

To: Councillor Brock (Chair)
Councillors Terry, Barnett-Ward, Emberson,
Ennis, Gittings, Hoskin, Leng, McEwan,
Mitchell, Robinson, Rowland, Thompson
and White

Direct: ☎ 0118 9372303

12 January 2024

Your contact is: **Simon Hill - Committee Services (simon.hill@reading.gov.uk)**

NOTICE OF MEETING - POLICY COMMITTEE 22 JANUARY 2024

A meeting of the Policy Committee will be held on Monday, 22 January 2024 at 6.30 pm in the Council Chamber, Civic Offices, Reading, RG1 2LU. The Agenda for the meeting is set out below.

- 1. CHAIR'S ANNOUNCEMENTS**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES**
- 4. PETITIONS AND QUESTIONS**

5 - 12

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

- 5. MINSTER QUARTER CENTRAL – SELECTION OF DEVELOPER**

BOROUGH WIDE 13 - 396

This report details the outcome of the procurement exercise and programme of work to select a developer to deliver Minster Quarter Central and makes a recommendation to proceed with the highest scoring bidder.

- 6. TACKLING INEQUALITY STRATEGY UPDATE**

BOROUGH WIDE 397 - 420

This report sets out progress in delivering the Tackling Inequality Strategy objectives and proposals for two Place Based pilot projects to be extended.

ITEM TO BE CONSIDERED BY THE COMMITTEE ACTING AS SOLE MEMBER OF BRIGHTER FUTURES FOR CHILDREN LIMITED

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**7. BRIGHTER FUTURES FOR CHILDREN LTD –
APPOINTMENT OF DIRECTOR**

**BOROUGH 421 - 424
WIDE**

This report asks the Committee, in its capacity as sole member of Brighter Futures for Children Limited, to make an appointment to the Board of Directors.

8. EXCLUSION OF THE PRESS AND PUBLIC

The following motion will be moved by the Chair:

“That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following items on the agenda, as it is likely that there would be disclosure of exempt information as defined in the relevant Paragraphs of Part 1 of Schedule 12A (as amended) of that Act”

ITEMS FOR CONSIDERATION IN CLOSED SESSION

**9. DECLARATIONS OF INTEREST FOR CLOSED SESSION
ITEMS**

**ITEM TO BE CONSIDERED BY THE COMMITTEE ACTING AS SHAREHOLDER OF HOMES
FOR READING LIMITED**

10. HOMES FOR READING

**BOROUGH 425 - 476
WIDE**

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

Apologies: Councillors Hoskin, Mitchell and Robinson

39. MINUTES

The Minutes of the meeting held on 30 October 2023 were agreed as a correct record and signed by the Chair.

40. ARTICLE 4 MODIFICATION

Further to Minute 35 of the meeting held on 23 September 2021 and Minute 33 of the meeting held on 31 October 2022 the Committee considered a report seeking modification of the Article 4 direction to remove certain permitted development rights that would result in new residential dwellings across the town centre, district and local centres, core employment areas and a number of other commercial areas.

The report explained that the Secretary of State had powers to modify or cancel an Article 4 direction at any point before or after it comes into force. The Secretary of State had used these powers to modify the direction on 10 October 2023 and the modification was expected to come into force on 3 November 2023. The following documents were attached to the report:

- Appendix 1: Equality Impact Assessment
- Appendix 2: Map summarising modification
- Appendix 3: Modification letter and notice

The report noted that the modification incorporated reductions as suggested by officers in a Supplementary Evidence document submitted to the Department for Levelling Up, Housing and Communities (DLUHC) in August 2022. This went into significant detail on the justification for each building or cluster of buildings being within the direction and resulted in a suggested significant reduction to the geographical coverage of the direction from 482 ha to 111 ha, a 77% reduction. A large proportion of this reduction was achieved by excluding areas where the permitted development right would not be able to be used in any case, in particular because the areas were not in a land use to which the permitted development right applies. However, it did also result in the removal of around 82,000 sqm of commercial floorspace from the direction that would potentially be available to convert to residential, where it was not possible to demonstrate wholly unacceptable adverse impacts to a sufficiently specific degree.

