

POLICY COMMITTEE MEETING MINUTES - 10 JULY 2023

Present: Councillor Brock (Chair);
Councillors Terry (Vice-Chair), Barnett-Ward, Ennis, Gittings, Hoskin, Leng, McEwan, Robinson, Thompson and White

Apologies: Councillors Emberson, Mitchell and Rowland

11. MINUTES

The Minutes of the meeting held on 12 June 2023 were agreed as a correct record and signed by the Chair.

12. PETITION AND QUESTION

Hilary Kemp presented a petition about an Article 4 Direction for Houses in Multiple Occupation in St Bartholomew's Road. Councillor Leng, Lead Councillor for Planning and Assets, responded to the petition.

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

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	James Rutland	Underage Vaping	Cllr McEwan

(The full text of the petition, question and responses was made available on the Reading Borough Council website).

13. HOUSEHOLD SUPPORT FUND 4

The Committee considered a report on a Household Support Fund (HSF) grant of £2,261,298 that had been confirmed for Reading to provide cost of living support to households in the most need, particularly those who might not be eligible for other support recently made available. Key requirements of the HSF4 process were summarised in Appendix 1 and details of the proposed application-based element of HSF4 were presented in Appendix 2.

The report explained that the grant was funded by the Department of Work and Pensions (DWP) to help families and vulnerable individuals who struggled to pay for basic living costs, such as energy and water, food and housing costs. The grant was to be used between 1 April 2023 and 31 March 2024 and DWP had stipulated grant conditions including that local authorities were expected to offer support throughout the duration of the Fund Period and must develop their delivery plans to reflect this. A summary of the DWP conditions was set out in Appendix 1.

The report proposed that the use of the HSF grant over the coming year be focused on two key elements. The first was an application-based scheme that was agile and flexible enough to meet the specific needs of local people who were in need of cost-of-living

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support. There were a wide range of people who needed such support, but that were difficult to specifically identify, and therefore provide a defined funding allocation. The second element was automatic support through an allocation scheme to low-income households with children in receipt of Pupil Premium/Free School Meals and older people in receipt of Housing Benefit who did not receive the direct government support provided to recipients of other DWP benefits.

The report noted that the Council might make changes to the delivery of HSF4 during the year to respond to changes in demand from residents and to ensure that the delivery of HSF4 remained within the available funding, and approval was sought for a delegation to make changes to the scheme if required. Due to HSF4 being delivered over a full year, in contrast to the six-month timescale of previous HSF rounds, the resources being utilised through the scheme were now more than £2,000,000 and had therefore been submitted to the Committee for approval. To enable timely delivery of the scheme £499,500 of the funding had been drawn down under delegated authority, with £383,000 identified to begin the first payment of the allocation element of HSF4 to be made by July 2023, prioritising Pupil Premium families with children entitled to free school meals, and £116,500 of the funding allocated to cover the set-up and administration costs of the application-based element. Following detailed data collection on the number of eligible households, the allocation to voucher payments had been increased to £400,000.

Resolved –

- (1) That the utilisation of the DWP Household Support Fund for 2023/24 to support Reading residents in the most need, as set out in the report, be agreed;**
- (2) That the Executive Director of Resources, in consultation with the Leader of the Council, be authorised to make changes to the delivery of HSF4 to meet changes in demand and maintain compliance with the funding allocation requirements from DWP;**
- (3) That the decision to utilise an element of the funding for staff resource and initial allocation payments, taken under officer delegation by the Assistant Director of Policy, Performance & Customer Service, be noted.**

14. CIPFA PRACTICAL GUIDANCE FOR LOCAL AUTHORITIES ON AUDIT COMMITTEES

The Committee considered a report on the CIPFA Practical Guidance for Local Authorities on Audit Committees. Attached to the report at Appendix 1 were proposed revised terms of reference for the Council's Audit & Governance Committee and at Appendix 2 a Self-assessment of good practice against the CIPFA Practical Guidance for Local Authorities on Audit Committees.

The report noted that the Guidance updated previous CIPFA guidance from 2018 and complemented the CIPFA Position Statement on Audit Committees; it also incorporated recent legislative changes and professional developments following the Redmond Review

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into the effectiveness of external audit and transparency of financial reporting in local authorities. Whilst it was guidance CIPFA expected that all local government bodies should make their best efforts to adopt the principles, aiming for effective audit committee arrangements. The report summarised the guidance relating to the purpose, independence and effectiveness, core functions, membership, engagement and outputs, and impact of the Audit Committee. CIPFA had endorsed the recommendation of the Redmond Review that the external audit annual report should be submitted to Council by the external auditor and the report sought the Committee's endorsement of this change.

