



Reading
Borough Council

Working better with you

Summons and Agenda 28 January 2020

**Chief Executive
Reading Borough Council
Civic Offices, Bridge Street,
Reading, RG1 2LU**



Reading
Borough Council
Working better with you

Peter Sloman
CHIEF EXECUTIVE

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To: All Members of the Council

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20 January 2020

Your contact is: Michael Popham - Democratic Services Manager

Dear Sir/Madam

You are hereby summoned to attend a meeting of the Reading Borough Council to be held at **Council Chamber, Civic Offices, Reading**, on **Tuesday, 28 January 2020 at 6.30 pm**, when it is proposed to transact the business specified in the Agenda enclosed herewith.

Yours faithfully

CHIEF EXECUTIVE

A G E N D A

1. MAYOR'S ANNOUNCEMENTS

To receive Mayor's Announcements.

2. DECLARATIONS OF INTEREST

To receive any declarations of interest.

3. MINUTES

7 - 14

The Mayor to sign the Minutes of the proceedings of the previous Council Meeting.

4. PETITIONS

To receive petitions in accordance with Standing Order 8.

5. QUESTIONS FROM MEMBERS OF THE PUBLIC

Questions in accordance with Standing Order 9.

6. QUESTIONS FROM COUNCILLORS

Questions in accordance with Standing Order 10.

7. APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME AND THE COUNCIL TAX BASE FOR 2020/21

15 - 30

Report by Executive Director of Resources

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

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

COUNCIL MEETING MINUTES - 4 NOVEMBER 2019

Present: Councillor Stevens (Deputy Mayor, in the Chair);

Councillors David Absolom, Debs Absolom, Ayub, Barnett-Ward, Brock, Carnell, Challenger, Davies, Duveen, Edwards, Emberson, Ennis, Gittings, Grashoff, Hacker, Hoskin, James, Jones, Khan, Lovelock, Manghnani, Maskell, McEwan, McGonigle, McKenna, O’Connell, Page, Pearce, Robinson, Rowland, D Singh, R Singh, Skeats, Sokale, Stanford-Beale, Terry, Warman, White, Whitham and J Williams.

Apologies: Councillors Ballsdon, Eden, Leng, R Williams and Woodward.

22. MAYOR’S ANNOUNCEMENTS

The Deputy Mayor paid tribute to a former Head of Legal Services and Monitoring Officer, Dick Taylor who had sadly died recently. Dick served the Council with great distinction in a wide variety of roles for 32 years, until his retirement on 29 February 2004. He had continued to support the Council during his retirement as Deputy Returning Officer, carrying out various reviews at the invitation of the Monitoring Officer and until recently he was a serving member of the Independent Remuneration Panel. The Council stood in silence in his memory and as a mark of respect.

23. MINUTES

The Minutes of the meeting held on 25 June 2019 were confirmed as a correct record and signed by the Deputy Mayor.

24. QUESTIONS FROM MEMBERS OF THE PUBLIC IN ACCORDANCE WITH STANDING ORDER 9

	Questioner	Subject	Answer
1.	Richard Stainthorp	Statutory Responsibilities, Duties and Obligations of Reading Borough Council	Cllr Brock
2.		WITHDRAWN	
3.	Philip Allen	Why does the Council Exist?	Cllr Brock
4.	Roger Lightfoot	Pop up Pool	Cllr Hoskin
5.	Roger Lightfoot	Arthur Hill Site	Cllr Brock
6.	Peter Burt	Arthur Hill Site	Cllr Brock
7.	Peter Burt	Parkland in Reading	Cllr Rowland
8.	Michael Sage	Citizen’s Panel	Cllr Brock
9.	Michael Sage	Reading 2050 Refresh Workshop	Cllr Brock
10.	Michael Sage	Council’s Energy Provider	Cllr Emberson

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11.	Stuart Kinton	Heathrow Expansion	Cllr Page
12.	Stuart Kinton	Council's Declaration of Climate Emergency	Cllr Page

As there was insufficient time, pursuant to Standing Order 9(6), a written reply to Question 12 above would be provided in accordance with Standing Order 11(3).

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

25. QUESTIONS FROM COUNCILLORS IN ACCORDANCE WITH STANDING ORDER NO 10

	Questioner	Subject	Answer
1.	Cllr White	The Reading Area's Performance on Climate Change	Cllr Page
2.	Cllr Josh Williams	Inclusive Play Areas	Cllr Rowland
3.	Cllr Grashoff	Leisure Needs of Residents	Cllr Rowland
4.	Cllr Robinson	Arthur Hill Site	Cllr Brock

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

26. ARTHUR HILL POOL

Further to Minute 30 of the Policy Committee held on 26 September 2019, the Executive Director of Economic Growth and Neighbourhood Services submitted a report on the presentation of a petition to the Policy Committee on 26 September 2019 and the decision taken at that meeting to appropriate the Arthur Hill site into the Housing Revenue Account to enable the Council to develop and deliver housing as key worker accommodation to rent. As the petition had collected over 1,500 signatories, it had exceeded the threshold required for the Lead Petitioner to request a debate by full Council of the issue, in accordance with Council Procedure Rule 8(6)(e). The report entitled 'Arthur Hill Pool', which was considered by Policy Committee was attached to the report for information.

The Lead Petitioner, Peter Burt, addressed the Council in accordance with Council Procedure Rule 8(6)(f).