Following a request from the DLUHC, Officers had provided further Supplementary Evidence on 7 December 2022, which sought to further justify the inclusion of air quality and noise as justification for the extent of the direction. On 3 July 2023, the Minister of State for Housing and Planning, Rachel Maclean, wrote to the Chief Executive of Reading

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Borough Council setting out the Minister's view on the proposed amended Article 4 direction. The conclusion was that the Minister was minded to modify or cancel the direction unless further sites were excluded, namely where they were justified only by noise and/or air quality issues. Removal of these areas would further reduce the Article 4 direction area by 11 ha, a 10% reduction on the already reduced proposed area of 111 ha. In terms of total commercial floorspace to be covered, the reduction was somewhat larger, so there would be a 22% reduction on floorspace covered by the already reduced direction. The areas that would be removed would be primarily office locations on the edge of the town centre, in particular those around the Inner Distribution Road, although there are some other smaller noise or air quality hotspots that would be affected.

On 10 October, the Chief Planner at DLUHC wrote to the Chief Executive of the Council to notify that the Secretary of State had formally modified the Article 4 direction. This letter included the formal modification notice and accompanying maps. The letter and notice were attached to the report as Appendix 3.

The report noted that the modification was in line with the Minister's expressed intentions and incorporated those reductions that had been suggested by officers in the Supplementary Evidence as well as further reductions to exclude areas of justified only by poor air quality and/or noise disturbance.

Therefore, the modified direction was much reduced from the direction as originally made having reduced from 482 ha to 100 ha. The modified direction came into effect when notifications had been made in line with regulations on 23 November 2023.

Resolved –

That the modification of the Article 4 direction relating to various permitted development rights that would result in new dwellings be noted.

41. 2023/24 QUARTER 2 PERFORMANCE AND MONITORING REPORT

The Committee submitted a report setting out the projected revenue and capital outturn positions for 2023/24 for both the General Fund and the Housing Revenue Accounts as at the end of Quarter 2, as well as performance against the measures of success published in the Council's Corporate Plan. The following documents were attached to the report:

- Appendix 1 – Recovery Plan Quarter 2 (2023/24)
- Appendix 2 – Brighter Futures for Children (BFfC) Budget Monitoring Report Quarter 2 (2023/24)
- Appendix 3 – Savings Tracker Quarter 2 (2023/24)
- Appendix 4 – a. Capital Programme Tracker Quarter 2 (2023/24)
- Appendix 4 – b. Capital Programme Tracker Quarter 2 (2023/24 to 2025/26)
- Appendix 5 – Corporate Plan Performance Measures (Monthly & Quarterly) Quarter 2 (2023/24)
- Appendix 6 – Corporate Plan Projects and Initiatives Quarter 2 (2023/24)

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The report stated that the General revenue outturn position at the end of Quarter 2 projected an adverse net variance of £3.685, consisting of £10.984m of net pressures within Service expenditure budgets. This variance was partially offset by a positive net variance of £7.299m across Corporate Budgets. The overall forecast variance was a net improvement of £0.120m from Quarter 1. The net improvement of £0.120m included £3.117m of identified recovery plan mitigations that each directorate was tasked with developing as part of the 2023/24 Quarter 1 Performance and Monitoring Report. These mitigations had been predominantly offset by £2.200m of increased pressures relating to Children's Services delivered by Brighter Futures for Children (BFfC) which was now forecasting an overall adverse net variance of £7.019m; £0.375m of increased pressures within Waste Disposal; and £0.422m of other net pressures across other council services. The £3.117m of identified recovery plan mitigations were set out individually in Appendix 1 to the report.

The report explained that the most significant movement from Quarter 1 related to Children's Services delivered by Brighter Futures for Children (BFfC) which was forecasting an overall adverse net variance of £7.019m; an increase of £1.190m from Quarter 1. The majority of the movement from Quarter 1 related to Childrens' placements.

The report also noted that the second most significant adverse movement since Quarter 1 was in Waste Disposal within Environmental & Commercial Services, which had seen £0.375m of increased pressures as a result of increased overall waste tonnage levels.

The report explained that the non-delivery of previously approved Medium Term Financial Strategy savings continued to be a concern with only 42% of these savings currently showing as on track or delivered. As has been previously reported, all budgeted contingencies had already been released and factored into the Corporate Budgets forecast.

