLICATIONS

- 9.1 Costs have been awarded against the challenging councils by the Court of Appeal. There will, therefore, be financial implications resulting from judicial review. The Council's share of the costs of taking the case through the 2 court cases amount to nearly £40,000. A further £20,000 is now to be paid towards the costs of the Secretary of State.

- 9.2 Indirectly, the challenge has enabled the Council and other local authorities to benefit from the result of the High Court Challenge. The Council has been able to apply existing development plan policies that seek direct provision, or contributions towards the provision, of affordable housing and infrastructure within the Borough. Since the date of the Written Ministerial Statement, it is estimated that agreements have been signed for the provision of 3 affordable housing units and contributions of £1.2m towards affordable housing. In addition, as indicated in the main report, no planning application involving the provision of 10 or less dwellings has been approved to which the Community Infrastructure Levy will not apply. If the challenge had not been made, the Council would have had to approve planning applications before the introduction of the Community Infrastructure Levy that could not have been required to make any contributions towards infrastructure provision via a Section 106 agreement.

- 9.3 The changes now introduced as a result of the Court of Appeal Decision could have a significant impact on the provision of affordable housing and/or affordable housing contributions.
- 9.4 It is likely that the Council's position on this matter will be challenged through the planning appeal process. In the event that an appeal is made, the Council will submit a detailed case to the Inspectorate to justify its position. Should the Inspectorate find the Council's case to be unconvincing officers will need to reconsider the position taken in relation to Policy DM6. The Council can award costs against the Council should it consider that the Council has acted unreasonably.

10. BACKGROUND PAPERS

Approved Judgements in Case No: CO/76/2015:

High Court

West Berkshire District Council and Reading Borough Council -and - Department for Communities and Local Government, July 2015.

<http://www.bailii.org/ew/cases/EWHC/Admin/2015/2222.html>

Court of Appeal

Department for Communities and Local Government, -and- West Berkshire District Council and Reading Borough Council, May 2016.

<http://www.bailii.org/ew/cases/EWCA/Civ/2016/441.html>

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	13 JULY 2016	AGENDA ITEM:	10
TITLE:	EMPLOYMENT AND SKILLS PLANS - ANNUAL PROGRESS REPORT		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICE:	PLANNING	WARDS:	ALL
LEAD OFFICER:	KIARAN ROUGHAN	TEL:	0118 9374530
JOB TITLE:	PLANNING MANAGER	E-MAIL:	Kiaran.roughan@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report sets out progress on implementing Employment and Skills Plans (ESPs). These are required for all major developments within the Borough under the Employment, Skills and Training Supplementary Planning Document (SPD), adopted by Cabinet on 13th April 2013. Good ongoing progress has been made securing a variety of plans with both developers and end users. This is leading to very positive outcomes on the ground, during construction phase and in the end use of a development.

2. RECOMMENDED ACTION

- 2.1 That the progress in drawing up and implementing Employment and Skills Plans for major developments be noted.

3. POLICY CONTEXT

- 3.1 On 15th April 2013, Cabinet adopted a Supplementary Planning Document on Employment, Skills and Training. This document set out expectations for how major development would mitigate its impacts on the labour market and provide for local employment and training opportunities. This relates both to the construction phase and, for major employment development, the end user phase. The expectation is that developers draw up their own Employment and Skills Plans working with delivery

partner Reading UK CIC or, where this is not possible, make a financial contribution that allows a Plan to be drawn up on their behalf, securing training and skills outcomes.

- 3.2 The SPD helps to achieve higher level policy in the Core Strategy (Policy CS9: Infrastructure, Services, Resources and Amenities and Policy CS13: Impact of Employment Development) and Sites and Detailed Policies Document (DM3: Infrastructure).
- 3.3 The aim of Employment and Skills Plans (ESPs) is to provide local employment, and shape training and upskilling outcomes for the local workforce tailored to strengthening our local economy. They also prove an important tool in tackling known skills gaps in the area, a potential barrier to sustainable growth. They are shaped to contribute meaningfully to the Corporate Plan objectives around narrowing the gap in relation to employment opportunities for residents.
- 3.4 ESPs are typically drawn up in conjunction with Reading UK CIC, Reading's economic development company with responsibility for the skills and employment agenda.
- 3.5 A typical ESP will cover a mix of employment and training targets over a broad age range (from primary schools to over 50s unemployment) of groups and with outcomes ranging from apprenticeship places, to support into employment, sector specific training and education outreach.
- 3.6 All ESPs are delivered in partnership with local agencies - notably the Department of Work and Pensions (DWP, Jobcentre), Reading College, New Directions, local schools and the University of Reading.

4. THE PROPOSAL

- 4.1 Good progress has been made in securing ESPs on developments in Reading, and this is detailed in the following paragraphs. The following information has been provided by Reading UK CIC.
- 4.2 In summary, since the introduction of the SPD in April 2013, 24 permissions have been subject to a requirement to provide an ESP covering the construction phase, while a further 5 have committed to making a financial contribution towards employment and skills for the construction phase.

Over the same period, nine major commercial or employment-generating permissions were subject to a requirement to provide an ESP covering the *end use*, whilst a further four committed to making a financial contribution towards employment and skills for the end use phase.

- 4.3 Where ESPs are secured, a Section 106 agreement (or occasionally planning condition) typically commits a developer to providing an ESP at

a time tied to commencement (for construction phase) or occupation (for end use phase). The following outlines briefly the development stages of a variety of ESP commitments, some of which are not yet in place.

Detail of ESPs

4.4 Voluntary ESPs entered into prior to April 2013 and now complete or near completion include Tesco Distribution Centre on the former Berkshire Brewery site in south Reading, and Chatham Place Phase 2, both of which produced strong outcomes in terms of job and training opportunities (reported previously to this Committee).

4.5 Developments delivering ESPs since the introduction of the SPD in April 2013.

- Buckingham Group / Island Road (commenced May 2016)
A development of up to three warehousing units for the logistics industry. A construction ESP has been agreed with contractors Buckingham Group to deliver jobs, outreach and specialist work experience. The contractor has already worked with DWP on local employment opportunities.
- Coley Park / Elvian School Site
Major UK homes developer Taylor Wimpey is working on residential development on two sites for which joint planning has been granted. The ESP has been discussed in detail with the project manager, ahead of a final decision on whether either a Plan, or a financial contribution will be delivered.
- Imperial Way - Wates/DPD (complete)
Wates Construction worked with Reading UK CIC and partners to deliver two sector based work academies (providing training for 30), work experience placements for both those not in education, employment or training (NEETS) and older unemployed people, local school visits, and commitment to local employment through work with DWP/JCP in Reading.
An End Use ESP was agreed with DPD (Geopost) to deliver work experience in logistics for young people, an outreach programme (including an event at Cranbury College) and local recruitment. The CIC is maintaining links with DPD to promote training and work opportunities in the logistics industry.
- Kennet Island - Clegg Group / Mini-BMW (complete)
A sector based work academy for general site workers was provided, bespoke to Clegg Group and delivered by Reading College, leading to testing for the Construction Skills Certification Scheme CSCS card. DWP referred 19 claimants for the training and within 13 weeks 15 claimants had come off the Job Seekers Allowance (JSA) register. Direct employment and schools outreach also took place, and Clegg

provided case studies to support the Borough's accreditation by the Construction Industry Training Board CITB.

The End Use phase has delivered at least 13 new jobs for local people, 4 new apprenticeship opportunities and schools outreach programmes, with some work experience opportunities also available for young people.

- Imperial Way - GMI Construction / Sytner Audi Garage (construction element complete)
Partners worked closely with GMI construction to deliver a range of outputs, from local employment (including target mature unemployed workers), on site apprenticeships, two visits by University of Reading construction school (resulting in employment for one of the students) and a sector based work academy delivered by DWP and Reading UK CIC, which led to 13 people completing their CSCS training and 3 young NEETS being employed (2 with GMI, 1 with another contractor)
- Osborne Construction / Crown Student Living (commenced early 2016)
Osborne Construction agreed the details of an ESP early in 2016 and has already delivered a sector based work academy through Reading College and agreed apprenticeship placements with our partner Co-Train. Due to the nature of the construction site visits, work experience and other outputs will be delivered closer to the site completion date.
- Primark Store, Broad Street (commenced March 2016)
The detailed ESP was signed with contractors Mace in January 2016, and allows for outcomes including work experience, outreach events, apprenticeships and local employment.

The End Use ESP has been discussed in outline with Primark and is pending agreement. However Elevate Reading partners including Adviza, Mencap, DWP and New Directions are already working on supporting recruitment for approx. 300 jobs, with events at DWP and the Elevate Hub in July.

- 4.6 Developments for which ESPs have been agreed and are pending construction start dates, or are still in discussion, include Albert Rd, Crown Street, Garrard House, Primark West Street, Lancaster Jaguar, Meadway Precinct, Station Hill, Swan Heights, University of Reading temporary offices and sports dome.
- 4.7 Following discussion on the requirements of both the construction and end use ESP a number of developers have preferred to opt for Financial

Contribution ESPs. Typically these contributions are used to deliver a range of training and employment outcomes for local people, such as CSCS construction training, outreach events for young people, a training and jobs event for mature workers and job taster events to develop interest in key skills, such as construction, care, hospitality and logistics.

These developments include Forbury Place One, 16-40 London Road, 114-116 Oxford Road, 350 Basingstoke Road, Maiden Erlegh Free School, Queen Anne's School, 173-175 Kings Road, Trinity House South Street, 40 Silver Street, Kings Point King's Rd.

4.8 In addition to the ESPs secured through the Section 106 process, Reading UK CIC has been involved in other negotiations to secure employment and training outcomes in the Reading area, aligned to the outcomes of the ESP programme.

- Ikea, Calcot

The new store opens July 2016, and both a construction and end use phase ESP have been negotiated with Ikea by Reading UK CIC in partnership with the planning authority West Berkshire District Council.

The construction phase has included outreach activity, work experience, local employment and on site apprenticeships.

Reading UK CIC has worked with Ikea to promote jobs to as many parts of the local community as possible, involving social housing providers, supported employment agencies such as Mencap and Graft and youth employment project Elevate Reading in recruitment discussions. Over 350 new local jobs will be created by the store which is a Living Wage employer.

Other End Use outcomes will commence shortly after occupation and include schools and education outreach, work experience, local employment for target groups.

- Priority Schools Building Programme - Reading Girls School

Excellent progress has been made by partners on an ESP agreed with the Education Funding Authority and the developer Interserve Kajima. The framework is aligned to the Construction Industry Training Body outcomes, encompassing all the requirements under a S106 ESP as well as number of additional outcomes. These have included placement opportunities for students; school support activities; running a Routes into Construction event at the Elevate Hub; apprenticeships and jobs; upskilling of sub-contractors; leadership and management. With completion expected by late summer Interserve have already over-delivered on many of these outcomes, and the CIC has worked with CITB to gain accreditation for the scheme.

- National Skills Academy

At the request of Reading Borough Council, Reading UK CIC has been in discussion with CITB (Construction Industry Training Body) to gain

accreditation to the National Skills Academy for Construction Skills. We worked with Clegg Construction (A33, BMW site) on the application to the National Skills Academy, which was confirmed for both Reading Borough Council and Reading UK CIC late in 2015. Accreditation will allow builders working on Reading Borough Council ESPs to access a range of additional benefits - both in kind and financial.