The report explained that a self-assessment using the CIPFA self-assessment tool had been conducted by Internal Audit in January 2023 and was attached to the report at Appendix 2. This had concluded that current arrangements partially complied with the guidance, with 'moderate' improvement required. One of the outcomes from the self-assessment review was to propose that the Audit & Governance Committee's terms of reference be updated to those suggested by CIPFA for local authorities and the suggested revised terms of reference were attached to the report at Appendix 1.

The report noted that, generally, the current Audit & Governance Committee terms of reference addressed the core areas identified in CIPFA's Position Statement but would benefit from updating to reflect increased emphasis in some areas and the inclusion of some additional areas. Areas for possible increased emphasis included organisational risk profile, value for money and an oversight role on fraud and anti-corruption and a broadened reference to internal controls and financial management. Possible areas for specific inclusion in the terms of reference included review of governance and assurance arrangements for significant partnerships/collaborations, considering the assurance framework and whether it adequately addressed the Council's risks and priorities, detailing that both the Chief Auditor and External Audit had unrestricted access to the Committee Chair and an opportunity to meet privately with the Committee and also a number of areas relating to internal audit. The proposed Terms of Reference would also remove the decision-making powers of the Committee in relation to the approval of the annual financial statements, which would therefore revert to Council.

Resolved –

- (1) That the key points arising from the 'CIPFA Audit Committees: Practical Guidance For Local Authorities And Police', as summarised in the report, be noted;**
- (2) That the recommendations of the Redmond Review that the external audit annual report should be submitted to Council by the external auditor be endorsed;**
- (3) That the Committee recommend to Council the revised Audit & Governance Committee terms of reference, as set out at Appendix 1, and the removal of its decision-making powers in relation to the approval of the annual financial statements, returning the latter to Council;**

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- (4) That the Committee recommend to Council that the Audit & Governance Committee report annually in a public report on how it had complied with the CIPFA position statement, and discharged its responsibilities, including an assessment of its performance.**

15. FOOD SERVICE PLAN 2023-24

The Committee considered a report setting out for approval the updated Food Service Plan. Attached to the report at Appendix 1 was the Food Service Plan 2023-2024 and at Appendix 2 a Climate and Impact Assessment.

The report noted that the Food Service Plan was a statutory requirement for all Local Authorities who undertook official food controls and was detailed within the Food Law Code of Practice set by the Food Standards Agency (FSA). The Food Service Plan outlined the Local Authorities commitment to development of the food service. The FSA set a standard template for the Food Service Plan which had to be drawn up in accordance with the FSA Framework Agreement on Official Feed and Food Controls by Local Authorities. The Plan included qualitative and quantitative performance reviews of delivery against previous plans and outlined how national priorities and standards would be addressed and delivered locally. The 2023/24 Plan outlined the Food Service's key achievements for 2022-23 and outlined service objectives and work plans for 2023-24.

The report noted that there remained a backlog of inspections, particularly Food Hygiene inspections, following Covid-19. At present there was a deficit of resources in order to meet the requirements of the Food Law Code of Practice, clear the backlog of inspections and maintain the required number of inspections and complete other work identified within the Food Service Plan, including statutory requirements that fell to the Food & Safety Team. There was also additional work that fell within the remit of the Food Service which was a priority but outside the scope of the Food Service Plan.

Resolved –

That the statutory Food Service Plan for 2023-2024 be approved.

16. ELECTIONS 2023 - VOTER IDENTIFICATION AND OTHER ISSUES

The Committee considered a report on the 2023 local elections including information on the new requirement for photo identification in order to vote at a polling station and other forthcoming changes to elections including those introduced by the Elections Act 2022.

The report noted that the Borough Elections in 2023 had returned to their normal cycle of elections by thirds, following the all-out elections in 2022 after ward boundary changes. On 4 May 2023, fifteen of the sixteen wards in Reading had elected one councillor and there had been a by-election in Park ward which had elected two councillors. This had been the first time that electors had had to produce photographic identification in order to vote at the Polling Station, and the report set out how this requirement had been managed. The data collected at polling stations indicated that 99.7% of voters in the Polling Station had been issued with a ballot paper and had produced one of the relevant forms of ID. 270 people

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had initially attended the polling station without the right ID, but 197 of these had returned during the day and been able to vote. This left 73 people (0.3%) who had not come back to the polling station by the close of poll.