The report also sought approval for amendments to the General Fund Capital Programme. The provisional General Fund Capital Programme outturn was now forecasting a positive net variance of £1.078m against a proposed revised budget of £67.090m in 2023/24. This variance related solely to the Delivery Fund. During this quarter, the Capital Programme Board had led a review of all Capital Programme schemes in respect of scheme deliverability with project managers and re-forecast spending plans with the aim of right sizing the budget to match individual scheme delivery profiles, and to address historic reprofiling/slippage issues.

The report noted that the Housing Revenue Account (HRA) was projecting a positive net variance of £0.457m as at the end of Quarter 2. Therefore, a drawdown from HRA Reserves was forecast of £2.042m rather than the originally budgeted £2.499m. The HRA Capital Programme was forecasting to spend to budget against a revised budget of £33.564m in 2023/24.

The report also set out performance against the measures of success published in the Council's Corporate Plan. Of the 26 Corporate Plan Performance Measures monitored monthly or quarterly, 58% had improved since Quarter 1 of 2023/24, whilst 38% had worsened.

Resolved

- (1) That it be noted:**
 - a) That the forecast General Fund revenue outturn position for Quarter 2 was an adverse net variance of £3.685m which was a net improvement of £0.120m from Quarter 1;**
 - b) That the forecast General Fund revenue outturn position for Quarter 2 included £3.117m of Recovery Plan mitigations identified during the Quarter;**
 - c) That £0.235m (3%) of previously approved Medium Term Financial Strategy savings had been delivered (blue) to date in this financial year, with a further £3.219m (39%) of savings on track to be delivered (green) by March 2024. £2.985m (37%) of savings were currently categorised as non-deliverable (red) and £1.679m (21%) categorised as at risk of delivery (amber);**
 - d) That the General Fund Capital Programme was forecasting a positive net variance of £1.078m against the proposed revised budget of £67.090m;**
 - e) That there was a total £4.595m Delivery Fund available for 2023/24 (inclusive of 2022/23 approved carry forwards). At Quarter 2, £3.753m of this funding had been allocated out to approved schemes;**
 - f) That the Housing Revenue Account (HRA) was projecting a positive net variance of £0.457m as at the end of Quarter 2, which results in a forecast drawdown from HRA Reserves of £2.042m rather than the originally budgeted £2.499m;**
 - g) That the HRA Capital Programme was forecasting to spend to budget against the proposed revised budget of £33.564m;**
 - h) That the performance achieved against the Corporate Plan success measures was as set out in Section 12 and appendices 5 and 6;**
- (2) That the amendments to the General Fund Capital Programme (as set out in Section 8 and Appendix 4a and 4b to the report), which incorporated virements between schemes including transfers of budget into the Hexagon and Library LUF schemes and resulted in a revised Capital Programme budget of £67.090m for 2023/24, £93.811m for 2024/25 and £50.221m for 2025/26, be approved;**
- (3) That the amendments to the HRA Capital Programme (as set out in Section 11 and Appendix 4a and 4b of the report) resulting in a revised Capital Programme budget of £33.564m for 2023/24, £49.183m for 2024/25 and £67.802m for 2025/26, be approved;**
- (4) That the Scheme & Spend approval for the Local Authority Housing Fund scheme within the HRA Capital Programme as set out in Section 11 to the report be approved.**

42. MEDIUM TERM FINANCIAL STRATEGY

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The Committee considered a report providing an update on the development of the Council's Medium Term Financial Strategy (MTFS) 2024/25-2026/27 prior to consultation on the Council's proposed Budget. The following documents were attached to the report:

- Appendix 1 - Summary of the Proposed General Fund Budget 2024/25 to 2026/27
- Appendix 2 - Summary of General Fund Budget Changes 2024/25 to 2026/27
- Appendix 3 - Summary of HRA Budget 2024/25 to 2026/27
- Appendix 4 - General Fund Capital Programme 2024/25 to 2026/27
- Appendix 5 - HRA Capital Programme 2024/25 to 2026/27
- Appendix 6 - Flexible Capital Receipts Strategy
- Appendix 7 - Equality Impact Assessment

The report noted that Reading Borough Council remained financially stable, however it was not immune to national issues. The update on the development of the MTFS reflected the changing landscape in which Councils were now operating. The most significant impacts on the MTFS update included inflationary pressures across all service areas, in particular children's and adult social care, high-cost placements in children's services arising from increased complexity and market challenges, the cost of temporary accommodation arising from increased homelessness presentations and waste disposal.