- 4.9 In conclusion the requirement in the SPD has led to the completion of Construction ESPs on a number of major schemes, and End Use ESPs with DPD and BMW/Mini. These ESPs have led in turn to outcomes that benefit individual residents, who are often in most need of support being distanced from the jobs market, as well as the Reading economy as a whole. Appendix 1 contains case studies that demonstrate the substantial benefits that are being achieved for individuals in Reading.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The outcomes of the Employment, Skills and Training SPD contributes to achieving the Council's Corporate Plan objectives in particular 'Providing the best life through education, early help and healthy living' in relation to employment opportunities.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 Consultation was held on the draft SPD in November and December 2012, and carried out in line with the Council's adopted Statement of Community Involvement at the time. Responses received were taken into account in revising the SPD before adoption. Public consultation is not a requirement for developing ESPs, although comments received during the application process may inform those plans.

7. EQUALITY ASSESSMENT

- 7.1 A scoping assessment and Equality Impact Assessment (EqIA) were undertaken with regard to the Draft Employment, Skills and Training SPD (Nov 2012) as considered by Cabinet on 5th November 2012. There have been no issues arising during implementation of the SPD that affect the conclusions of that assessment and none arise from this information report.

8. LEGAL IMPLICATIONS

- 8.1 Employment and Skills Plans are secured through the Section 106 process, which is now governed by the Community Infrastructure Levy Regulations 2010 (as amended). The tests for Section 106 agreements are whether they are necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind. Employment and skills plans are

not part of the Community Infrastructure Levy regime and will continue to be sought on major sites, where they meet the above tests.

9 FINANCIAL IMPLICATIONS

- 9.1 ESPs referred to in this report are secured through Section 106 agreement, and are either carried out by the developer in conjunction with Reading UK CIC, sourcing third party funds, or funded by the developer directly.

Value for Money

- 9.2 The SPD requires developers to prepare or fund ESP's that have a positive effect on employment, skills and training. This has a direct implication for economic development in the Borough, meeting local needs at very little cost to the council. In addition, delivery of the ESPs provides parallel support for Elevate Reading, which specifically targets opportunities for 16-24 year olds funded by ESF grants.

Risk Assessment

- 9.3 There are no direct financial risks associated with this report.

BACKGROUND PAPERS

- Employment, Skills and Training Supplementary Planning Document (April 2013)

Appendix 1: Case Studies of the Effects of Employment and Skills Plans

GMI Construction Group PLC/ Sytner Audi Development, Imperial Way

Property developers SEGRO were granted Planning Permission (Ref: 141602) in December 2014 for the erection of a new car showroom with ancillary offices, car parking and plant.

This development was attached to the Sytner Audi dealership (who plan to move from an existing site in Reading) and comprised a building with a gross external area of 4,800m² on an allocated employment site.

A detailed Construction ESP was signed by Segro, GMI and Reading UK CIC in June 2015 ahead of construction start in October 2015 (with an expected completion date of July 2016).

In January 2016 DWP and Reading College supported a sector based work academy on behalf of GMI Construction. Starting for 4 weeks on Jan 11th the training programme covered everything needed for participants to gain the CSCS card.

GMI Construction involved subcontractors Delta, who were to provide work experience

DWP referred 15 JSA claimants to the course, who all had access to 2 weeks work experience at the Audi construction site from 8th February and a guaranteed job interview. Three took up the work experience offer and two young people were employed at the site and were highly valued members of the team.

The Project Manager said it had been a pleasure, and a real eye opener, to work with the people referred from DWP, especially the young men who gained work at the site who had gone from strength to strength after completing the CSCS training.

Reading Girls School / Interserve

The rebuilding of Reading Girls School was agreed under funding from the Education Funding Authority, with Interserve Kajima winning the contract for Reading Girls alongside 3 other schools (in the Herts area). The Employment and Skills Plan was agreed centrally on CITB guidelines, but Reading UK CIC agreed additional support for local people in the form of a construction skills event.

Routes Into Construction took place at the Elevate Hub on 25 February, with seven of the Interserve Construction team taking part in a speed dating format. Around 25 young people attended, gaining first hand knowledge from construction professionals on skills ranging from groundworks to project management to surveying. The details of the young people who attended were captured by the Elevate team, and follow up work took place to establish next steps, especially for those with very low attainment rates. For at least six this

was to gain the CSCS card which would enable them to start work in construction at an entry level. Alongside other referrals from Adviza, six of the Routes attendees joined a six week training course run at Elevate Reading, creating a group of between 10-12. The course covered basic maths and English as well as all aspects of the CSCS card and was funded by Arriva Training and ESP funds.

Around seven of the group gained their CSCS cards, with one gaining an apprenticeship with a Theale construction company and another finding work immediately on a local site.

While outputs may be considered low the group of young people we worked with were in need of serious intervention and support and gained huge confidence from the Routes Into Construction event which led them to pursue the CSCS qualification. Both provided thanks to the ESP requirements.

Feedback from the Interserve team was very positive:

“Thank you, we really enjoyed the opportunity to offer support. My staff were so impressed and the event opened their eyes to individuals struggles and I feel it has certainly made them more empathetic. We will definitely be offering work experience and will keep you informed with names and dates.”

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT PLANNING AND TRANSPORT COMMITTEE		
DATE:	13 JULY 2016	AGENDA ITEM: 11	
TITLE:	SOLAR COMMUNITY SCHEME - PURCHASE OF SHARES		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICE:	SUSTAINABILITY	WARDS:	ALL
LEAD OFFICER:	BEN BURFOOT	TEL:	0118 9372232
JOB TITLE:	SUSTAINABILITY MANAGER	E-MAIL:	ben.burfoot@reading.gov.uk

1.0 Executive Summary

- 1.1 This report seeks to delegate authority to officers to purchase shares in the Solar Community Project being developed by Reading Community Energy Society (RCES).
- 1.2 The Society was formed to install solar panels on to a number of community buildings in Reading.
- 1.3 RCES are seeking to raise up to £450,000 of equity financing through a share issue to cover the costs of installation of the systems. This amount will be dependent on the number of systems that are able to progress and is likely to be less than the full £450,000.
- 1.4 The Council has been offered two seats on the board of directors of RCES.
- 1.5 It is proposed that the Council purchase £10,000 of shares but in the event that the full quota of shares are not purchased by the public it is proposed that the Council purchase the remaining shares up to a maximum of £100,000.
- 1.6 Appendix 1 - Share Offer
Appendix 2 - Risk Table
Appendix 3 - Performance of Other Schemes

2.0 Recommendations

- 2.1 That the Strategic Environment, Planning and Transport Committee delegate authority to the Head of Finance in consultation with the Director of Environment and Neighbourhood Services and the Lead Councillor for Strategic Environment, Planning and Transport to purchase up to 100,000 (value £100,000) shares in Reading Community Energy Society according to the terms laid out in the share offer.

3.0 Background

- 3.1 In August 2015, the Government announced that it was dramatically reducing the subsidies available for photovoltaic solar panels called Feed-in-Tariff (FiT). However, an exemption for community schemes was subsequently announced. The Council joined forces with a local group, the Berkshire Energy Pioneers, to work with an organisation called Energy4All to pre-register 23 roofs for a solar community scheme.
- 3.2 The Strategic Environment Planning and Transport Committee on 24th November 2015 agreed to lease a number of RBC owned building roofs to Reading Community Energy Society in order to install solar panels using capital raised by a public share offer ([Link to report](#)). A number of these buildings are unlikely to proceed, but share capital will be raised if possible to cover 16 buildings. These have an estimated capital cost of approximately £450,000.
- 3.3 RCES is a community benefit society established for the purposes of installing solar panels on community buildings in Reading. The board consists of three board members proposed from Berkshire Energy Pioneers, two from the Council and one from the Reading Climate Change Partnership (RCCP). In addition, Energy4All (E4A) has two places on the board. A total of 8.
- 3.4 Seats on the board are available to any member through the processes set out in the Society rules. The Council has been offered two seats on the board on the basis that one seat would be representing the Council's share holdings and the other would be an unelected seat offered to the Council in its capacity as an organisation that represents the local community.
- 3.5 The scheme will seek to raise capital funds through community share issued by 'Reading Community Energy Society' (RCES). The share offer was launched on Friday 17th June. Investing in the scheme will give shareholders an estimated return on investment of 5% per annum. After annual costs have been met, the Society is expected to have a surplus fund, which will be allocated to local community projects.
- 3.6 The proposal is that the Council buy the remaining share holdings at scheme closure, up to a maximum of £100,000 (100,000 shares). It is proposed that the Council purchase a minimum of £10,000 (10,000 shares).
- 3.7 E4A will provide strategic and administrative support to the board. They will also manage the project to launch and administer the share offer and then to install solar panels. Their involvement will continue while the FiT payment is in place and for the duration of the leases (20 years). Their services will be charged in line with the service agreement between the Council and RCES.
- 3.8 The profits of the organisation will be used to fund local charitable activities. In the Society rules state that the objectives of the organisation are to carry out:

- The conservation of energy through advice on energy efficiency including energy efficient products and the supply of energy efficient products;
 - The generation of income to provide grants to community organisations in the locality of any energy project supported by the Society;
 - The promotion of awareness of environmental and related Issues and support for educational initiatives related to renewable energy; and
 - Enabling the local and wider community to share in the ownership of, and reinvest in, renewable and low carbon energy generation and energy efficiency initiatives.
- 3.9 RBC backing of a local share offer through its purchase of shares, its involvement in a scheme and actively publicising it will be beneficial to the Society's reputation and ultimately to its success.
- 3.10 The risk table shown in appendix 2 is summarised below, showing the implications for Directors, shareholders and building owners and the measures in place to minimise their impact. The likelihood rating has been put together with the advice of E4A who currently support 20 societies nationally. Reputational risk is considered in respect of the Society and other organisations that board members are associated.
- 3.11 Table 1 - Project Risk Summary table (Full table Appendix 2)

Risk	Mitigation	Residual Risk
Incomes and dividends lower than predicted	Feed in tariffs fixed, reliable technology	Low
Borrowing cannot be repaid	Low amounts or for short period - repayment would be prioritised	Low
Shareholders hold RBC responsible	Share offer and promotional material will state that RCES is separate from RBC.	Low
Shareholders disagree with board	The process allows vote for members and re-election of board members.	Low
A host building wants to temporarily or permanently remove panels.	License or lease protect scheme. If permanent shareholders are repaid.	Med
Decisions of RCES create a conflict of interest for Council board members.	Rules of Society allow for declaration of interest and guide as to appropriate course of action in the case of a conflict of interest.	Low

4.0 CONTRIBUTION TO STRATEGIC AIMS

4.1 The scheme would contribute to the following strategic aims:

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

5.0 COMMUNITY ENGAGEMENT AND INFORMATION

5.1 Section 138 of the Local Government and Public Involvement in Health Act 2007 places a duty on local authorities to involve local representatives when carrying out "any of its functions" by providing information, consulting or "involving in another way".

5.2 Community engagement will be considered in the development of the solar community scheme in particular in promoting the share offer to a cross section of society so all Reading people feel involved and benefit from the scheme.

5.3 Once the scheme is running, shareholders have one member vote each at the AGM to elect board members from the membership of the Society.

6.0 EQUALITY IMPACT ASSESSMENT

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

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

6.2 An Equality Impact Assessment is not relevant to this decision.

7.0 LEGAL IMPLICATIONS

7.1 The Council is able to purchase shares in a company under part 1 of the Localism Act 2011. Section 1 (1) of the Act introduces 'The General Power of Competence', which enables a Local Authority "to do anything that individuals may do". This can include the ownership of shares in a company and/or the involvement in the establishment of such a company for the purposes of the provision of energy services, which are not statutory for Local Authorities.