The report summarised other forthcoming changes relating to Police and Crime Commissioner Elections system, overseas voters, new parliamentary boundaries, postal vote applications and handling and EU Voting and candidacy rights changes.

Resolved –

That the report be noted.

17. 2022/23 QUARTER 4 PERFORMANCE REPORT

The Committee considered a report setting out the provisional revenue and capital outturn positions for the Council's General Fund and Housing Revenue Account (HRA) for 2022/23 and the performance against the measures of success set out in the Council's Corporate Plan. The following documents were attached to the report:

- Appendix 1 - General Fund Outturn
- Appendix 2 - Housing Revenue Account (HRA) Outturn
- Appendix 3 - Capital Programme Outturn
- Appendix 4 - Savings
- Appendix 5 - Delivery Fund
- Appendix 6 - Reserves Position as at 31 March 2023
- Appendix 7 - Corporate Plan Monitoring for Quarter 4 2022/23 (Measures & Projects)
- Appendix 8 - Corporate Plan Measures for Quarter 4 (Charts)
- Appendix 9 - Debt Write-Offs (exempt information)

The report noted that the budget for 2022/23 had been prepared during a challenging period due to the continuing uncertainty caused by the ongoing implications of the Covid-19 pandemic and a one-year Local Government funding settlement from Central Government. The Budget had included £10.224m of savings to be delivered in 2022/23 to deliver a balanced budget position, with a planned contribution of £0.695m to reserves. The actual outturn position was a positive net variance of £4.191m, which was an improvement of £0.884m from the projected outturn position as at the end of Quarter 3. The actual outturn position for net service expenditure was £137.408m, inclusive of approved net transfers to reserves of £6.592m, resulting in an adverse net variance of £3.989m. This included adverse variances of £1.221m within Economic Growth and Neighbourhood Services, £0.123m within Resources, and £0.131m within Chief Executive Services, which were offset by positive variances of £0.237m within Adult Care and Health Services, and £0.094m within Children's Services Retained by the Council. Brighter Futures for Children (BFfC) were requesting additional funding support of £2.845m over and above the 2022/23 contract sum. The adverse variance on service expenditure was a net increase of £0.004m from the projected outturn position reported to the meeting of the Committee on 13 March 2023 (Minute 62 refers), with the most material movements being from the increase in the adverse variance reported by BFfC of £1.974m and the improvement in the Adult Care and

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Health Services position of £1.553m which was mainly due to additional Winter Pressures income. Detailed explanations for all service variances were set out in the report.

The report explained that Services had submitted two carry forward requests totalling £0.281m which related to staffing in Human Resources & Organisational Development and Digital, Technology & Change. If these requests were approved this would leave a remaining surplus of £3.910m that would be added to earmarked reserves. It was recommended that £0.500m be transferred to a new Hardship Fund and the remaining balance of £3.410m be transferred to the Capital Financing Smoothing Reserve to support the Capital Programme.

The original budget for 2022/23 had included assumed savings of £10.224m, including £2.045m of savings brought forward from the previous year. A total of £7.401m of ongoing savings had been delivered in 2022/23, leaving a residual balance of £2.823m to be carried forward for delivery in future years. This balance of £2.823m would be added to the £5.295m of savings already included in the 2023/24 budget to give a revised savings target of £8.118m. Savings delivery would continue to be monitored and reported on regularly throughout 2023/24.

The provisional General Fund Capital Programme outturn was a £15.327m positive net variance against the proposed revised budget of £74.434m. A net total of £15.443m of budgets are requested to be reprogrammed from 2022/23 into future years of the Capital Programme and these were set out in Appendix 3 attached to the report. The report sought spend and scheme approval for three new General Fund Capital Programme schemes to be funded from grants and Section 106 contributions: New Directions Ways into Work Skills capital project, Forbury Gardens Bandstand and Ecological works. Spend Approval was also sought for a scheme to restore a historic wall at Caversham Court Gardens; this was an approved scheme in the 2023/24 capital programme but works had started in advance of the 2023/24 financial year.