The report also noted that at the time of writing the Provisional Local Government Finance Settlement had not been announced and so the funding figures in the report were subject to change, however it remained to be seen whether central government would address the financial pressures being felt across the local government sector by increasing the level of funding that councils received. The MTFS update only included cost pressures that were deemed to be unavoidable.

The report stated that there were significant pressures in the social care system and that the updated MTFS included an increase of £5.750m for Adult Social Care services in 2024/25 to address these pressures, including the commitment to fund care providers at a level that allowed them to pay staff the Living Wage Foundation rate rather than the lower national living wage rate set by central government. The proposed budget also included an increase in the Brighter Futures for Children (BFfC) contract sum for 2024/25 of £7.525m. This included inflationary increases and a significant growth pressure of £5.941m in respect of placements for Looked After Children due to increases in the costs as well as the age profile and complexity of need and associated costs. This had not yet been agreed and further negotiations on the level of the contract sum were being undertaken.

The report also explained that the MFTS update included an increase of £1.000m in the budget in respect of funding homelessness. This was due to rising private sector evictions and inflation pressures being seen in the cost of Emergency Accommodation. It was noted that the average nightly rate was £90 in April 2022 compared to £124 in October 2023. There had also been a reduction in the number of available properties to use. Also, an increase of £1.169m had been added to the waste disposal budget to address a combination of inflationary increases to the re3 waste disposal contract and rising costs due to changes in the make-up of waste being presented for disposal.

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The report explained that the MTFS assumed a general Council Tax increase of 2.99% and an additional Adult Social Care precept of 2.00% across all years of the MTFS period 2024/25-2026/27. It was reported that no announcement had been made with respect to Council Tax referendum principles in the 2023 Autumn Statement. These assumptions would be reviewed in line with any announcements in the Provisional Local Government Finance Settlement. The Council would continue to provide additional support of £75 for residents in 2024/25 who were in receipt of Council Tax Support to further mitigate the increase in Council Tax in the current circumstances. The update also noted that the Business Rate reset originally assumed to happen in 2024/25 would not now take place until 2025/26 at the earliest. Realistically, given the lack of central government announcements and an impending general election, it was unlikely that the reset would be able to be implemented until 2026/27. However, until further announcements were made, given the forecast scale of the impact, it was considered prudent to assume that the reset would occur in 2025/26.

It was noted that there was currently much uncertainty around the future of the New Homes Bonus grant. However, the MTFS currently assumed that New Homes Bonus would continue for 2024/25 at the same level as 2023/24 at £1.453m. For 2025/26 and 2026/27, it had been assumed that the grant would cease but that the total amount of grant in the national system would remain and be re-distributed using the Settlement Funding Assessment (SFA) methodology, resulting in a reduced funding allocation of £0.613m. No announcements had been made with respect to the New Homes Bonus in the 2023 Autumn Statement. These assumptions would be reviewed following further announcements in the Provisional Local Government Finance Settlement.

Appendices 4 and 5 attached to the report set out the revenue budget including the cost of financing the Capital Programme. On 30 November 2021, the Department for Levelling Up, Housing & Communities had published a consultation about proposed changes to the capital framework for Minimum Revenue Provision (MRP). MRP was the amount that had to be set aside from the revenue budget for the financing of capital expenditure. The original consultation proposed that the changes become effective from April 2023 onwards. The outcome of the consultation was still outstanding and the MTFS update assumed that the changes would not be implemented.

The report explained that following that following a period of public consultation and the announcement of the Provisional Local Government Finance Settlement a further report would be submitted to the Committee on 19 February 2024 recommending approval of a balanced budget to Full Council in order that it could approve its budget, associated Council Tax level and precept for 2024/25 at its meeting on 27 February 2024.