The following motion was moved by Councillor Brock and seconded by Councillor Page and CARRIED:

Resolved -

- (1) That the report be noted and the issues raised in the petition entitled 'Reading Council - consult us on the future of Arthur Hill Pool', be

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debated, in accordance with the provisions in Council Procedure Rule 8(6).

- (2) That the decision of Policy Committee, at its meeting on 26 September 2019, as set out in Section 4.1 of the report, be noted.

27. LOCAL GOVERNMENT BOUNDARY COMMISSION REVIEW OF WARD BOUNDARIES 2019-20

Further to Minutes 20 and 38 of Policy Committee on 15 July and 26 September 2019 respectively, the Returning Officer submitted a report seeking agreement to the authority's submission on warding patterns to the Local Government Boundary Commission for England (LGBCE), as part of the LGBCE's first period of consultation, based on the recommendations of the cross-party Ward Boundary Review Working Party. The report explained that the LGBCE was undertaking an electoral review of the Council in its 2019-20 programme because the 2017 canvass showed over 30% of the authority's current wards (5 out of 16) had a variance greater than 10% from the authority's average ratio of electors, which was 2,443 per Councillor or 7,329 per 3-member ward. The final submission document had been circulated to all members of the Council on 25 October 2019 and copies were available at the meeting.

The previous review had led to the establishment, in 2001/02, of a Council of 46 Councillors, representing 16 wards, of which 15 were 3-member wards which held elections by thirds. The first stage of the review process, concerning Council size, had been completed, with the LGBCE accepting the authority's submission, agreed by Policy Committee on 15 July 2019 (Minute 20 refers), that the authority should continue to have elections by thirds, and that the number of Councillors should be increased from 46 to 48, representing 16 three-member wards across the Borough, in recognition of the significant projected growth in the Borough's electorate, from 113,590 in 2019 to 121,002 in 2025 (an increase of 7,412 electors, or 6.5%).

The LGBCE's timetable for completing the review was set out in Table 1 in Section 4 of the report. The LGBCE had commenced the second stage of the review process - public consultation on warding patterns - on 27 August 2019, to run to 4 November 2019. In line with the LGBCE's good practice advice, the Policy Committee on 26 September 2019 had set up an advisory cross-party Ward Boundary Review Working Party to assist the development of the Council's response to the consultation. The Working Party had met twice, on 2 and 22 October 2019, to develop a submission for the authority to make to the LGBCE. The notes of the Working Party's meetings on 2 and 22 October 2019 were attached to the report at Appendices A and B. A map showing the Working Party's proposals was attached at Appendix C to the report and Table 2, in Section 5 of the report, set out the names of the 16 new three-member wards in the proposal, and their projected 2025 electorates.

The following motion was moved by Councillor Brock and seconded by Councillor Page and CARRIED:

Resolved -

- (1) That the detailed deliberations of the cross-party Working Party be noted and endorsed, and the map showing the Working Party's proposals be agreed and submitted to the Local Government Boundary Commission for England along with the supporting explanation as set out in the Minutes of the two Working Party meetings and this report;

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- (2) That the suggested names of the 16 new wards be agreed as shown in Table 2 in Section 5 of the report and set out below:

	Ward
A	The Heights
B	Emmer Green
C	Caversham
D	Thames
E	Abbey
F	Park
G	Redlands
H	Church
I	Whitley
J	Katesgrove
K	Minster
L	Southcote
M	Norcot
N	Battle
O	Kentwood
P	Tilehurst

28. LOCAL PLAN ADOPTION

The Executive Director of Economic Growth & Neighbourhood Services submitted a report on the Council's replacement of its existing development plans (the Core Strategy, Reading Central Area Action Plan and Sites and Detailed Policies Document) with a new single Local Plan to set out how Reading would develop up to 2036. The Local Plan had been submitted to the Secretary of State on 29 March 2018, which marked the beginning of a public examination held by an independent Planning Inspector, including public hearings in September and October 2018. The Inspector's Report was received on 24 September 2019, and the conclusion was that the Local Plan fulfilled the duty to co-operate, and that, subject to a number of 'Main Modifications', it was sound and legally compliant. The Inspector's report was attached to the report as Appendix 1. In view of the Inspector's findings the Local Plan, which was attached to the report at Appendix 2 could be adopted as modified, and used for determining planning applications. The report also had attached the list of minor modifications at Appendix 3.

The following motion was moved by Councillor Page and seconded by Councillor Barnett-Ward and CARRIED:

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Resolved -

- (1) That the Report of the Inspector who conducted the Examination into the Local Plan, attached at Appendix 1 to the report, be noted and that the Inspector had found the Local Plan, as amended by the Main Modifications, to be sound, legally compliant and that it fulfilled the duty to co-operate be noted;
- (2) That the Local Plan and Proposals Map, incorporating the Main Modifications and minor modifications, be adopted as attached to the report at Appendix 2.

29. CONSTRUCTION CHARTER

The Executive Director of Resources submitted a report outlining the content of the 'Unite Construction Charter'. The Charter, which was attached at Appendix 1 to the report, set out requirements for construction contractors and their supply chain regarding industrial and employment areas including procurement, planning, recruitment, health & safety, engagement, welfare facilities, skills, training and career development. It had been adopted by a number of Councils on the basis that it supported increased fairness for workers. Unite had contacted all Council Leaders seeking support to have these terms of the Charter agreed nationally as minimum standards in any local authority procurement policy.