7.2 Reading Campus Community Energy Society is already established and has been registered with Companies House and the Financial Conduct Authority (Registration Number 7156 registered on 03 July 2015). The Directors are currently from E4A but new Directors will be appointed as detailed in paragraph 3.5 above.

7.3 E4A is registered as a private company, limited by guarantee. As such any profit is directed to the Company's objects. The Company's primary object

is to “promote and support the development of and community ownership and/or community participation in renewable energy projects including wind farms”.

- 7.4 It is currently proposed that RBC representatives hold two of the Directors appointments. They would not be able to hold RBC responsible or accountable for any matters of liability or responsibility relating to their Directorship of RCES. A Director’s primary responsibility is to the Company concerned and in the event of a conflict of interest arising between the interests of the RCES and the interests of RBC, the Directors’ first duty would be to the objects and interests of RCES.
- 7.5 Each RCES Director will have one vote on the Board of Directors. The Board of Directors can put key proposals to the members of the company to be voted on at the AGM. Equally the company members have the power to call members meetings to discuss company business and decisions are by majority vote both at the Board of Directors meetings and at members meetings.

8.0 FINANCIAL IMPLICATIONS

- 8.1 The purchase of shares represents a financial investment. Members (shareholders) would be paid dividends annually as well as being repaid 1/20th of their share capital per annum. Shares will be paid out at 5% return in year one and this will rise with inflation. Note - the repayment of capital is at the discretion of the RCES board and could be repaid over a different profile. It would be repaid in full by the end of the scheme unless the scheme performance did not meet expectations.
- 8.2. Shares can only be withdrawn at the discretion of the RCES board. If there are sufficient funds it is intended that shares redeemable at a value of £1 per share.
- 8.3 Any proceeds received after returns to local shareholders, any debt finance repayment and the scheme administration costs have been taken out would go into the community fund. RCES are required to use this to support local activity as set out in the rules which could relate to objectives such as fuel poverty, renewable energy and climate change activity.
- 8.4 The Council would need to source its funding by borrowing through the Public Works Loans Board. The borrowing costs are currently set at a lower rate than the returns shareholders forecasted by the model. This means that the Council would make a small profit on its invested funds. There is a risk that the scheme would not return the necessary dividend to cover the cost of borrowing. During any period in the scheme where this was to occur, the Council would make a loss on the scheme. The finance model, however sets the initial dividend rate at 5% and this rises with RPI through the scheme. Appendix 3 contains some information about the performance of another similar scheme.
- 8.5 The value of the share offer will be a maximum of £441,000 (if all currently feasible pre-registered systems were installed) which will pay for the installation of the solar panels. A total of eight systems with

total capital expenditure of £166,000 are currently signed up to the scheme, with an additional eight (£276,000) awaiting confirmation.

- 8.6 The shareholders will be given an estimated return of >5% (the exact amount will be decided by the board and will depend on the performance of the PV systems and the cost of install/maintenance/repair).
- 8.7 The financial benefits for the council of purchasing shares in the scheme are defined by the extent to which the return on investment exceeds the cost of borrowing. A table showing the predicted net benefits of minimum and maximum share investment scenarios is provided in Table 2.

Table 2 - Illustration of Return on Investment at £50,000 Investment Scenario.

Year	Shares (£)	Capital Repayment	Dividend @ 5%	Cost of Borrowing	Net return
0	£50,000.00	£0.00			
1	£47,500.00	£2,500.00	£2,500.00	£1,663.00	£837.00
2	£45,000.00	£2,500.00	£2,375.00	£1,575.00	£800.00
3	£42,500.00	£2,500.00	£2,250.00	£1,488.00	£762.00
4	£40,000.00	£2,500.00	£2,125.00	£1,400.00	£725.00
5	£37,500.00	£2,500.00	£2,000.00	£1,313.00	£687.00
6	£35,000.00	£2,500.00	£1,875.00	£1,225.00	£650.00
7	£32,500.00	£2,500.00	£1,750.00	£1,138.00	£612.00
8	£30,000.00	£2,500.00	£1,625.00	£1,050.00	£575.00
9	£27,500.00	£2,500.00	£1,500.00	£963.00	£537.00
10	£25,000.00	£2,500.00	£1,375.00	£875.00	£500.00
11	£22,500.00	£2,500.00	£1,250.00	£788.00	£462.00
12	£20,000.00	£2,500.00	£1,125.00	£700.00	£425.00
13	£17,500.00	£2,500.00	£1,000.00	£613.00	£387.00
14	£15,000.00	£2,500.00	£875.00	£525.00	£350.00
15	£12,500.00	£2,500.00	£750.00	£438.00	£312.00
16	£10,000.00	£2,500.00	£625.00	£350.00	£275.00
17	£7,500.00	£2,500.00	£500.00	£263.00	£237.00
18	£5,000.00	£2,500.00	£375.00	£175.00	£200.00
19	£2,500.00	£2,500.00	£250.00	£88.00	£162.00
20	£0.00	£2,500.00	£125.00	£0.00	£125.00
Total		£50,000.00	£26,250.00	£16,630.00	£9,620.00

APPENDIX 1

Offer for Shares and Membership in

Reading Campus Community Energy Society Limited

trading as Reading Community Energy Society Limited ('RCES')

Initial offer shares: £441,000

Closing date: 15 July 2016 (or when fully subscribed if earlier)

Generate Solar Power on the rooftops of council and community buildings and help make Reading cleaner and greener

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Reading Community Energy Society Limited

31 May 2016

CHAIR'S WELCOME

Thank you for requesting this Offer Document, which sets out an exciting opportunity for you to apply for Shares in Reading Community Energy Society Limited ('RCES'). RCES will install Solar Panels on the roofs of council and community buildings, including schools, in Reading. Joining RCES will provide an opportunity to:

- Generate renewable energy, helping tackle energy security and climate change;
- Reduce demand for grid electricity in public and community buildings;
- Over time, generate a community fund to support local community projects ;
- Support sustainable development in our local community and contribute towards reducing CO₂ emissions;
- Reduce fuel poverty – (through energy efficiency and/or renewable energy)

RCES is an ethical, community-based, social enterprise. RCES was set up by the Council, Berkshire Energy Pioneers, the Reading Climate Change Partnership and Energy4All with the intention to establish the first community owned renewable energy facility in Reading. Its board consists of members from each of these organisations.

The founders of RCES hope to build a community of RCES members and users and members of the Host Buildings and Organisations. This community will work together with the intention of over time developing a community fund to support local community projects especially those linked to community energy efficiency and environment projects.

We are looking for investment from new Members to fund the installation of Solar Panels on up to 16 public and community buildings around our town. The more money raised, the more panels we can install on more buildings.

We want as many people as possible to join RCES. As a Society all our Members are important to us. We especially welcome smaller amounts, which is why the minimum investment is as low as we can make it at £200. We think the co-operative principles of our Society will appeal to those of you who may not have considered joining this type of organisation before.

Parents and grandparents can apply for Shares in RCES now for their children and grandchildren or can apply for Shares on their own behalf now and give their Shares to their children and grandchildren in their will.

We pre-registered the Solar Panels on all the buildings described in this share offer before the end of September 2015, enabling RCES to claim the Feed In Tariff (FIT) applicable at that date, so our Financial Projections reflect this.

The Offer will close when fully subscribed or on 15 July 2016.

RCES is supported and assisted by Energy4All, the leading social enterprise in the UK for delivering community owned renewable energy schemes. Energy4All projects have raised over £50 million for community renewable energy installations.

How to Apply

An Application Form is attached at the end of this Offer Document. The minimum number of £1 Shares you can apply for is 200 and the maximum is 20,000.

Please read this Offer Document and consider the risks, including those set out on page 9 before deciding. You should consider taking appropriate financial or legal advice before making your decision.

I look forward to welcoming you as a new member of RCES

Yours sincerely

Chair
Reading Community Energy Society Limited

SUMMARY

Potential Applicants should note that:

- This Summary is intended to provide an overview of the Share Offer
- This Summary should be read as an introduction to the Offer Document
- Any decision to apply for Shares should be based on consideration of the Offer Document as a whole

1. The Content of this Offer Document

This Offer Document has been prepared by RCES and its Directors who are responsible for its contents.

Technical and other words or phrases used in this Offer Document with a particular meaning are defined and explained in the Glossary. No advice on investments is given in this Offer Document by RCES or its Directors in relation to it. If any person has any doubt about the suitability of the Shares which are the subject of this Share Offer they should contact an appropriate authorised person for advice.

2. The business of RCES and the purpose of this Share Offer

RCES is making this Share Offer to raise capital to invest in Solar Power Systems that generate electricity and are located on the roofs of community and Reading Borough Council buildings in the Reading area. RCES will receive income from:

- a) Payments under FIT, a 20 year inflation-protected price legally required by the government to be paid by the electricity industry for generating electricity from renewable resources; and
- b) Sales of electricity generated by the Solar Panels to a) the Host Buildings or, if it is not used by the Host Building b) an electricity company via the grid.

RCES is working with 16 Host Buildings that are home to a diverse range of community organisations including some whose buildings are managed by Reading Borough Council. The Society is excited by the prospect of working with these organisations which are demonstrating leadership in climate change mitigation and renewable energy with their own members and in their own communities. We look forward to building a community of RCES members and the users and owners of the Host Buildings. Eight (8) of the Host Organisations have already committed to the Project. RCES has Licence Agreements in place with 6 community buildings and has a commitment from Reading Borough Council for 2 of its buildings to sign a Lease Agreement. The Society is in advanced discussions with a further 7 community buildings and a third council building may also be added. The Licence and Lease Agreements enable RCES to install Solar Power Systems on each of the buildings and to operate them for 20 years.

Through this Offer, RCES proposes to raise £441,000 (the Full Amount) by the issue of Shares at £1, payable in full on application, to install up to 356 Solar Panels on the 16 buildings, giving investors an opportunity to participate in renewable energy generation. The principal appeal is

to people who are interested in supporting progressive environmental and social purposes and receive a reasonable return on their Shares. Applicants with RG post codes will be given priority in the event that the Offer is oversubscribed.

3. Principal Activities and form of RCES

The principal activity of RCES is the construction and operation of Solar Power Systems on buildings in Reading.

RCES is a Community Benefit Society registered under the Co-operatives and Community Benefit Societies Act 2014 (registered number 7156). It is managed for the benefit of the community and owned by its Members, who are protected by limited liability status. Its constitution is in the form of Rules approved by and registered with the FCA. The founders of RCES are driven by high ethical standards and intend RCES to be operated in line with the values of co-operation and democracy as well as a sound commercial ethos. Constitutionally, key characteristics of RCES, as a Community Benefit Society, are: RCES operates for the benefit of the community; a Member must have the minimum number of Shares (200 in this Offer) each with a nominal value of £1; all Members have one vote regardless of how many Shares they hold; no Member, except another registered society, may hold more than 20,000 Shares; the Board is elected by the Members; and only Members are eligible to serve on the Board.

4. Environment, community and education – Social Objectives

RCES is an ethical and environmental body, which enables Members to make a real contribution to the development of renewable energy and to reducing the impact of climate change. Investors enable RCES, to act to make a difference. Through the development over time of its Community Fund, RCES also aims to support local community projects especially in the areas of sustainability and energy efficiency. In addition the organisations on whose buildings Solar Panels are installed will benefit from cheaper electricity than they receive currently – at current prices and electricity consumption, RCES estimates that across all 16 buildings, there will be a £9,200 cost saving in the first year. This is likely to increase in subsequent years as the prices for electricity payable by the organisations are fixed for the life of the scheme. Total savings will be lower if fewer than 16 buildings ultimately join the Project.