Resolved

That the Medium Term Financial Strategy Update as set out in the body of the report and the associated appendices be noted, including:

- a) the Council's General Fund Budget Requirement of £175.268m for 2024/25 and an assumed increase in the band D Council Tax for the Council of**

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2.99% plus an additional 2.00% Adult Social Care precept, or £95.86 per annum representing a band D Council Tax of £2,016.88 per annum;

- b) that the forecast budget gap of £4.107m in 2024/25 would need to be addressed in order to present a balanced budget to Council in February 2024;**
- c) the proposed service savings and efficiencies of £3.719m and additional income of £1.083m currently proposed in 2024/25 and set out in Appendix 2 to the report;**
- d) the overall savings currently proposed within the MTFs of £6.369m (of which changes to income, fees and charges is £1.417m);**
- e) the Housing Revenue Account budget for 2024/25 to 2026/27 as set out in Appendix 3 to the report;**
- f) the General Fund and Housing Revenue Account Capital Programmes as set out in Appendices 4 and 5 respectively;**
- g) the Strategy for the use of flexible capital receipts to deliver future transformation and ongoing savings as set out in Appendix 6.**

(The meeting started at 6.30 pm and closed at 7.03 pm)

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Policy Committee

22 January 2024



Reading
Borough Council
Working better with you

Title	Minster Quarter Central – Selection of Developer
Purpose of the report	To make a decision.
Report status	Partly open to the public and part exempt – see reasons below
Report author	Emma Gee – Deputy Director Infrastructure, Economy and Capital Projects
Lead Councillor	Cllr Jason Brock
Corporate priority	Inclusive Economy
Recommendations	<p>Policy Committee are recommended to:</p> <ol style="list-style-type: none"> 1. Note that the Competitive Procedure with Negotiation procurement process was conducted in accordance with the Public Contracts Regulations 2015. 2. Note the outcome of the comprehensive assessment of Best and Final Offers from bidders set out in the Recommendation Report at restricted Appendix A and summarised in section 4 of this report. 3. Note the key benefits and outcomes of the highest scoring bidder’s scheme, which is summarised in Exempt Appendix A. 4. Note the Development Agreement Summary, referred to in section 7 of the report and set out in more detail in Exempt Appendix F. 5. Note consultation with Civic Board at key gateways through the procurement process. 6. Note the governance arrangements in place to guide the delivery of the programme moving forward, as set out in Appendix 4. 7. Note that the existing open spaces on the site are to be replaced by an enhanced public realm with an offering of arts and culture and that appropriation and disposal will be required. 8. Declare the former Civic Centre and Civic Car Parks A and B as surplus to requirements. 9. Appoint Bidder B for the Minster Quarter Regeneration on the basis that they can best deliver against the Council’s required key outcomes and that their bid represents best consideration within S123 of the Local Government Act 1972.

	<p>10. Bidder A be recommended as reserve bidder, should the Council be unable to complete the Development Agreement within reasonable timescales with Bidder B. In which circumstance a paper will be brought back to Policy Committee to confirm appointment.</p> <p>11. Delegate authority to the Executive Director for Economic Growth and Neighbourhood Services (DEGNS), in consultation with the Assistant Director of Procurement and Contracts, Assistant Director of Asset and Property Management, Assistant Director of Planning Transport and Public Protection Services, Assistant Director of Culture, Director of Finance, Assistant Director of Legal and Democratic Services, the Leader of the Council and the Deputy Leader to:</p> <ul style="list-style-type: none"> (a) Make required arrangements and complete necessary documentation to notify the award of the contract to Bidder B (b) Designate Bidder A as recommended reserve; (c) Take any steps to finalise and enter into the Development Agreement, the leases, any ancillary documents, and any required agreements with Bidder B, including but not limited to, negotiation and finalisation of all legal documentation and terms for proceeding; or, required to give effect to the above; (d) Subject to satisfactory conclusion of the Development Agreement and the relevant conditions being satisfied, dispose of land in accordance with Section 123 of the Local Government Act 1972; (e) Make stopping up orders as necessary to support delivery of the Minster Quarter Central programme; (f) Take necessary steps and carry out the required statutory advertisements for appropriation and disposal of the open spaces on the site and consider any objections received on the understanding that a further report will be brought back to Policy Committee for decision; and (g) Apply for and accept any third-party funding to help support the delivery of Minster Quarter Central subject to the funding conditions being acceptable.
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This report contains exempt information in Appendices A, A1-3 and B to F within the meaning of the following paragraph of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – information relating to the financial or business affairs of any particular person (including the authority holding that information) and it is considered pursuant to paragraph

10 that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing it.