The following motion was moved by Councillor Emberson and seconded by Councillor Hacker and CARRIED:

Resolved -

- (1) That the Council's commitment to support the implementation of the Unite Construction Charter principles be approved;
- (2) That the AD for Procurement & Contracts be authorised to take the necessary steps for the implementation of the Unite Construction Charter principles into future relevant construction contracts, with implications to be reviewed on a case by case basis within the Council Procurement policies.

30. STANDARDS COMMITTEE

The Monitoring Officer submitted a report on the Minutes of the meeting of the Standards Committee of 27 June 2019, which were attached at Appendix A.

The report advised that Chapter 7 of the Localism Act 2011 had ended the statutory standards regime set up by the Local Government Act 2000, and introduced in its place a duty on local authorities to promote and maintain high standards of conduct by Councillors and Co-opted Members, including adopting a local Member code of conduct. The Act also required local authorities to adopt arrangements to deal with allegations that Members had not complied with their local Code of Conduct, and allowed local authorities to establish a local Standards Committee, and to make Standing Orders relating to aspects of the standards process. The local Standards Committee had been first established at the Annual Council Meeting on 23 May 2012.

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The following motion was moved by Councillor Edwards and seconded by Councillor Ayub and CARRIED:

Resolved -

That the Minutes of the Standards Committee held on 27 June 2019, as attached at Appendix A to the report, be received.

31. HIGH STAKES TESTING IN PRIMARY SCHOOLS

Pursuant to Notice, the following motion was moved by Councillor Pearce and seconded by Councillor McEwan and CARRIED:

Resolved -

Reading Borough Council welcomes the commitment of the Labour Party, the Liberal Democrats and the Green Party to abolish SATs and other high-stakes testing in primary schools.

This Council notes

- 1 Statutory testing in primary schools has increased since 2010 and is increasing further: by 2020, children will be tested in Reception (the Baseline Assessment), Year 1 (the Phonics Screening Check), Year 2 (SATs), Year 4 (the Multiplication Tables Check) and Year 6 (SATs).
- 2 The pressures of statutory assessment contribute to the crisis of teacher morale, workload, recruitment and retention.
- 3 Tests are focussed on the requirements of school accountability and league tables rather than on support for children's learning.
- 4 The pressures of testing in primary schools have a detrimental effect on children's mental health.
- 5 Educational research has demonstrated repeatedly that teaching to the test narrows the curriculum and the educational experience of children, focussing on labelling, learning how to pass a test but not learning.

This Council believes that campaigning, by those who work in primary schools, parents and academics, to end the current high-stakes system of primary assessment should be welcomed, in particular the More Than A Score campaign.

This Council resolves:

- 1 To express its support for campaigns against the current system of primary assessment from parents, Governors, Schools and teaching unions.
- 2 To call a meeting of all interested parties to discuss the council's position on these matters and to coordinate a response.
- 3 To lobby the Secretary of State for Education to listen to the growing number of voices who are calling for the abolition of high-stakes testing in primary schools.

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- 4 To offer support and guidance to schools within the area which adopt an alternative approach to assessment.

32. A FULLY FUNDED, PROPER PAY RISE FOR LOCAL GOVERNMENT WORKERS

Pursuant to Notice, the following motion was moved by Councillor Emberson and seconded by Councillor Brock and CARRIED:

Resolved -

This Council notes:

- Local Government has endured central government funding cuts of nearly 50% since 2010.
- Between 2010 and 2020, Councils will have lost 60p out of every £1 they have received from central government.
- The 2019 LGA survey of Council finances found that 1 in 3 Councils fear they will run out of funding to provide even their statutory, legal duties by 2022/23. This number rises to almost two thirds of Councils by 2024/2025 or later.
- The LGA estimates Councils will face a funding gap of £8 billion by 2025.
- Faced with these cuts from central government, the local government workforce has endured years of pay restraint with the majority of pay points losing 22 per cent of their value since 2009/10.
- At the same time as seeing their pay go down in real terms, workers experience ever increasing workloads and persistent job insecurity. Across the UK, an estimated 876,000 jobs have been lost in local government since June 2010 - a reduction of 30 per cent. Local government has arguably been hit by more severe job losses than any other part of the public sector.
- There has been a disproportionate impact on women, with women making up more than two thirds of the local government workforce.

This Council believes:

- Our workers are public service super heroes. They keep our communities clean, look after those in need and keep our towns and cities running.
- Without the professionalism and dedication of our staff, the Council services our residents rely on would not be deliverable.
- Government funding has been cut to the extent that a proper pay rise could result in a reduction in local government services.
- The government needs to take responsibility and fully fund increases in pay; it should not put the burden on local authorities whose funding has been cut to the bone.

This Council resolves to:

- Back the pay claim submitted by the NJC local government unions.
- Write to the Secretary of State to call for a pay increase for local government workers to be funded with new money from central government.

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- Meet with local NJC union representatives to convey support for the pay claim.
- Encourage all local government workers to join a union.
- Continue to be an accredited Living Wage Foundation Employer.

33. STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT COMMITTEE - APPOINTMENTS

Pursuant to Notice, the following motion was moved by Councillor Brock and seconded by Councillor Page and CARRIED:

Resolved -

- (1) That Councillor Barnett-Ward be appointed as Chair of the Strategic Environment, Planning & Transport (SEPT) Committee for the remainder of the Municipal Year 2019/20;
- (2) That Councillor Eden be appointed as Vice-Chair of the Strategic Environment, Planning & Transport Committee for the remainder of the Municipal Year 2019/20;
- (3) That, in view of (1) above, Councillor Barnett-Ward be appointed as Chair of the Cycle Forum, in place of Councillor Debs Absolom, for the remainder of the Municipal Year 2019/20;
- (4) That, in view of (1) above, Councillor Barnett-Ward be appointed to the Berkshire Strategic Flood Risk Partnership for the remainder of the Municipal Year 2019/20 and that the Chair of the Strategic Environment, Planning & Transport (SEPT) Committee continue to be appointed as the Council's representative on the Partnership in subsequent years on the basis that the SEPT Committee was responsible for reviewing and scrutinising the exercise of flood risk management functions.

(The meeting closed at 9.20pm).

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF RESOURCES

TO:	COUNCIL	
DATE:	28 JANUARY 2020	
TITLE:	APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME AND THE COUNCIL TAX BASE FOR 2020/21	
LEAD COUNCILLOR:	COUNCILLOR EMBERSON	PORTFOLIO: CORPORATE & CONSUMER SERVICES
SERVICE:	FINANCE	WARDS: BOROUGHWIDE
LEAD OFFICER:	MATT DAVIS	TEL: 01189 372 954
JOB TITLE:	ASSISTANT DIRECTOR OF FINANCE	E-MAIL: matthew.davis@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY
 - 1.1 Section 33 of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 requires the Council as the Billing Authority to calculate a Council Tax Base for its area after 30th November and before 31st January in the preceding financial year for the forthcoming year and, to duly notify precepting authorities (Fire and Police) within the same timescales.
 - 1.2 The Tax Base for 2020/21 is calculated for the above purposes as being 56,741 (Band D equivalent) properties - an increase of 1.5% on the 2019/20 Tax Base of 55,884 properties. This growth during the year is expected to generate a surplus of £277k in 2019/20 of which the Council's share is £237k
 - 1.3 The Welfare Reform Act 2012 and Local Government Finance Act 2012 replaced the Council Tax Benefit scheme with a locally determined Council Tax Reduction Scheme (also known as a local Council Tax Support Scheme), which is effectively a type of Council Tax discount. These Acts require the Council to approve a Scheme by the end of January preceding the start of the financial year. The recommended Scheme for 2020/21 is based on the Scheme agreed by Council for 2019/20 amended for the changes proposed at Policy Committee in November 2019 and subsequently consulted on. The proposed changes benefit local residents by:
 - a) Removing the requirement to re-apply for Council Tax Support following migration from Housing Benefit to Universal Credit;
 - b) Disregarding Severe Disability Transitional payments in the calculation of assessed income thresholds; and
 - c) Providing greater clarity on the treatment of excess Council Tax Support.
 - 1.4 The Ministry of Housing Communities and Local Government (MHCLG) have completed an annual update of various allowances particularly as the scheme

affects pensioners and those changes have also been incorporated. When we consulted on the original principles of the new local scheme in the summer/autumn of 2012, we indicated that various allowances would be subject to annual uprating, so there would be no need for further public consultation on the principle of those changes each year.

2. RECOMMENDED ACTION:

- 2.1 That the proposed changes to the Local Council Tax Reduction Scheme, taking into account the results of the public consultation as set out in Appendix A and summarised in para 4.6 below, be approved;**
- 2.2 That the 2019/20 Council Tax Reduction Scheme allowances would be updated in line with regulations be noted;**
- 2.3 That the proposed additional support offered to the Council's Care Leavers as a local discount and incorporated in the Council's draft 2020/21 Budget proposals and Medium Term Financial Strategy be noted;**
- 2.4 That the changes to the Empty Property Premia in 2020/21 for properties that have been empty in excess of five years from 100% to 200% - as agreed by Council in January 2019 be noted;**
- 2.5 That the Tax Base calculation for 2020/21 as 56,741 Band D equivalent properties be approved; and**
- 2.6 That the estimated surplus on the Council Tax Collection Fund in 2019/20 of £277k be approved, of which the Council's share would be £237k.**

Appendix A - Results of Consultation on Proposed Local Council Tax Reduction Scheme Changes for 2020/21.

Appendix B - Equalities Impact Assessment on Proposed Amendments to Council Tax Reduction Scheme.

3. POLICY CONTEXT

- 3.1 Under Government regulations it is necessary for the Council to review its Collection Fund and decide the following:**
 - Its Council Tax Collection Rate for 2020/21;
 - Its Council Tax Reduction Scheme for 2020/21;
 - The Council Tax Base to be used for setting its 2020/21 Council Tax; and
 - The estimated Council Tax surplus or deficit for 2019/20.

4. COUNCIL TAX REDUCTION SCHEME

- 4.1. The Local Government Finance Act 2012 replaced the Council Tax Benefit scheme with a new locally determined Council Tax Reduction Scheme (also known as a local Council Tax Support scheme) from April 2013. This is effectively now a Council Tax discount.**