5. RCES Shares

When applying for Shares, potential Members should regard their Shares as a long-term proposition for the life of the Project, which is 20 years. The Financial Projections and the calculation of return for Members are based on expert advice and experience derived from other Energy4All projects. Financial Projections are by nature uncertain, illustrative only and must not be taken to be an indication of any assurance about the ultimate return of capital or any level of return. The Financial Projections indicate that the return on Shares will be of the order of 5% for the year ending 30 September 2017. This will be paid after the RCES AGM, which is expected to take place in March or April 2018, and gross of tax. It is intended that return on Shares will increase in line with RPI each year thereafter. However if fewer Solar Panels are installed, the returns could be lower.

RCES Members do not have the right to withdraw Shares but the Board has the power, at its discretion, to permit Shares to be withdrawn. There are no binding commitments in place to enable a realisation of Shares. However over time RCES intends, if it has sufficient funds, to institute a programme of redeeming Shares as cash permits. Shares will be redeemed in proportion to Members' shareholdings and at the par value of £1. However any such redemption will be wholly dependent on the performance of the business.

6. Financial Information

RCES will only start to trade once the Solar Panels have been installed and have begun to generate electricity, thus no accounts have been drawn-up to date.

7. Investment in RCES by Directors

The Directors of RCES intend to invest £xxx under the Share Offer on the same terms as other Members.

8. Project Development

The following preliminaries have been completed or are well advanced in respect of the Project:

- Licence Agreements have been signed by the Host Organisations of 6 community buildings. 7 other community Host Organisations are either progressing the Licence through their internal decision-making or are in advanced discussions with RCES.
- The terms of a Lease Agreement have been agreed with Reading Borough Council and the Council has committed to sign the Lease for 2 buildings. Final discussions are taking place on a third council building.
- For one of the community buildings which has yet to commit to the Project, Listed Building Consent is required and the application has been made
- Grid connection agreements with SSE have been obtained
- All the Solar Power Systems have FIT Pre-accreditation confirmed by Ofgem
- Where it is required, planning permission has been obtained
- Preliminary surveys of the Sites have been undertaken and detailed system designs completed for the 8 committed buildings. Outline systems designs have been prepared for the additional 8 buildings.
- Structural surveys have been completed for the 8 committed buildings and the buildings approved for installation.
- A Preferred Installer has been selected to install the Solar Panels.

The Board will be responsible to the Members for the management of the Project with Energy4All providing regular management reports.

9. Auditor

The statutory auditors of RCES are Lamont Pridmore, experienced chartered Accountants based in Barrow-in-Furness, Cumbria.

10. Risks

All commercial activities carry risk. People Interested in becoming Members should take appropriate advice and make their own risk assessment whilst also bearing in mind the financial, social and environmental aspects of purchasing Shares in RCES. This is an unregulated Share Offer, which means that Applicants will not have the protections of a regulated offer. Your attention is drawn to the specific risks identified on page 9 which you should take into account before applying.

11. How to Apply and Timetable

An Application Form, with details of how to apply, is attached at the end of this Offer Document. The minimum number of Shares is 200 and the maximum is 20,000. Those interested in becoming Members should do so only after reading this Share Offer Document in full and taking appropriate financial and other advice. The Share Offer will close on 15 July 2016 unless priority applications have been received for the Full Amount, in which case the Offer will close before that date.

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RISK FACTORS

All commercial activities carry risk and potential Members should take appropriate advice and make their own risk assessment whilst bearing in mind the wider social and environmental benefits the Project will create. Taking up Shares in a trading business is not a loan or deposit. Your capital is at risk and you could lose up to, but not more than, the amount subscribed. Holding Shares is a long-term proposition for the life of the Project (which is up to 20 years) and Shares may not be readily realisable.

In addition to the specific risks of a recently launched social enterprise and supporting development and construction, other risks include:

General Risks – Shares

- .
- The value of your Shares and income from them may fluctuate and you may not get back the amount you invested. Investment in smaller unquoted businesses is likely to involve a higher degree of risk than investing in larger companies and those traded on the stock exchange.
- Your Shares will not be tradable. Your Shares can be withdrawn (i.e. redeemed by RCES for the price paid for them – in this case £1 each) in accordance with the Rules but may not be withdrawable at short notice or when you wish to do so. If RCES lacks sufficient cash to enable Shares to be withdrawn when desired, withdrawal may be delayed or not possible and this is solely at the discretion of the Directors of RCES. Shares should be seen as a long-term proposition for the life of the Project.
- Shares in RCES are not regulated investments for the purposes of the Financial Services and Markets Act 2000 and therefore you do not have the protection provided by that Act. This Share Offer is exempt from regulation under that Act and regulations made under it, so there is no right to complain to an ombudsman; and this Share Offer does not need approval and has not been approved by an approved person under that Act. This Share Offer is not regulated by the Prospectus Regulations 2005, which do not apply because there is a specific exemption for fundraising by a Community Benefit Society. RCES is registered with but not authorised by the FCA and therefore the money you pay for your Shares is not safeguarded by any depositor protection scheme or dispute resolution scheme. The Shares are not covered by the Financial Services Compensation Scheme ('FSCS').

Renewable Energy Industry risks

- Changes in legislation, especially to the value or availability of the FIT may affect RCES's income. In particular the FIT is subject to change at short notice. However, RCES has FIT Pre-accreditation for the proposed 16 new installations, entitling it to a

guaranteed rate for 20 years provided the installations are commissioned within 12 months of FIT Pre-accreditation (i.e. by 29 September 2016), which it is anticipated will be achieved.

- Weather patterns, electricity prices and business costs can fluctuate.
- New inventions and developments may render existing technologies and equipment obsolete.
- Unexpected maintenance costs in excess of budget provision can arise.
- Unexpected difficulties or delays can arise in construction which if long enough could lead to a lower FIT rate for some buildings.
- Although Solar Power Systems are extremely reliable, electrical or other failure can interrupt the generation of electricity or the distribution network and lead to unexpected costs and interruptions of generation. Manufacturer warranties and guarantees offer some protection.

Risks specific to this Offer and to RCES

- The target Share Interest payments are not guaranteed and may not be achieved.
- It is expected that if the Host Buildings use the electricity generated by the Solar Panels, the income received by RCES will be greater than if the electricity generated is exported to the grid. For Host Buildings the price will be lower than the usual retail price of electricity so Host Buildings will be incentivised to use the electricity from the Solar Panels. However the actual rate of usage could be less than the rate assumed in the Financial Projections so that RCES's income could be lower. The estimate of usage used in the Financial Projections is based on historic Host Building demand for electricity where these have been available and forecast solar energy generation.
- 8 buildings listed in this Offer Document have committed to participate in the scheme. Final signature and legal commitment is awaited in the case of a further 8 buildings. If fewer than 16 buildings commit to the Project the Directors intend to run the Project with fewer Solar Power Systems installed. In this case, returns to members could be reduced. Projections show that expected returns to members can be achieved with 8 buildings installed
- Full structural surveys have been carried out at the 8 committed Host Buildings. The structure of each of these buildings has been approved for installation of the Solar Power Systems. Where surveys have not yet been carried out, the results may mean that some of the buildings turn out not to be viable. If fewer than 16 Solar Power Systems are installed returns to Members could be reduced. However, site visits and design surveys have been conducted at each of the buildings. Therefore, few further problems are expected from the remaining detailed structural surveys.

- Equipment to be purchased by RCES will be supported by guarantees from companies believed to be financially robust, but equipment suppliers, contractors, purchasers of electricity or other contracting parties with RCES could fail to meet their obligations.
- After 20 years, or at the end of the FIT period, whichever is sooner, ownership of the Solar Panels will transfer to the Host Organisations which will benefit from the free electricity from this point on.
- The owners of the Host Buildings may decide to dispose of or sell all or part of the building on which the Solar Panels are installed. If that happens, the Host will first use reasonable endeavours to transfer the contract with RCES to the buyer. If this does not prove possible, the Host Organisation has the right to terminate their License of Lease Agreement with RCES on giving 2 months notice. In this case, the Host Organisation will pay RCES the depreciated Net Book Value of the Solar Panels at the time of disposal plus an additional premium of 25% of the Net Book Value and the full cost of removing the panels. However, if this situation arises, the number of Solar Power Systems in the scheme will reduce and returns to Members could be reduced.
- The right for Host Organisations to terminate the contract with RCES is primarily to be exercised in the event of selling or otherwise moving from the Host Building. However, the Host Organisations may exercise this right at any time on giving 2 months' notice to RCES and making the necessary payment. If this happens the number of Solar Power Systems in the scheme will reduce and returns to Members could be reduced.. However, the Host Organisations are joining the project as a community initiative and it is not anticipated that many will leave in this way.
- The financial returns stated in this Offer Document are based on financial modelling incorporating a range of variable, changeable and uncertain factors, having due regard to historic evidence and the experience gained by the Board and Energy4All including electricity prices, estimated hours of sunshine, operational costs, the reliability of the equipment installed and replacement and repair costs. While every effort has been made to present an accurate forecast of the financial returns, this is no guarantee of the actual return received by Members which could be less than projected.
- If the Share Offer does not raise the Full Amount within the Offer Period the Directors reserve the right to use the proceeds of the Share Offer to install Solar Panels on fewer than 16 buildings. The buildings will be selected by the Directors with the aim of achieving the same returns to Members but with fewer buildings returns to Members may be lower than anticipated,

In particular you should appreciate that:

- a) Shares in RCES are **not transferable** so they cannot be sold, except back to RCES for the price paid for them, subject to the Board's agreement and cash being available;
- b) RCES's principal source of income is from the FIT; RCES's profitability is **dependent on the FIT continuing to be paid in accordance with current legal regulations** and future governments honouring this obligation; and

- c) descriptions of possible returns are **illustrative only** and necessarily based on informed assessments relating to variable, changeable and uncertain factors.

No advice on investments is given in this Offer Document or by RCES or its Directors in relation to it. If any person has any doubt about the suitability of the Shares which are the subject of this Offer Document he/she should contact an appropriate authorised person for advice.

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The Business of RCES

1. The proposed business of RCES

The business of RCES is to install, own and operate Solar Power Systems located on the roofs of buildings owned and used by charities, other community organisations and Reading Borough Council, to generate electricity .

The electricity produced will benefit from a 20-year inflation-protected price known as the Feed-in Tariff. Legislation requires this price to be paid by the electricity industry to RCES for every unit of electricity generated by the Solar Panels owned by the Society. RCES will receive income from the Feed-in Tariff and from selling electricity generated to the Host Buildings and, to the extent that the generated electricity cannot be used by the Host Buildings, to electricity companies through the grid.

RCES's mission is to help reduce climate change emissions, to help make renewable energy more commonplace and to enable local communities to benefit from this local generation of clean energy. In order to do this the Society intends to be an ethical, community-based, profitable social enterprise. It will enable Members to make a tangible commitment to mitigate climate change, to receive a fair return and to benefit their local community.

2. Background to the business

The project has been developed and continues to be led by a team including the founders of Berkshire Energy Pioneers, councillors and officers of Reading Borough Council and staff of Energy4All Limited.

Berkshire Energy Pioneers ...

Reading Borough Council has successfully installed solar panels on 457 Council houses and 47 larger buildings. This is part of the Council's ongoing commitment to reduce its impact on climate change..

Motivated by the desire to deliver the project as a community co-operative venture, Berkshire Energy Pioneers and Reading Borough Council decided to join forces and work together with Energy4All on a community-owned project.