It is considered that while there may be public interest in disclosing information namely, bidders' details, offers, financial information and land values amongst other information, it is felt that, on balance, this is outweighed by other factors in favour of maintaining the exemption. The procurement of a developer, disposal and ultimate development of the site is subject to confidential legal, financial and other negotiations and to reveal details of these would adversely affect the Council's ability to manage its commercial, financial and business affairs and could also be detrimental to the Council's ability to achieve best value for money in relation to this and future land-related negotiations.

1 Executive Summary

- 1.1 Minster Quarter is a key and historic part of the town centre and represents a long-standing and major strategic regeneration ambition for the Council.
- 1.2 This report details the procurement process the Council has followed, sets out the outcome of the procurement exercise and extensive programme of work to select a developer to drive forward and deliver Minster Quarter Central; and makes a recommendation to proceed with the highest scoring bidder.
- 1.3 In July 2022, Policy Committee agreed a strategic vision for Minster Quarter Central, supported by a set of minimum requirements and development principles against which bidders could be assessed and which form the parameters within which a suitably experienced bidder could work to deliver a mixed-use scheme achieving a step change in the regeneration of Reading town centre.
- 1.4 The main body of the report details the results of final negotiations over summer 2023, which have enabled shortlisted bidders to bring forward their Best and Final Offers. These offers and the associated development schemes have been subject to detailed evaluation and scoring. An overview of schemes and their respective evaluations are set out in the Part 2 Policy Committee Report and Recommendation Report prepared by the Council's Commercial Adviser, Eddisons at Exempt Appendix A.
- 1.5 For commercial reasons, the name of the highest scoring bidder and other bidders cannot be disclosed until the Committee has confirmed its decision to award and the relevant challenge periods have passed under public contract regulations. The intention would then be to make the name of the highest scoring bidder known publicly to partners and local business, following publication of the regulated notices.
- 1.6 In addition, the recommendation proposes the formal designation of a nominated 'reserve' bidder, who could provide a ready substitute with a strong, credible scheme should the Development Agreement and Lease not be concluded and signed with the highest scoring bidder within six months of the Committee's decision.
- 1.7 The report also sets out issues the Council will need to address in the coming months to secure and facilitate the development pathway, once contracts are exchanged.

2 Background and Policy Context

- 2.1 Reading Borough Council are seeking a bidder to deliver a best in class, residential-led, legacy development at Minster Quarter Central; a site formerly occupied by the Civic Centre offices which forms part of the wider Minster Quarter Regeneration Area, located in the heart of Reading. The Council has sought to find a developer who understands

and shares the Council's vision for the site, with a strong commitment to social value and experience of working successfully in partnership to achieve outstanding development quality and place making.

- 2.2 The site is located adjacent to the Hexagon Theatre and is the former site of the Civic Centre offices. The opportunity comprises Council owned land totalling 5.2 acres (2.1 hectares). The site represents an unprecedented opportunity to deliver one of the best located mixed use development opportunities in the UK with the potential to create a landmark destination with a unique character and sense of place, enhanced by high quality public realm, that creates an inviting new gateway to and from Russell Street/Castle Hill Conservation Area and the residential areas of West Reading.
- 2.3 Minster Quarter Central is a key component of the West Side Opportunity Area allocated in the Reading Borough Local Plan (2019) at Policy CR12e Hosier Street. The Minster Quarter Area Outline Development Framework was produced and adopted as a Supplementary Planning Document (SPD) by the Council in December 2018. This sets out the vision and principles that underpin the future regeneration of the wider area including Minster Quarter Central.
- 2.4 Minster Quarter Central is a key part of the wider Minster Quarter development area with the potential to create a comprehensive new mixed-use neighbourhood at the heart of the town, delivering upwards of 1200 homes. Neighbouring landowners have plans to bring forward schemes over the next 10 years, including the redevelopment of the Thames Valley Police Station, Broad Street Mall, Ministry of Justice investment in the Magistrates Court and the Council's exciting plans to create a cultural campus with Hexagon Theatre and new studio theatre extension, made possible through Levelling Up Fund funding.