The approved Housing Revenue Account (HRA) budget had assumed a drawdown from HRA reserves of £2.154m. The provisional outturn position for the HRA required an actual net drawdown from HRA reserves of £2.022m and the HRA was therefore reporting a positive net variance compared to budget of £0.132m. The provisional HRA Capital Programme outturn was a £1.584m positive net variance against the approved budget of £29.987m. The report sought approval to reprogramme a net total of £1.584m of budgets from 2022/23 into future years of the Capital Programme as set out in Appendix 3 attached to the report. This included £0.448m and £0.754m to be brought forward into 2022/23 from 2023/24 for the Major Repairs rolling programme of works due to an increase in the programme in the final quarter of the year; £0.114m to be brought forward into 2022/23 from 2023/24 for other schemes; and £2.900m of budget to be re-profiled into 2023/24 for the Local Authority New Build and Acquisitions schemes.

The report also set out performance against the measures of success published in the Council's Corporate Plan. Of the 58 Corporate Plan Performance Measures, 72% were currently "green", 16% "amber" and 10% "red". Of the 27 measures monitored monthly or quarterly, 70% had improved since Quarter 3, whilst 19% had gotten worse. Of the 52

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Corporate Plan Projects, 67% were currently “green”, 31% “amber” and 2% “red”. Those measures that had shown significant change since Quarter 2 were set out in Appendix 8.

Resolved –

- (1) That it be noted that:**
 - a) the provisional General Fund outturn position for 2022/23 was a £4.191m positive net variance as set out in Appendix 1;**
 - b) the provisional Housing Revenue Account (HRA) outturn position for 2022/23 was a net £2.022m transfer from HRA Reserves as set out in Appendix 2;**
 - c) the provisional General Fund Capital Programme outturn position for 2022/23 was a positive net variance of £15.327m against the proposed revised budget as set out in Appendix 3;**
 - d) the provisional HRA Capital Programme outturn position for 2022/23 was a positive net variance of £1.584m against the approved budget as set out in Appendix 3;**
 - e) £7.401m of agreed savings had been delivered in 2022/23, with £2.823m of non-delivered savings being carried forward into future years as set out in Appendix 4;**
 - f) £1.268m of Capital Receipts had been used to fund transformation in accordance with the Capitalisation Directive as set out in Appendix 5;**
 - g) the performance achieved against the Corporate Plan success measures was as set out in Appendices 7 and 8;**
- (2) That the service requests to roll forward funds totalling £0.281m into 2023/24 be approved;**
- (3) That the remaining balance of £3.910m be transferred to earmarked reserves as set out in Appendix 6;**
- (4) That the Council provide £2.845m of additional funding support to Brighter Futures for Children (BFfC) over and above the 2022/23 contract sum in respect of their 2022/23 outturn position;**
- (5) That the amendments to the General Fund Capital Programme (as set out in Appendix 3) resulting in a revised Capital Programme budget of £74.434m for 2022/23 and £134.209m for 2023/24, be approved;**
- (6) That Scheme & Spend approval be given for the three General Fund Capital Programme schemes as set out in Table 11 totalling £0.105m;**
- (7) That spend approval be given for the Caversham Court Gardens General Fund Capital Programme scheme as set out in Table 12 totalling £0.015m;**

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- (8) That the amendments to the HRA Capital Programme (as set out in further detail in Section 7 of this report and Appendix 3) resulting in a revised HRA Capital Programme net budget of £28.403m for 2022/23 and £55.894m for 2023/24 be approved.

18. 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 items 19 and 20 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

19. DECLARATIONS OF INTEREST FOR CLOSED SESSION

Councillor Brock declared a pecuniary interest in Item 19, on the basis that he was a Council-appointed Director of an organisation for which it was proposed to write off a debt owed to the Council by means of a retroactive reduction in rent.

20. 2022/23 QUARTER 4 PERFORMANCE REPORT - DEBT WRITE-OFFS

The Committee considered a recommendation included in the report considered at Item 17 above to write off a number of debts owed to the Council. The details of the debts were set out in a confidential Appendix to the report.

Resolved –

That the write-off of debt relating to Non-Domestic Rates (£156,153.21) and Sundry Debt (£167,618.08), as set out in Appendix 9 of the report considered at Item 17 above, be approved.

(Exempt information as defined in Paragraph 3).

(The meeting started at 6.30 pm and closed at 7.53 pm)