3. The Host Buildings

RCES anticipates installing Solar Panels on up to 16 Host Buildings, including charity buildings, churches,, a library and other community buildings. Bringing together this diverse range of buildings into a single, community-owned solar power project is a very exciting prospect. RCES are pleased that such varied organisations are demonstrating leadership in climate change mitigation and renewable energy with their own members and in their own communities.

Currently 8 buildings have committed to the scheme. RCES intends to begin installation of Solar Power System as soon as sufficient funds have been raised to fund the first system.

The 8 committed Host Buildings are:

Figure 1: Map of Host Building locations

Host Buildings	Pre-accredited Project Size kWp	Anticipated annual output in kWh	Capital cost (including development charges)
Lifespring			
JAC			
Milestone			
Latin Link			
The Gate (Meadway)			
St Birinus (The Gate)			
Reference Library			
Acre Road Business Park			

As additional buildings join the Project funds raised through the share offer will be applied to install Solar Panels on these buildings.

4. Future developments

The Founder Members and Directors of RCES are motivated to contribute to the transition of the UK to a low carbon economy and achieve this in an ethical manner through a community-based activity. RCES is currently focused on successfully delivering the Solar Power Systems proposed in this document. In future, in order to further realise its objects and pursue the motivation of its Founder Members, RCES will carefully consider the installation of more renewable energy generation, if viable

ADMINISTRATION & MANAGEMENT OF RCES

1. RCES's Directors

RCES and each of its Directors whose names are set out below hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this Offer Document is to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Clare Sharp

Tony Cowling

Tony graduated from Reading University in the seventies with a PhD in chemistry. Even at that time he was interested in sustainability and reducing energy consumption and recalls clearly his visits to the Centre for Alternative Technology and to the Saskatchewan Conservation House and how impressed he was with their approaches to both saving energy and to generating renewable energy. Tony is keen for as many organisations in Reading to benefit from solar energy as possible and for this project to bring further benefits to the local community.

Tony Hoskins

Tony Hoskins is Chief Executive of The Virtuous Circle, a management consultancy specialising in reputation and risk. It has extensive experience in corporate social responsibility (CSR), corporate reporting of non financial information, including environmental reporting, risk management and stakeholder communications. He set up TVC in 2000.

Working with major multinational companies, as well as charities, he has an in-depth understanding of the issues they face in integrating these issues into business policies and planning.

Dan Fernbank

Dan has been Energy Manager at University of Reading since 2011, where he leads their carbon reduction programme; achieving a 26% cut in their entire estates' over 4 years, saving the University £9.9 million in the process. Dan is also the current Chair of the Reading Climate Change Partnership; a collaboration of local business and community representatives driving action on climate change in the local area.

Previously, Dan spent 4½ years working for the Carbon Trust in a variety of roles, including and establishing a highly-successful national carbon reduction programme for schools. In 2014, Dan gained a first class honours Environmental Studies BSc through the Open University.

Cllr Liz Terry

Cllr Rachel Eden

Rachel was first elected to Reading Borough Council in 2010 and represents Whitley ward. She is currently Lead Member for Adult Social Care having held the Housing and Neighbourhoods portfolio from 2011-2013. Rachel has a keen interest in renewable energy having proposed the original plan to install solar panels on council owned buildings in 2010 and she also joined the Reading Energy Pioneers project in 2011 to have solar panels installed on her own home.

Professionally Rachel is a director of a small training and consultancy company. She is a qualified accountant and Member of the Chartered Institute of Management Accountants.

Rachael Hunter

John Malone

John studied renewable energy systems at CREST, Loughborough University (1994/5). Subsequently, he spent almost 3 years as Renewable Energy Officer in the Ministry of Natural Resources and Energy in Swaziland, where he was involved in a number of projects including solar energy for rural clinics and schools, fuel-efficient wood stoves and rural electrification. Returning to the UK in 1999, John joined Energy for Sustainable Development where, as a Senior Consultant, he was involved in a range of renewable energy activities including the development of community energy projects and energy services companies. He joined

Energy4All in 2007 and is now Development Director, managing a number of co-operative renewable energy projects at various stages of development.

2. Other matters relating to the Directors and the management of RCES:

Investment in RCES by those connected with the Share Offer

Directors of RCES and E4A staff and their immediate families propose to buy £xxx of Shares in RCES. All Share subscriptions will be on the same terms as other Members.

Major shareholders

There are currently no major shareholders in RCES and in the context of a Society such a concept is of limited significance. There is a principle of one vote per member whatever a Member's holding and a limit of 20,000 Shares for individuals and for organisations except other registered societies.

No individual, organisation or groups of individuals or organisations has control, given the one Member, one vote governing principle.

Remuneration Statement

There is no remuneration from RCES for any member of the Board. Directors may claim reasonable expenses. They are acting as directors because they are committed to the success of this business, the ethos it represents, the ability of a community to make a difference by their own actions and the financial, environmental, educational and community returns the business delivers. Directors invest in RCES on the same terms as all other Members. There are no pension schemes or share option schemes and, except for the reimbursement of properly incurred expenses, there are no other benefits for the Directors.

Board Practices

Directors serve in accordance with the Rules. There are no service contracts for them. At each annual general meeting one third of the Board will retire, although they are permitted to stand for re-election by the members. Societies are democratic organisations and the Board is appointed by RCES's Members on the basis that each member has one vote, regardless of the number of shares held.

Directors are able to claim reasonable expenses incurred in serving RCES and an annual allowance of £500.

Disclosure Statement

Neither Energy4All and its officers nor the officers of RCES have been convicted for any fraudulent offence or otherwise or been involved in any bankruptcies, receiverships or insolvent liquidations or received any public reprimand or sanction by a statutory or regulatory authority or designated professional body or been disqualified from any function by any court.

Conflicts of Interest and related party transactions

Cllr Terry is an elected councillor of Reading Borough Council. She represents Reading RBC on the board of Directors. RBC intends to buy shares in RCES and Cllr Terry is nominated by RBC to represent its interests in respect of those shares..

Cllr Eden is an elected councillor of Reading Borough Council. The rules of RCES permit the board to co-opt a Director representing an organisation which has a key role to play in supporting the aims of the Society. The RCES board has agreed to co-opt a representative of RBC onto the board in addition to their share holder representative and Cllr Eden has been nominated by RBC to take on this role.

John Malone is employed by and remunerated by Energy4All, which is providing development and management services to RCES.

Rachael Hunter is employed by and remunerated by Energy4All, which is providing development and management services to RCES.

Management

RCES will have no employees and the business is not dependent on key individuals. Administration, accounting and day to day operations will be managed by Energy4All under the supervision of the Board. Energy4All will project manage the development of the Project. The Board will bear ultimate responsibility to the Members, acting on reports and advice from Energy4All.

Energy4All

Energy4All (www.energy4all.co.uk) is a non-profit distributing social enterprise that works to deliver community owned renewable energy. It will undertake the day-to-day administration and management of RCES and will provide support to its Board. Energy4All is experienced in the management of renewable energy Societies, and provides similar services to 16 other such community renewable energy projects in the UK.

Energy4All – Key Personnel

Energy4All employs an expert staff of 14, the following members of which will be principally engaged in supporting RCES

Rachael Hunter is a Project Manager for Energy4All. Her information can be found on page 16.**Error! Bookmark not defined.**

John Malone is Development Director for Energy4All. His information can be found on page 16.**Error! Bookmark not defined.**

Company Secretary:

Annette Heslop, the Finance and Administration Director of Energy4All, acts as Company Secretary for RCES. She is an experienced Secretary of Co-operatives and Societies for the Benefit of the Community and is responsible for the professional management and administration of all the Energy4All co-ops. As Finance Director of Energy4All she leads on financial control, modelling, costing, projections, banking and treasury matters.

Preferred Solar Contractor: Joju Solar

RCES has appointed specialist solar energy contractors Joju Solar Limited (which trades as Joju Solar) to design, supply and install the systems for each of the buildings. There is no connection between RCES or its Board and Joju.

Adoption of co-operative principles

As a Society, RCES will strive to promote the Principles of Co-operation: self-help and self-responsibility; democracy and equality; honesty and openness; social responsibility; autonomy and independence; member economic participation; opportunities for education; and concern for community whilst also trading as a Society.

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FINANCIAL INFORMATION

1. Commencement of trading and RCES's financial year

The Society will commence trading when the first Solar Panels are fully installed, commissioned and commence generating electricity. The proceeds of this Share Offer will be applied to install the Solar Panels on the Host Buildings and to meet the Development Costs described below.

The Society's Financial Year ends on 30 September.

2. Operational cash flow

Apart from the capital requirements of the Project and obligations to third party suppliers, RCES has a limited requirement for working capital in the conventional sense, as it has no employees and few fixed costs. Normal monthly cash expenditure is projected to be small and to be amply covered by the sale of electricity and the FIT payments. The Financial Projections anticipate that RCES will be cash positive each year from the commencement of operations.

3. Income and expenses

RCES's income will come from the sale of electricity and the FIT (which will be increased on 1 April each year in line with inflation).

Electricity generated and used by Host Buildings will be sold to the Host Organisation at a fixed price for 20 years. Electricity generated and not used in the Host Buildings will be exported to the grid, either to an electricity company at a market price, or at the FIT Export Tariff. For installations of 30kW or less it is assumed under the FIT scheme that 50% of generation is exported to the grid. Expenses represent the cost of administering RCES (such as preparing accounts and insurance); monitoring, maintaining and repairing the panels and Inverters; loan interest and depreciation.

4. Development Costs

RCES successfully applied for a grant of £10,700 from the Urban Community Energy Fund, which covered a proportion of the Development costs. The balance of the Development costs is being funded by E4A. E4A will recover these costs from the monies raised by the Share Offer. If the Share Offer does not raise the required capital and at the Discretion of the Directors the Project does not proceed then monies invested will be returned in full to Applicants.

The Development costs include:

- Selected building surveys

- Grid connection applications
- Preparation of marketing material
- Preparation of the Share Offer document

The expenses of the Development and Share Offer costs are expected to be between £12,000 and £30,000 depending on how many buildings are eventually included in the Project.

5. Capital Costs

Capital costs for all 16 installations are projected to be approximately £441,000. For the 8 buildings that have so far committed to the Project, the capital costs are £180,000.

6. Financial Projections

The following is a summary of the Financial Projections, which have been approved by the Board. The Financial Projections are based on expert advice and experience derived from other Energy4All projects and pricing information from Joju following design visits to the Sites.

RCES plans to pay interest annually in arrears in May of each year on the balance of each Member's shareholding as at the year end. Under current legislation the interest may be paid gross and Members are required to declare the income on their annual tax return.

Members are anticipated to receive a return of 5% interest on their shares per annum in respect of the first full financial year following installation of the panels. It is anticipated that this rate will increase in line with RPI each year. There will be no return paid to Members in respect of the first months of generation for the financial year ending 30 September 2016.

Financial projections are by nature uncertain. The figures presented here should be taken as illustrative only. For a Project such as this, revenues will be dependent on weather and the number and performance of the Solar Panels. Financial returns to members are not guaranteed.

RCES anticipates holding its annual general meeting around March or April each year, with the first Share Interest payment being made in May 2018 in respect of the first full financial year of generation. It is possible that the process of registration of the Solar Power Systems by Ofgem will be delayed, in turn delaying payment of the FIT. This may impact negatively on the return to Members in the first full year of operation.