- 4.2. Each local authority is required to annually set a local Council Tax Reduction Scheme for working age claimants. The government continues to operate a statutory national scheme for pensioners, which provides them with broadly the same level of Council Tax Support as they received under the previous Council Tax Benefit scheme, but has been adjusted by the Government since its introduction to incorporate a number of welfare reform initiatives.
- 4.3. The local Council Tax Reduction Scheme was initially funded through a specific central government grant set at 90% of each local authority's Council Tax Benefit expenditure. Government funding since 2014/15 has been rolled into the Council's overall Revenue Support Grant settlement.
- 4.4. In November 2019, Policy Committee approved a proposal to consult on a number of improvements to its Local Council Tax Support Scheme to streamline administration and improve the service for customers. These changes were as follows:
- a) Remove the requirement to re-apply for Council Tax Support following the migration from Housing Benefit to Universal Credit (UC) - claimants would not automatically need to re-apply when transitioning to UC, removing a burden on the claimant and ensuring all entitled to support continue to receive it. This change will prevent some residents getting in to debt and reduce staff time in needlessly processing new claims;
 - b) Disregard Severe Disability Transitional payments in the calculation of benefit entitlement - allowing residents to fully benefit from Severe Disability payments which would otherwise be potentially offset by the assessed income level thresholds; and
 - c) Provide greater clarity on the treatment of excess Council Tax Support - following the Local Government Ombudsman's request to all Councils to regularise the treatment of "official error reductions" for Council Tax Support.
- 4.5. The statutory public consultation on the proposed changes to the local scheme was run on-line and took place from 19th November 2019 to 31st December 2019.
- 4.6. Appendix A to this report sets out a summary of the responses received to the consultation as well as officer comments and advice. The consultation was published on the Council's website, between 19 November 2019 to the 31 December 2019. Approximately 39,000 direct emails were also sent to Council Tax Payers (where we hold an email address) which included the link to the consultation. 1,594 responses were received (4.09% of those emailed), with over 80% in favour of the proposals.
- 4.7. The Equality Impact Assessment in respect of the proposed changes to the Council Tax Support Scheme is included in Appendix B
- 4.8. In 2018/19 the Council's Scheme was updated as follows:
- Minimum contribution to Council Tax is 35%
 - Capital limit is £3,000;
 - Non-dependant deductions (based on income) is £10.00 per week for those not engaged in remunerative work (working less than 16 hours per week) and/or have gross earnings less than £196.95 per week;

- Non-dependant deductions for those engaged in remunerative work (16 hours or more) with gross weekly earnings of £196.95 per week and above is £15.00 per week.

4.9. These changes have been in place for the last two years and have not caused significant impacts to the working age customers it affects. Equally; there has not been a significant impact on the in-year collection rate which has dropped by just 0.19% from 96.6% to 96.41%.

4.10. Pension age customers continue to be protected by the default scheme of 100% support based on a financial means test.

4.11. The Council's minimum charge for those in receipt of a Council Tax Reduction is at the higher end of charges implemented by other authorities. An increase above the general increase would have a negative impact on vulnerable people in receipt of these benefits who are also impacted by other welfare reforms. It will also impact on the collection of Council Tax from these people.

4.12. It is therefore recommended that the Council retains the Council Tax Reduction Scheme in 2020/21 as applied in 2019/20, amended to include the 3 changes detailed in 4.4 above.

5. LOCAL DISCOUNTS

5.1. The Council has recognised its responsibility as a "corporate parent" with regard to children leaving its care - care leavers. Budget proposals set out in the draft 2020/21 Budget and Medium Term Financial Strategy (MTFS) considered by Policy Committee in December 2019, include proposals to provide financial support towards meeting the cost of the Council Tax bills for care leavers between the ages of 18 and 21. The proposed support is tapered such that 18-year olds will receive a 100% contribution to their net bill (after applying all other exemptions and discounts), and would reduce to 66% for 19-year olds and 33% for 20-year olds.

5.2. Eligibility would only apply to Reading's own care leavers and not care leavers from other boroughs who may now reside in Reading. The cost of this budget proposal has been forecast at £50k and is met entirely from the Council's own resources and does not therefore impact on the Tax Base for either of the other two precepting authorities.

5.3. A separate budget, also of £50k, has been proposed in the draft MTFS to provide equivalent support for Reading's own care leavers who now reside out of borough and are thus are not eligible for the Council's own discount. This will be administered by Brighter Futures for Children on behalf of the Council.

6. CALCULATION OF TAX BASE

6.1. The Council Tax Base is used in the Council's own 2020/21 budget setting and by precepting authorities (the Police and Fire authorities) to determine how much Council Tax income is anticipated to be received.

6.2. The Tax Base relates to the estimated number of Band D equivalent properties in Reading. This is calculated by taking the number of registered properties in Reading which is then reduced for property or resident discounts and then converted to a

Band D equivalent number of properties. Band D is used for comparison purposes with other Local Authorities and is assumed to be the average council tax banding. The majority of Reading's dwellings sit within Bands B and Band C. Regulations require the calculation to be based on the number of registered properties at 30th November 2019 and are set out in Table 1 below, together with the Band D equivalent numbers of properties.

Table 1 - Number of properties in each Council Tax Band

Band	2019/20 Taxbase (Before Discounts & CTRS)				2020/21 Taxbase (Before Discounts & CTRS)			
	Number of Properties in Each Band (No.)	Band D Proportion Payable	Band D Equivalent (No.)	Proportion of Band D Equivalents (%age)	Number of Properties in Each Band (No.)	Band D Proportion Payable	Band D Equivalent (No.)	Proportion of Band D Equivalents (%age)
A	6,907	6/9	4,605	6.8%	7,151	6/9	4,767	7.0%
B	14,233	7/9	11,070	16.5%	14,404	7/9	11,203	16.4%
C	29,123	8/9	25,887	38.5%	29,581	8/9	26,294	38.4%
D	10,976	9/9	10,976	16.3%	11,215	9/9	11,215	16.4%
E	5,535	11/9	6,765	10.1%	5,679	11/9	6,941	10.1%
F	3,287	13/9	4,748	7.1%	3,293	13/9	4,757	6.9%
G	1,844	15/9	3,073	4.6%	1,856	15/9	3,093	4.5%
H	83	18/9	166	0.2%	85	18/9	170	0.2%
Total	71,988		67,290	100.0%	73,264		68,441	100.0%
<i>Change</i>					1.8%		1.7%	