7. Assumptions

The Financial Projections are based on the following principal assumptions:

- RCES installs 356kW of Solar Panels at 16 Sites at a cost of £441,000;
- The Solar Panel installations will all be completed by 29 September 2016;
- Capital costs incurred for the Project will be in accordance with the Financial Projections;

- Electricity output is based on calculations which use an expected electricity output per kW installed for the type of Solar Panel proposed at the installed orientation and location;
- The amount of generated electricity used locally in the Host Buildings and exported is estimated. The estimates are based on usage data and assumed patterns of demand and generation. For installations of less than 30kW, for FIT purposes the amount of electricity exported is deemed to be 50% of that generated;
- The price for exported electricity is the current FIT Export Tariff and the price for the electricity sold to the Host Organisations is for the fixed price set out in the Licence and Lease Agreements;
- The FIT Pre-accreditation rate applies to all Solar Power Systems ;
- Current expectations relating to the global energy market, the UK electricity industry, UK government policy and the desirability for and the promotion of electricity from renewable sources will remain reasonably consistent and reasonably favourable to RCES over the next 20 years;
- Inflation is 2.5% during the life of the Project and inflation at this level applies consistently to the FIT, the export price and the expenses of RCES;
- Expenses are projected at a similar level to those on other projects worked on by Energy4All;
- The Solar Panels continue to operate for 20 years;
- No depreciation is charged in the short period to 30 September 2016, but thereafter depreciation is charged at 5% per annum;
- Share capital is redeemed as per cash permits starting after year 3. It is anticipated that 5% of Share capital will be returned each year but this is solely at the discretion of the Directors of RCES and is not guaranteed;
- Each Inverter is expected to be replaced once during the Project's life; and
-

Note: a higher rate of inflation is likely to improve the financial performance of RCES, as it is likely to lead to a higher price for the sale of electricity. Conversely, a lower rate of inflation is likely to reduce the community fund and interest returns to the Members.

Any of the assumptions not being realised is likely to result in adjustments to the Financial Projections. Financial Projections and assumptions such as those set out above are inherently less reliable over longer time spans.

8. Community Benefit

The local community will benefit through two means:

- Those organisations on whose buildings Solar Panels are installed will benefit through paying lower unit prices for electricity consumed. In the first year, across all 16 buildings, the reduction in electricity unit cost is estimated to lead to savings of around £9, 200. This figure is likely to increase over time as the price of electricity from the Solar Panels is fixed for the life of the scheme. These organisations will receive this benefit from the time at which their panels are installed.
- Net proceeds from RCES's income less costs (including Members returns) will contribute towards the Community Fund. Once these proceeds have reached a sizeable amount, they will be used by the Board to fund local community projects. The size of the Fund (and its ability to fund projects) will be determined by the numbers of buildings with Solar Panels installed, and factors such as the amount of electricity consumed by each site and the rate of inflation. Based on the financial projections, it is anticipated that payouts from the Fund will be made from year four and over 20 years £490,000 will be paid to the community fund. With only 8 Solar Power Systems installed, payouts to the Community Fund will not commence before year 7 and by year 20, around £60,000 will have been paid into the Fund.

9. Taxation payable by RCES

RCES does not anticipate having any liability for tax for xx years as it should receive capital allowances on its capital expenditure on the Project and because interest paid to Members is tax deductible. RCES is registered for VAT.

10. Repaying Share Capital

RCES Members do not have the right to withdraw Shares but the Board has the power, at its discretion, to permit Shares to be withdrawn. There are no binding commitments in place to enable a realisation of Shares. However RCES currently intends, if it has sufficient funds, that Member's Shares in RCES will start to be redeemed as cash permits starting after year 3. It is intended that 5% of capital will be returned each year but solely at the discretion of the Directors.

The intention is to repay all capital to Members by the end of the Project.

11. Borrowing

RCES may decide to borrow in order to finance the development of its business. The amount of borrowing is likely to be comparatively modest as a proportion of capital.

12. Transfer of shares; buying Shares for children and gifting Shares under a will; Inheritance Tax

Parents and grandparents can buy Shares in RCES now for their children and grandchildren; or can buy Shares on their own behalf now with a view to giving Shares to their children and grandchildren in their will. Shares can be inherited in accordance with instructions in a Member's will. Other than on the death of the holder Shares may not be transferred. Shares will not be tradable on any stock exchange.

RCES understands that under current legislation, Shares in RCES are treated as exempt from Inheritance Tax. Members should seek advice on this point for certainty on their personal position.

Shares purchased on behalf of a child nominee will be held in the name of the Applicant and transferred to the child upon reaching the age of 16. Share Interest (payable gross) in respect of the Shares will be paid direct to the child.

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FURTHER INFORMATION ABOUT RCES

1. The Society

RCES is a Community Benefit Society registered under the Co-operatives and Community Benefit Societies Act 2014 (registered number 7156). Its registered office is at Unit 26, Trinity Enterprise Centre, Furness Business Park, Barrow-in-Furness, Cumbria LA14 2PN.

It is managed for the benefit of the community and owned by its Members, who are protected by limited liability status. Its constitution is in the form of Rules approved by and registered with the FCA. The founders of RCES are driven by high ethical standards and intend RCES to be operated in line with the values of co-operation and democracy as well as a sound commercial ethos. Constitutionally, key characteristics of RCES, as a Community Benefit Society, are: RCES operates for the benefit of the community; a Member must have the minimum number of Shares (200 in this Offer) each with a nominal value of £1; all Members have one vote regardless of how many Shares they hold; no Member, except another registered society, may hold more than 20,000 Shares; the Board is elected by the Members; and only Members are eligible to serve on the Board.

2. Material Contracts

The following contracts have been or will be entered into by RCES and are material:

- I. Licence Agreement - signed
- II. Lease Agreement – Heads of Terms signed, full Lease to be finalised
- III. Contract with Energy4All dated June 2016 for development services – being finalised.
- IV. Contract with Energy4All dated June 2016 for management and administration services – being finalised - whereby Energy4All will be paid in Years 1 to 6 an annual fee equivalent to 1.5% of total capital raised then in Years 6 to 20 an annual fee of 1.75% of total capital raised. The contract is for 20 years from the date the last site is commissioned but RCES has the right to terminate this contract from Year 10.

Installation contract(s) will be signed with the Preferred Installer, Joju Solar Limited once sufficient funds have been raised. Once appointed, Joju will be responsible for installing the Solar Panels.

General information sourced from third parties in this Offer Document has been accurately reproduced and as far as the Directors are aware and are able to ascertain from available information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

3. Offer Shares and Use of Proceeds

Shares are offered for subscription at £1 each on the terms of this Offer Document. Shares are payable in full on acceptance of an Application of the Terms and Conditions. Priority will be given to Applicants living in the Reading area with a RG post code if the offer is oversubscribed.

The Shares, which will not be traded on a stock exchange, have been created under the Co-operative and Community Benefit Societies Act 2014.

The net proceeds from the Offer will be applied to install Solar Panels on Host Buildings. The intention of RCES is to use the monies arising from this Share Offer to install as many Solar Panels as can be afforded.

Successful applicants for Shares will receive share certificates and their details and holdings will be recorded in a share register to be kept by Energy4All, on behalf of RCES, at Trinity Enterprise Centre, Furness Business Park, Barrow-in-Furness, LA14 2PN or any successor business address. Each person or organisation issued with Shares becomes a member of RCES with membership rights defined in the Rules.

The principal rights are:

- one vote per holding on resolutions of the Members, including in relation to the appointment of Directors;
- the right to the return of the original investment during the life of the Project, subject to available surplus assets and any new business of RCES, as determined by the Directors; and
- as a Member, eligibility for election to the Board of Directors.

4. Taxation of returns to Members

Interest paid on Shares to RCES Members will be subject to United Kingdom tax. Payments will be made gross under current legislation and Members will be responsible for declaring this income in their tax returns.

5. Complaints

Any complaints about this Offer or about the Shares should be sent to the Chairman of RCES at Unit 26 Trinity Enterprise Centre, Furness Business Park, Barrow-in-Furness LA14 2PN.

6. The Rules

The Rules of the Society are available on the RCES web site (www.readingenergy.coop/).

TERMS AND CONDITIONS OF THE OFFER

1. Eligibility

This Share Offer is open to individuals over 16 years of age and to organisations which support the objects of RCES.

2. Minimum and maximum holdings

The minimum number of Shares which can be applied for is 200 and the maximum is 20,000.

3. Application procedure

Read the accompanying Offer Document ... etc

4. Offer Timetable

The closing date for the Offer is 15th July 2016 but the Offer may be closed early if the Full Amount is raised from priority Applicants. The Directors reserve the right to extend the Offer at their discretion.

5. Consequences if the Offer does not raise the Full Amount

RCES will commence installation of the Solar Panels once it has raised sufficient capital to start the first Solar Power System. Solar Power Systems will be built as far as possible in order of largest first but other factors such as completion of structural surveys and access and timing constraints will also be taken in to account.

If the Share Offer does not raise the Full Amount to build all available Solar Power Systems, the Board may decide to build fewer Solar Systems, arrange a loan for the shortfall or a combination of these actions. This may reduce the return available to Members.

6. Consequences if fewer than 16 Host Buildings commit to the Project

If fewer than 16 Host Buildings commit to the Project and therefore a smaller amount of equity is required to install Solar Power Systems on the remaining buildings, then the Full Amount to be raised by the Share Offer will be reduced. Allocation of Shares to Applicants will be carried out by RCES Directors based on the revised Full Amount.

7. Commitments and Confirmations by Applicants

Each Applicant, on submitting an Application Form, confirms that he/she/it:

- Is committed to the objects of RCES;
- meets the eligibility criteria;
- is not (unless a registered society) making multiple applications for more than 20,000 Shares;
- is not relying on any information or representation in relation to the Shares, RCES, or the Project which is not included in this Offer Document; and shall provide all additional

information and documentation requested by RCES in connection with their Application, including in connection with taxation, anti-money-laundering or other regulations.

- Any person signing an Application Form on behalf of another person undertakes they are authorised to do so.

8. Procedures on Receipt by RCES of Applications

Offer cheques/bankers' drafts may be presented following receipt and may be rejected if they do not clear on first presentation.

Surplus Application Monies may be retained pending clearance of successful Applicants' cheques.

Applications may be rejected in whole, or in part, or be scaled down, without reasons being given.

Application Monies in respect of any rejected or scaled-down Applications shall be returned by crossed cheque, payable to the Applicant, to the postal address on the Application Form no later than one month after the end of the Offer Period (as extended).

No interest is payable on submitted Application Monies which become returnable.

Applications on incomplete or inaccurate Application Forms may be accepted as if complete and accurate.

RCES reserves the right not to enter into correspondence with Applicants pending the issue of share certificates or the return of Application Monies.

The results of the Offer will be published on the website www.readingenergy.coop and by press release within one month after the Offer has been closed.

In the case of oversubscription, the Directors shall, in their discretion, determine the appropriate allocation of Shares, taking into account the priority category of Applicant set out below.

9. Plan of Distribution and Allotment

This Offer Document is the only market offering in respect of the Shares.

The Directors and members of Energy4All staff and their families have indicated that they intend to subscribe for £xxx Shares in this Offer (See Page).

Priority will be given to Applications from:

Priority – Reading, applications from an RG post code address.

These applications will be considered on a first-come, first-served basis.

If the Share Offer is oversubscribed and the Full Amount raised then if necessary priority Applications will be accepted in full with other non-priority Applications scaled down. The procedure for scaling down Applications will be at the sole discretion of the Directors. Monies in excess of the Full Amount will be returned to the Applicants in full.

The Offer will be closed on 15 July 2016 (or such later date as is set by the terms of any extension to the Offer Period) unless priority Applications have been received for the Full Amount, in which case the Offer will close before that date.

Welcoming letters and share certificates will be issued to successful Applicants by 30 September 2016 (or such earlier or later date as is set by the Board and the terms of any extension to the Offer Period).

10. Pricing, trading and dealing arrangements

The Board has resolved to offer Shares at their par value of £1. Shares will not be traded on a recognised stock exchange. Shares are not transferable except on death or bankruptcy. The Board of RCES has the right to redeem Shares from Members on a proportionate basis. The price at which Shares will be redeemed will be £1.

11. Governing law

The Terms and Conditions of the Share Offer are subject to English law.

12. Money laundering

Under Money Laundering Regulations, you may be required to produce satisfactory evidence of your identity and it is a condition of this Share Offer that you do so if requested.

GLOSSARY

Applicant- an applicant for Shares through submission of an Application Form

Application Form- the form to this Offer Document on Page which must be completed and returned in accordance with the Terms and Conditions on Page and the Guidance Notes on Page

Application Monies – money received by RCES from Applicants to buy Shares

Board– the Board of Directors of RCES as defined in the RCES rules.

Co-operative Society– a registered society that is owned and controlled democratically and trades in the interests of its membership

Community Benefit Society– a registered society that is owned and controlled democratically and trades primarily for the benefit of a wider stakeholder group

Community Benefit– amounts that will be paid out from the Community Benefit Fund and applied to the social objectives of RCES

Community Benefit Fund- a fund for the benefit of the community with allocated income from RCES

Development Agreement- the development agreement between RCES and Energy4All in respect of the Project

Energy4All– Energy4All Limited, Registration number: 4545379, registered office Unit 33, Trinity Enterprise Centre, Furness Business Park, Barrow-in-Furness, Cumbria, LA14 2PN

FCA– Financial Conduct Authority, registrar and regulator of Co-operative and Community Benefit Societies

Financial Projections– the financial projections comprising the projected income and expenditure and return to Members of RCES for the 20 years of operation, including the assumptions on which they are based, as set out in the section Financial Information

FIT - Feed-in tariff, the government regulated inflation linked price payable to producers of qualifying renewable electricity for 20 years

FIT Export Tariff- a payment for every kilowatt-hour (kWh) of surplus electricity exported to the electricity grid.

Full Amount – a total of £441,000 raised through the share offer or other reduced sum as agreed by the Directors in the event of fewer than 16 buildings committing to the Project .

Reading – the area including the town of Reading in Berkshire and surrounding area which have RG post code.

Host Building– a building that has Solar Panels installed on it by RCES.

Host Organisation – the registered entity (charity, council, association) which is the owner and/or user of the building on which Solar Panels are installed by RCES and buys the electricity generated by the Solar Panels from RCES.

Inverter– a piece of electronic equipment which converts the voltage of electricity generated by the Solar Panels to the voltage necessary for supply to the Host Buildings and export to the grid

Joju Solar – Joju Solar Limited, a company whose primary business is the installation, operation and maintenance of Solar Power Systems

Lease Agreement - the agreement with the council Host Buildings that gives RCES the right to install Solar Panels on the Host Buildings, sell electricity to the Host Organisation and receive the FIT payments.

Licence Agreement– the agreement with the community Host Buildings that gives RCES the right to install Solar Panels on the Host Buildings, sell electricity to the Host Organisation and receive the FIT payments.

Members– Members of RCES

Net Book Value – the current [book value](#) of the Solar Power System; that is, its original capital cost of the Solar Power System at installation net of any [depreciation](#).

Offer or Share Offer- the offer of Shares in RCES contained in this Offer Document

Offer Costs- the expenses incurred by or on behalf of RCES in issuing this Offer Document

Offer Document or Share Offer Document– this document inviting persons to subscribe for the Shares and become Members of RCES

Offer Period- the period during which the Offer will remain open (including any extension)

Preferred Installer – Joju Solar Limited

Principles of Co-operation- the co-operative principles by which co-operatives put their values into practice.

Project– the installation and operation of up to 16 Solar Power Systems on public buildings in Reading as listed in the document

FIT Pre-accreditation– a pre-accreditation available to community schemes only which allows a Site to benefit from certainty on the FIT rate it will receive once commissioned as long as the systems are installed before 30 September 2016.

RCES – Reading Community Energy Society, the trading name of Reading Campus Community Energy Society, a Community Benefit Society registered under the Co-operatives and Community Benefit Societies Act 2014 (registered number 7156)

RPI – Retail Price Index

Rules- the rules of RCES, a copy of which is available from RCES and at www.readingenergy.coop/

Shares- ordinary Shares issued as a result of this Share Offer. New Shares of £1 in RCES, offered at £1 each on the Terms and Conditions under this Offer Document

Share Interest– the annual payment to Members of interest on Shares

Services Agreement- the services agreement between RCES and Energy4All in respect of the Project

Society– Community Benefit Society

Solar Panels– solar panels in this Project

Solar Power System –a system for generating electric power by using Solar Panels to convert energy from the sun.

GUIDANCE NOTES

SHARE APPLICATION FORM

Appendix 2 - Table of risks

Risk	Mitigation	Impact	Likelihood (Mitigated)	Risk
Bencom decides to borrow money but due to insufficient incomes cannot make payments.	<ol style="list-style-type: none"> Loans would be secured against the panels, use FiT, energy payments and export revenues to pay it back. The FiT and Export tariff are paid by a utility company who are legally bound to pay the FiT applicant for twenty years from the date of registration and the rate will increase according to the indexing. The PPA agreement is binding on the building owner. PV technology is well established and yield estimates are conservative to ensure that sufficient incomes could be generated even on a year with low insolation (sunshine). Further schemes would not be progressed using borrowed finance alone. Community share would be the preferred initial option. Borrowing may be progressed to finalise the funding of a scheme. In this situation, preference would be given to the lender before shareholders (subject to agreement of members). Once the debts had been serviced, shareholders dividends would be paid. 	Financial loss – medium	Low	Low
PV systems fail and predicted income is not achieved	E4A to monitor systems and will raise issues to the board. Any potential damage to solar panel is covered by buildings insurance. RBC systems are covered by insurance but the high excess means that a claim would be unlikely and the Council would be liable for repair of any systems which are not covered by revenue Loss of income is not covered. It is unlikely that large numbers of panels would fail based on experience of other schemes.	Low Financial – the loss of FiT could reduce community share fund. Reputational - Shareholders dividends could reduce	Medium	Low
Potential host buildings don't get free solar panels or free electricity and complain.	Buildings are chosen on their technical merit and this is made clear to the shareholders and building hosts. The order of installs will be decided and clarified (i.e. larger system sizes get priority)	Low Reputational. Conflict of interest for board members.	Medium – needs to be managed and communicated	Low
Can't pay shareholders the agreed return on their investment	The share offer document makes clear that investors money is at risk. Any investor takes on this risk by choice. The solar panels will not be installed without the sufficient funds being raised and the FiT being available. Shareholders will get back their capital investment if the panels are not installed.	Medium Reputational Financial	Low	Low
A host building wants to leave the scheme	Lease allows buildings to leave the scheme upon repaying the depreciated capital cost plus 25%. The Shareholders capital investment would be returned without interest. Their share ownership would reduce and their annual dividends would be reduced.	Medium Reputational Financial	Medium	Medium
A host building wants to temporarily remove the panels	Allowed in the lease, possibly at the cost of the host organisation, and in a way that minimises the loss of FiT	Medium Financial	Medium	Medium
Decision regarding RBC buildings conflict with the other interests of an RBC councillor/ officer	Decisions on RBC buildings have been delegated to officers and the Lead Councillor at the SEPT Committee on 24/11/2015 and will be made outside of Bencom meetings.	Medium Conflict of interest	Medium	Medium
Decisions on distribution of community funds conflict with the other interests of an RBC councillor/ officer	Criteria on distribution of community funds is set out in the Bencom rules, but where these differ from Council priorities. Directors of the Bencom need to take decisions in accordance with its objectives and not in the interests of any other body that they represent where this is not in accordance with the objectives of the Bencom, as detailed in 3.11 above.	Low Conflict of interest – Board member would not vote	Low	Low
Investors hold the Council responsible if their investment is not profitable due to the association of the Bencom with RBC.	It will be made clear to investors through the share offer documentation that the Bencom is the accountable body and that no other organisation that members of the board also belong to is in any way accountable for the failure of the scheme	Medium Reputational	Low	Low
Bencom members (Shareholders) disagree with board decisions	Shareholders are given the option to vote on decisions that affect the Bencom. Shareholders may pull out of scheme if they are not satisfied. Shareholders can also vote out board members at the AGM.	Medium Reputational Financial	Low Low	Low

Appendix 3 - Other Scheme Performance

Wey Valley Solar Scheme Performance

Predicted performance:

Year 1: 5.3%

Year 2: 5.5%

Year 3: 5.6%

Actual performance:

Year 1: 6%

Year 2: 7.47%

Year 3: 6.49%

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	13 JULY 2016	AGENDA ITEM:	12
TITLE:	MAJOR TRANSPORT AND HIGHWAYS PROJECTS - UPDATE		
LEAD COUNCILLOR:	TONY PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICE:	TRANSPORTATION AND STREETCARE	WARDS:	BOROUGHWIDE
LEAD OFFICERS:	CRIS BUTLER / CHRIS MADDOCKS	TEL:	0118 937 2068 / 0118 937 4950
JOB TITLE:	STRATEGIC TRANSPORTATION PROGRAMME MANAGER / TRANSPORT PLANNING MANAGER	E-MAIL:	cris.butler@reading.gov.uk / chris.maddocks@reading.gov.uk

1. EXECUTIVE SUMMARY

1.1 This report provides an update on the current major transport and highways projects in Reading, namely:

- Reading Station Area Redevelopment
- Thames Valley Berkshire Growth Deal Schemes - Green Park Station, Reading West Station upgrade, Southern and Eastern Mass Rapid Transit, Eastern Park and Ride, National Cycle Network Route 422 and Third Thames Bridge.

1.2 This report also advises of any future key programme dates associated with the schemes.

2. RECOMMENDED ACTION

2.1 That the Committee note the report.

2.2 That the Committee provides spend approval for the revised budget for Phase 1A of the South Reading MRT scheme, and provides delegated

authority to enter into a contract based on this approval and in accordance with the Policy Committee decision 2.2 of 11 April 2016.

3. POLICY CONTEXT

- 3.1 To secure the most effective use of resources in the delivery of high quality, best value public service.

4. THE PROPOSAL

Reading Station

Cow Lane Bridges - Highway works

- 4.1 As reported to the Traffic Management Sub-Committee in various reports over the past 12 months, Network Rail identified some potential issues with the overall cost profile to deliver the Cow Lane highway project, and they discovered some potential design issues with existing utility services in the road. As a reminder to the Committee, the original cost estimates to deliver the scheme were based on utilising Network Rail's existing contractor responsible for the viaduct, who were already mobilised between the two bridges. Unfortunately, the CPO process delayed the proposed programme, and this contractor has since left site.
- 4.2 Network Rail have engaged their consultants to complete a value engineering exercise alongside the likely main contractor in order to identify potential cost savings by redesigning and reducing the scope of certain elements of the project. The Council has been involved in the review primarily to ensure the essential elements of the scheme are retained, (such as the new footway on the east side of the southern bridge). The Council remains reliant on Network Rail in confirming a programme of works, and Network Rail remain the lead organisation in delivering the project.
- 4.3 The value engineering exercise to date has identified some potential areas where the overall project scope can be reduced without affecting the overall project objectives. The main points to note relate to the pedestrian facilities to cross the road between both bridges and a subsequent new layout to include a zebra crossing (instead of a pedestrian refuge), and a request by Network Rail to close Cow Lane throughout the duration of the works, which has since been rejected by the Council.
- 4.4 Final designs will now take place by Network Rail's consultant, with a more detailed presentation of the final layout expected in September 2016. It is also likely Network Rail will be able to confirm the programme of works at this point. Officers will continue to update Members on the latest position through the Traffic Management Sub-Committee.