- 6.3. The current number of Band D equivalent properties is then adjusted for exemptions, discounts and premia and then further adjusted for anticipated growth between 1st December 2019 and 31st March 2021 as well as the expected collection rate.
- 6.4. Council agreed to increase the premium on long term (over two years) empty properties from 50% to 100% in January 2019 for the year commencing 2019/20. This increase became available under changes made by the Rating (Properties in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, which allowed the maximum premium for empty properties to rise from a 50% premium to 100% from 2019/20. The Act also allowed for further increases in premia to be phased in over the years 2020/21 and 2021/22. In 2020/21, the ability to apply a 200% premium for properties that have been empty for over five years, whilst in 2021/22 it becomes possible to charge a 300% premium on properties empty for ten years or more.
- 6.5. Council agreed in January 2019 to apply these future increases as they became enabled. Table 2 below summarises the changes in empty property premium allowed for under the Act, and agreed by Council in January 2019:

Table 2 - Long Term Empty Property Premia

Financial Year	Empty Properties (2 Years or More) (%age)	Empty Properties (5 Years or More) (%age)	Empty Properties (10 Years or More) (%age)
2018/19	50%	n/a	n/a
2019/20	100%	n/a	n/a
2020/21	100%	200%	n/a
2021/22	100%	200%	300%

- 6.6. Whilst the financial benefit to the Council of introducing the further empty property premium changes are modest it is anticipated that the additional charges will incentivise owners to some extent to increase the number of properties available for local residents and in so doing reduce the negative impact on neighbourhoods that may be associated with properties remaining empty.
- 6.7. The estimated increase in the Tax Base is based on past trends, properties that haven't yet appeared on the valuation list, and planning estimates of housing growth. For 2020/21 we have assumed 1.0% average growth throughout the year (assumed 2.0% by the end of the period but recognising not all of that growth will have occurred before the start of the next financial year). This is in line with the growth experienced in the years 2016/17; 2018/19; and 2019/20 (but excludes the unusually high growth experienced in 2017/18).
- 6.8. The overall collection rate remains unchanged from that assumed in the 2019/20 Tax Base calculation (99%). The in-year collection rate is targeted to improve from the current 96.41 in the current year to 97.0% next year as part of the Revenues and Benefits Service Improvement Plan.
- 6.9. Including the increase in long term empty property premia, previously agreed by Council in January 2019, the Council Tax Base for 2020/21 is estimated to be increase from 55,884 Band D equivalent properties to 56,741 (a 1.5% increase) as shown in the Table 3 below:

Table 3 - Calculation of Council Tax Base (Including Increase in Long Term Empty Premium)

	2019/20 Taxbase		2020/21 Taxbase	
	(No.)	(No.)	(No.)	(No.)
Total Number of dwellings on the Valuation List at 30th November 2019		71,988		73,264
Reductions for Discounts and Exemptions - e.g. Single Person Discount, Students, Empty Property etc	(8,966)		(8,930)	
Less Discounts in relation to the Council Tax Reduction Scheme	(4,861)	(13,827)	(4,652)	(13,582)
Net Number of dwellings on the Valuation List at 30th November 2019		<u>58,161</u>		<u>59,682</u>
Number of Band D Equivalent Properties		55,349		56,617
Long-Term Empty Property Premium (100%)		102		111
New 5-Year Empty Property Premium (200%)		n/a		20
Allowance for Assumed Growth (1.0%)		997		566
		<u>56,448</u>		<u>57,314</u>
Allowance for Non-Collection (1.0%)		(564)		(573)
Council Tax Base 2020/21		<u>55,884</u>		<u>56,741</u>
Change				1.5%

- 6.10. The increase in the Tax Base represents the continued success of the Council in supporting the local economy and delivering additional housing to meet resident need - with 1,276 additional properties registered on the Tax List between November 2018 and November 2019. The forecast growth in the proposed Tax Base of 1.5%

would, at the Council's existing Band D average Council Tax (£1,627.23), represent £1.4m of additional resources available to fund future services.

7. COLLECTION FUND SURPLUS

- 7.1. Any difference between the estimated Tax Base and that actually realised in year has no impact on the in-year General Fund revenue position, but is transferred to the Collection Fund Adjustment Account unusable reserve and distributed in the following year.
- 7.2. Based on current trends in Tax Base growth and collection levels, a forecast surplus over and above that originally calculated is expected by the end of 2019/20 and will be released in 2020/21 as a one-off credit. The surplus is distributed in proportion to the relevant share of Band D tax amounts between the relevant major preceptors within the area (the Council, Police and Fire Authorities). Table 4 below illustrates the determination and distribution of the forecast surplus:

Table 4 - 2019/20 Forecast Collection Fund Surplus

	2019/20 Band D Charge (£'s)	Proportion of Total Band D (%age)	Share of Estimated Surplus (£,000's)
Reading Borough Council	1,627.23	85.7%	237
Thames Valley Police	206.28	10.9%	30
Royal Berkshire Fire & Rescue	66.28	3.5%	10
	1,899.79	100.0%	277

- 7.3. The above projected surplus is based on data as at the end of November 2019 and has potential to vary by year end.
- 7.4. The £237k forecast surplus for Reading Council represents a 0.3% variance on the originally calculated yield for the Council of £90.94m.