Thames Valley Berkshire Growth Deal Schemes

Green Park Station

- 4.5 Reading Green Park Station is a proposed new railway station on the Reading to Basingstoke line. The station and multi-modal interchange would significantly improve accessibility and connectivity to this area of south Reading which has large-scale development proposed including the expansion of Green Park business park, Green Park Village residential development and the proposed Royal Elm Park mixed use development.
- 4.6 The scheme was granted financial approval by the Berkshire Local Transport Body in November 2014, with a programmed station opening date of December 2018. Design work for the station is being progressed in partnership with Network Rail and Great Western Railway to ensure the station complies with the latest railway standards. An updated programme has been agreed between all project partners in line with the target opening date for the station of December 2018. Design work for the multi-modal interchange and surface level car park is being progressed in parallel with the station design work.
- 4.7 Discussions are on-going between the DfT and Great Western Railway regarding the availability of trains to serve the station, however the Berkshire Local Transport Body has agreed that the scheme should be progressed in line with the original programme.

Reading West Station Upgrade

- 4.8 The Council has been working with Great Western Railway and Network Rail to produce a Masterplan for significantly improved passenger facilities at Reading West Station. The proposals include accessibility improvements including lift access to the platforms from the Oxford Road and enhancements to the path from the Tilehurst Road; provision of a station building on the Oxford Road and associated interchange enhancements such as increased cycle parking; improvements within the station itself including wider platforms, longer canopies, enhanced lighting and CCTV coverage; and improvements to the entrance from Tilehurst Road including provision of a gateline and ticket machines.
- 4.9 Delivery of the scheme is split into two distinct phases, with Network Rail due to implement Phase 1 as part of their wider programme of works for electrification of the line between Southcote Junction and Newbury. Phase 2, which includes significant improvements such as the station building on the Oxford Road, is currently unfunded however officers will continue to seek funding for the scheme from all available sources, including a bid to

the Local Growth Fund which is due to be submitted to the Government in the summer.

South Reading Mass Rapid Transit

- 4.10 South Reading Mass Rapid Transit (MRT) is a proposed series of bus priority measures on the A33 corridor between Mere oak Park & Ride and Reading town centre. The scheme would reduce congestion and journey times, improving public transport reliability on the main growth corridor into Reading. Any proposal will not reduce existing highway capacity along the A33.
- 4.11 Phases 1 & 2 of the scheme, from M4 J11 to Island Road, were granted full funding approval from the Berkshire Local Transport Body in November 2015. Detailed design for Phase 1A is complete and design for Phases 1B and 2 are being finalised.
- 4.12 As agreed at Policy Committee in March 2016, Phase 1A of the scheme is due to commence on site mid July 2016 for a period of 3 months. This initial phase of works involves construction of a series of bus lanes between the A33 junction with Imperial Way and the existing bus priority provided through M4 Junction 11. The scheme is achieved predominantly by utilising space in the central reservations and realigning existing lanes where required. Any comments received during the Statutory Consultation are detailed in a separate report at this committee meeting.
- 4.13 Tenders have been returned for Phase 1A above the initial approved budget for this phase of the scheme, therefore a review of Phases 1A, 1B and 2 has been undertaken, resulting in a budget profile adjustment. The programme budget remains unchanged, however in order to ensure this phase of the scheme can be implemented we are seeking revised spend approval for Phase 1A.
- 4.14 In addition, options for future phases of the South MRT scheme are currently being investigated to provide further bus priority measures between Island Road and Reading town centre. Phases 3 and 4 of the scheme have been ranked as the highest priority transport scheme in Berkshire for future funding from the Local Growth Fund.

East Reading Park & Ride and Mass Rapid Transit

- 4.15 East Reading Park & Ride (P&R) is a proposed park and ride facility off the A3290 and East Reading Mass Rapid Transit (MRT) is a proposed public transport link between central Reading and the park and ride site, running parallel to the Great Western mainline.

- 4.16 The schemes were granted indicative funding approval in July 2014 and financial approval will be sought from the Berkshire Local Transport Body when the full business case for each scheme has been prepared.
- 4.17 A consultation was undertaken by Wokingham Borough Council during November 2015 regarding the P&R proposals, and a planning application is expected to be submitted in the summer. Work on the planning application for the Mass Rapid Transit scheme is being progressed with the objective of submitting the application towards the end of the year. A public drop-in session is due to take place on Tuesday 19th July between 13.00 and 19.00 at the Waterside Centre in Thames Valley Park to gain feedback on the MRT scheme prior to the school summer holidays. This will enable feedback from the informal consultation to be incorporated into the scheme design prior to submission of the planning application.
- 4.18 Preparation of the full scheme business cases for the P&R and MRT schemes are being progressed and both assessments are anticipated to be submitted to the Berkshire Local Transport Body in November to seek full financial approval for each scheme.

National Cycle Network Route 422

- 4.19 National Cycle Network (NCN) Route 422 is a proposed cross-Berkshire cycle route between Newbury and Windsor. The route would provide an enhanced east-west cycle facility through Reading, linking to existing cycle routes to the north and south of the borough.
- 4.20 The scheme was granted full funding approval from the Berkshire Local Transport Body in November 2015. Preferred option development has been undertaken and detailed design for the scheme is currently being undertaken, focused initially on the provision of a shared path on the northern side of the Bath Road between the Borough boundary and Berkeley Avenue. A programme for delivery of the full scheme is being agreed between project partners, however it is anticipated that the works in Reading will be able to commence during the current financial year subject to detailed design work being completed.

Third Thames Bridge

- 4.21 A Third Thames Bridge over the River Thames is a longstanding element of Reading's transport strategy to improve travel options throughout the wider area. A group has been established to investigate the traffic implications and prepare an outline business case for the proposed bridge, led by Wokingham Borough Council and in partnership with Reading Borough Council, South Oxfordshire District Council, Oxfordshire County Council, Thames Valley Berkshire LEP and Oxfordshire LEP.
- 4.22 The Wokingham Strategic Transport Model is currently being updated to enable the modelling and business case work to be undertaken, and a bid is

being prepared to the DfT to seek funding to undertake the next stage of the business case work for the scheme.

- 4.23 Members are asked to note the contents of this report and approve the undertaking of the informal planning application consultation for the East Reading MRT scheme.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The delivery of the projects outlined in this report help 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 The projects have and will be communicated to the local community through local exhibitions and Council meetings.

7. LEGAL IMPLICATIONS

- 7.1 The Statutory Consultation will be completed in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996.

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 At the relevant time, the Council will carry out an equality impact assessment scoping exercise on all projects.

9. FINANCIAL IMPLICATIONS

- 9.1 The costs associated with delivery of the Park and Ride schemes and the Cycle Hub are met by the DfT Local Sustainable Transport Fund.

9.2 The revised funding package for South Reading MRT Phase 1A scheme comprises of £800k from the Thames Valley Berkshire Local Growth Deal and £200k local contribution from the Integrated Transport Block..

10. BACKGROUND PAPERS

10.1 Traffic Management Sub-Committee reports.

READING BOROUGH COUNCIL

REPORT BY INTERIM MANAGING DIRECTOR

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	13 JULY 2016	AGENDA ITEM:	13
TITLE:	READING TRANSPORT LIMITED - APPOINTMENT OF DIRECTORS		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	PORTFOLIO:	LEADERSHIP
SERVICE:	LEGAL & DEMOCRATIC SERVICES	WARDS:	BOROUGHWIDE
AUTHOR:	SIMON HILL	TEL:	937 2303 (ext 72303)
JOB TITLE:	PRINCIPAL COMMITTEE ADMINISTRATOR	E-MAIL:	simon.hill@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report asks the Committee, acting as shareholder of Reading Transport Limited (RTL), to appoint directors to the RTL Board.
- 1.2 There are vacancies arising from Mr D Sutton, Mr K Moffat and Mr F Connolly coming to the end of their four-year term. It is proposed to reappoint these three directors.

2. RECOMMENDED ACTION

- 2.1 That Mr D Sutton, Mr K Moffat and Mr F Connolly be appointed as Directors of Reading Transport Ltd.

3. POLICY CONTEXT

- 3.1 The Council is the shareholder of Reading Transport Ltd. The relationship between the Council as shareholder and the Board is set out in the company's Articles of Association, which were authorised by the former Transportation Committee of the Borough Council on 21 February 1986 (Minute 190 refers).

4. CONTRIBUTION TO STRATEGIC AIMS

- 4.1 The Board is responsible for setting the policy base for Reading Transport Ltd, including addressing considerations of equality and sustainability in the company's employment practices, and in its delivery of service.

5. LEGAL IMPLICATIONS

- 5.1 Reading Transport Ltd was set up in 1986 as a company separate from the Council under the provisions of the Transport Act 1985. The Company's Memorandum and Articles of Association were incorporated on 27 March 1986. This document includes provisions for the Council as shareholder to appoint Directors to the Board.
- 5.2 The Urgency Committee, on 15 March 1999, agreed to an amendment to Articles 79, 83 and 84 of the Articles of Association for Reading Transport Ltd, to simplify the arrangements for the retirement of Directors (Minute 166 refers). Under the amended process Directors, once appointed, will hold office for a period of four years from the date of appointment. Directors will automatically retire at the end of the four-year period, when they may then be re-appointed. This would not prevent a Director resigning or being removed by the shareholder; in these circumstances the Director appointed as replacement would serve for four years from their date of appointment and would not "slot in" to the position of the Director being replaced. Appointments to the Board have been made under this revised process since 1999.
- 5.4 The current shareholder-appointed Directors, and their dates of appointment and retirement, are as follows:

Appointed	Director	Retirement
2012	Mr D Sutton	2016
	Mr K Moffat	2016
	Mr F Connolly	2016
2014	Cllr Stanford-Beale	2018
2015	Ms T Thomas	2019
	Mr M Townend	2019
	Cllr Woodward	2019
	Mr M Adams (Employee representative)	2019

- 5.5 The Transport Act 1985 requires the Council to ensure that there are no more than seven Directors who are not full-time employees of the company.
- 5.6 There are currently eight shareholder-appointed Directors of the company, as shown in 5.4 above, one of whom is a full-time employee of the company.
- 5.7 Under Article 85 of the Articles of Association (which has not been amended), any Director who, when appointed, was a Councillor will automatically retire when he/she ceases to be a Councillor.
- 5.8 Under Article 83(ii), the Council as shareholder may remove any Director before his/her period of office has expired, and appoint another person to fill the resultant casual vacancy, in which case the appointment will be for four years as explained in paragraph 5.3 above.

5.9 All Directors may be re-appointed. Directors who are appointed this year will serve for four years, expiring in 2019.

6. FINANCIAL IMPLICATIONS

6.1 None direct for the Council. The Directors have a fiduciary duty to Reading Transport Ltd to ensure that it is solvent and is able to meet its day-to-day liabilities to its creditors.

7. BACKGROUND PAPERS

7.1 Articles of Association of Reading Transport Ltd.