8. RISK

- 8.1. There are several key variables in setting the Council Tax Base which have the potential to change. There are set out below.
- 8.2. Eligibility for discounts and exemptions is factored in to the calculated Tax Base. These include student discounts, single person discount and the Council Tax Reduction Scheme - the latter being particularly prone to change dependent upon employment status of working age benefit claimants. Should local employment levels change as the result of structural change to future local or national economic circumstances, the Tax Base will change.
- 8.3. The Tax Base includes forecast growth in the number of properties subject to a Council Tax liability. Whilst this is based on historic growth levels achieved and known planned development, it remains an estimate and is sensitive to changes in the economy and house building market.

- 8.4. Collection rates are assumed to be 97.0% for 2020/21 (an increase of 0.6% on that being achieved in the current year) and remain at 99.0% ultimately collected. Any significant variation regarding in-year collection rates has the potential to impact on the level of bad debt provision required and would impact on overall collection levels and any projected surplus or deficit.
- 8.5. In setting the Council Tax Base for 2020/21, statutory regulations prevent the net amount credited to the Council's General Fund from being different in 2020/21 to that originally estimated (and applies to precepting bodies in the same way). Any variance would however impact in either 2021/22 or 2022/23 depending on when any variance is identified.

9. CONTRIBUTION TO STRATEGIC AIMS

- 9.1. To secure the most effective use of the Council's resources in the delivery of high quality, best value public services.

10. COMMUNITY ENGAGEMENT AND INFORMATION

- 10.1. A consultation exercise was carried out on the proposed amendments to the local Council Tax Support Scheme for the 2020/21 financial year.
- 10.2. The statutory consultation took place between the 19th November and 31st December 2019. A total of circa 39,000 customers were contacted directly by email to ask them for their views. In addition, the consultation questionnaire was published on the Council's website
- 10.3. Although Government's code of practice on consultation states that normally 12 weeks is appropriate, billing authorities may wish to consider the appropriate length of their consultation depending on the impact of their proposals and the ability to complete the consultation exercise within budgetary timetables.
- 10.4. The code of practice indicates that where timing is restricted, for example, due to having to meet a fixed timetable such as a budget cycle, there may be good reason for a shorter consultation, and any documentation should be clear for the reasons for the shorter period.
- 10.5. We have carried out the statutory consultation with results detailed at Appendix A and this report forms part of the consultation process.

11. EQUALITY IMPACT ASSESSMENT

- 11.1. A full equality impact assessment on the proposed changes is set out at Appendix B.
- 11.2. All of the proposed amendments impact positively on all customers of working age currently in receipt of Council Tax Support.
- 11.3. Pensioners remain unaffected by these proposals.

12. LEGAL IMPLICATIONS

- 12.1. The Council as Billing Authority is required to determine the Council Tax Base for the next financial year by 31st January 2020 and to notify other precepting authorities of the determination.

13. FINANCIAL IMPLICATIONS

- 13.1. The increase in the Council Tax Base of 857 average Band D properties equates to an increase in Council Tax income of £1,395k based on the 2019/20 Council Tax charge of £1,627.23 for a Band D property.
- 13.2. The Tax Base as calculated based on system data as at 30th November exactly matches that used in the draft budget considered by Policy Committee and issued for consultation in December 2019.
- 13.3. The draft budget made no assumption as to any surplus in the Collection Fund for 2019/20. The £237k projected surplus set out in Section 7 represents additional resources in 2020/21 should they be realised.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. None to advise.

15. BACKGROUND PAPERS

- 15.1. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

Appendix A

Consultation Response Summary - Proposed Changes to Local Council Tax Reduction Scheme

The consultation was published on the Council's website, between the 19 November 2019 to the 31 December 2019.

In addition, approximately 39,000 direct emails were sent to Council Tax Payers (where we hold an e-address) which included the link to the consultation.

1,594 responses were received,
1,542 indicated they were residents (96.74%)
31 indicated they were businesses (1.94%)
11 indicated they were voluntary sector (0.69%)
11 indicated they worked for a charity (0.69%)
56 indicated they were landlords (3.51%)
35 said they were "others" or Not Answered (2.19%)
244 responders were currently in receipt of Council Tax Support (15.31% of respondents)

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

- (i) 87.58% of respondents agreed with the proposal to remove the requirement to re-apply for Council Tax Support following the migration to Universal Credit. Those opposing generally did not have a full understanding of the administration process of Council Tax Support and Universal Credit based on the comments made. Whilst reviewing the comments, it was clear they were actually in favour of this change.
- (ii) 86.14% agreed with the proposal to Disregard Severe Disability Transitional payments in the calculation of benefit entitlement. Those opposing generally felt that all income should be considered in the calculation.
- (iii) 80.61% agreed the proposal to Provide greater clarity on the treatment of excess Council Tax Support. Those opposing had concerns for vulnerable customers managing repayments on limited budgets.

Officer Comment & Advice

It is recommended that that we go forward with the proposed changes detailed above.

Officers advise these proposals are necessary to reduce the administrative burden on both customers and the Council, provide clarity of process and ensure we continue to protect those most vulnerable.

Provide basic details

Name of proposal/activity/policy to be assessed

1. Council Tax Support Scheme 2020/21: Removal of requirement to reclaim Council Tax Support following migration to Universal Credit, clarity on requirement to repay excess Council Tax Support and proposal to disregard Severe Disability Premium transitional payments.

Directorate: Corporate Resources

Service: Finance

Name and job title of person doing the assessment

Name: Samantha Wills

Job Title: Income & Assessment Manager

Date of initial assessment: 15th October 2019

Scope your proposal

What is the aim of your policy or new service?

In 2013/14 the government abolished council tax benefit and local authorities were required to introduce local schemes. Overall funding was cut and there was a proviso that pensioners would be protected and made no worse off.

The local scheme we introduced was designed to cost the Council the same as when we received Revenue Support Grant which meant requiring a contribution of 15% from residents assessed as eligible for support. We increased the minimum contribution to 20% for the 2016 /17 year and restricted the support to a Band D to continue to offset the reduction of grant funding. A further increase to the minimum contribution to 25% was introduced in 17/18 and decreased Capital limits.

However with continued budget pressures, and having to find further income streams to fund our budget position, we increased the minimum contribution to 35% for the 2018/19 year and decreased the Capital limits further. It is still however our intention is to ensure the Local Council Tax Support scheme continues to provide support to low income households in Reading, whilst managing the decrease in funding.

The aims of this policy are:

- to manage the cost of the scheme within the available funds, ensuring that additional burdens are not put upon the general fund at further cost to local taxpayers;
- to maintain a scheme that meets the requirements of the Local Government Finance Act, the Equality Act 2010, the Child Poverty Act 2010, and the Housing Act 1996
- to ensure that the scheme is clear and easy to understand for applicants and to simplify administration where possible.

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

- Removal of requirement to reclaim Council Tax Support following migration to Universal Credit
- Clarify requirement to repay excess Council Tax Support
- Disregard Severe Disability Premium transitional payments

Currently we have 7,932 customers receiving Council Tax Support, 4,507 are working age and 3,425 pension age.

As our Council Tax Support scheme continues to follow the calculation routes originally designed in the Council Tax Benefit Scheme, our scheme is still based on the award of premiums and applicable amounts that reflect disability and age.

Therefore it continues to protect those of pensioner age and those in receipt of disability benefits by offsetting by ways of a means test in the main.

We will continue to use the discretionary Council Tax Support fund as part of our local council tax support scheme to help people who may face exceptional and extraordinary difficulties in paying their council tax.

Who will benefit from this proposal and how?

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

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

Everyone who currently receives Council Tax Support, except pensioners, will be affected in a positive way by these changes. They will not have to re-apply for Council Tax Support, payment of Severe Disability Transitional Payments will not adversely affect their claim and there will be no requirement to claim discretionary Council Tax Support where we have deemed the excess Council Tax Support 'official error' and the customer could not have reasonably known they were being overpaid.

What outcomes will the change achieve and for whom?

There will be a reduction in administration processes for both customer and staff when migrating to UC. It will reduce the risk of customers falling into arrears and suffering financial hardship

Who are the main stakeholders and what do they want?

73,000 Council Tax payers including 7,932 in receipt of Council Tax
Support Preceptors
Neighbouring Councils
Special interest organisations such as Citizens Advice Bureau, Welfare Rights, Housing Associations, National Federation of Landlords
Organisations representing vulnerable groups
Disabled people
Low income out of work
Low income in work
Homelessness prevention.

Consultation

Relevant groups/experts	How were/will the views of these groups be obtained	Date when contacted
Members / Senior Officers	Series of meetings regarding efficiencies and service plan proposals	Commenced January 2019
Consultation We will consult on our proposals through November and December 2019. Feedback will contribute to the Equality Impact Assessment which will be updated once we have received the feedback in early January 2020.	Web on line survey	Nov -December 2019
Targeted invitation to participate in on line consultation: Preceptors Neighbouring Councils Special interest organisations such as Citizens Advice Bureau, Welfare Rights, Housing	Email including Web on line survey link	Nov -December 2019

Associations, National Federation of Landlords Organisations representing vulnerable groups Disabled people Low income out of work Low income in work Homelessness prevention.		
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Collect and Assess your Data

Describe how this proposal could impact on Racial groups

Data regarding ethnicity is not available from the Council Tax Support Database

Is there a negative impact? No

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

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

Is there a negative impact? No

Describe how this proposal could impact on Disability

The number of working age customers currently in receipt Council Tax Support with disability premiums (disability, enhanced disability, severe disability, disabled child) continue to receive a level of protection as their benefit calculation continues to reflect an allowance for disability. If they are in receipt of qualifying benefits which the majority are; they do not attract a non-dependant deduction.

The proposal will look to also disregard the Severe Disability Premium transitional payments made by the DWP

Is there a negative impact? No

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

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

Is there a negative impact? No

Describe how this proposal could impact on Age

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

For households of working age where the customer is not on passported benefits which means they are working or in receipt of work related benefits, these customers are positively affected by the changes.

Is there a negative impact? No

Describe how this proposal could impact on Religious belief?

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

Is there a negative impact? No

Make a Decision

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

Tick which applies

1. No negative impact identified Go to sign off X

2. Negative impact identified but there is a justifiable reason

How will you monitor for adverse impact in the future?

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

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

Signed (completing officer) Samantha Wills
(reviewed)

Date 15th Oct 2019

Signed (Lead Officer) Matt Davis

Date