Vision and Objectives for Minster Quarter Central

- 2.5 In June 2021, Policy Committee approved the appointment of a professional team to support and lead the process of developing proposals for the site and bringing forward the Project. The Council retained Eddisons, acting as the Council's commercial and procurement consultants and Freeths LLP, as legal advisers.
- 2.6 The June 2021 report also set out the key objectives of the Council for the Project:
- Affordable Housing
 - High quality public realm (including seeking to address the impact of the Inner Distribution Ring Road (IDR) in the context of the Minster Quarter SPD)
 - Zero carbon development
 - Divesting long term liability from the Council
 - Masterplan solution across the wider Minster Quarter area Enhanced arts and cultural offer
- 2.7 These objectives were refined by Policy Committee in July 2022 based on a "hierarchy of need" approach with the aim of securing the overarching Project Vision. The Vision is to regenerate the Minster Quarter area into '*a high quality, sustainable and inclusive location that has Reading people, businesses and arts, culture, and community at its heart. The regeneration will offer new opportunities for urban living and create a new urban quarter which offers a mix of tenures alongside a commercial, arts and cultural offer that will re-invigorate the public realm and breathe new life into this quarter of town.*'
- 2.8 The following **Strategic Objectives** or Minimum Requirements were agreed in order of priority:
- The provision of 30% planning policy compliant levels of **affordable housing** across a mix of tenures.

- Delivery of **high-quality public realm** in the context of the Minster Quarter Area Outline Development Framework (2018).
- Delivering a **net zero carbon development** in accordance with the Council's Climate Emergency commitments and net zero carbon policies.

2.9 The above vision and objectives were underpinned by several **Key Development Principles** to:

- Enhance the setting of the Hexagon Theatre, improve its accessibility, visibility and visual impact, re-imagining the entrance and allowing for the creation of an outside performance space within the public realm;
- Transfer the long-term asset management responsibility for the site from the Council to the appointed bidder;
- Improve linkages and connectivity across the Minster Quarter Area and into the wider town centre, with a particular focus to the south and west, to Queens Walk and St Mary's Butts respectively. Safeguarding of a landing zone for a pedestrian and cycle access across the Inner Distribution Road (IDR) and seeking to address the wider environmental impact of the IDR on the site in terms of use, aesthetics, noise, and air quality into the scheme;
- Deliver a comprehensive masterplan, aligned to the Minster Quarter Area Outline Development Framework, which allows for co-operation with adjoining landowners to facilitate the physical delivery of the strategic vision for the town centre; and
- Provide a long-term arts and culture offer in support of the Hexagon Theatre in step with the Council's aspiration to improve the arts and cultural offer across the town.

3 Procurement of a Developer

3.1 In June 2021, Policy Committee approved the marketing of the Minster Quarter Central site and the search for a development partner to take forward the regeneration of this strategically important site for Reading. In return for securing around £250m landmark investment and the transformation of Minster Quarter Central, the Council is agreeing to contribute its land ownership to secure long-term value in economic, environmental and community wellbeing benefits for the Borough. The mechanism chosen was a land disposal supported by a development agreement which allows the Council to achieve more certain delivery against its aims on behalf of the community. For the last two years the Council has led work to seek the right developer to advance and deliver the transformation of Minster Quarter Central securing the Council's key aims of affordable housing, quality public realm and net zero development.

3.2 The procurement has followed the Competitive Procedure with Negotiation (CPN) process under the Public Contracts Regulations 2015. The stages of the process in this procurement are:

- **Publication of a Prior Information Notice** – A formal notice of the Council's intention to procure this agreement was published in August 2022 on Find a Tender indicating our intention go to the market to maximise interest and future competitive engagement from prospective developers.
- **Publication of a Formal Contract Notice** - The procurement process was launched on 14th September 2022 with the publication of a Find a Tender Contract Notice. A formal launch took place at Hexagon Theatre in September 2022.
- **Selection Questionnaire (SQ)** – The SQ was issued in tandem with the contract notice and was the first stage of the Competitive Process with Negotiation, examining prospective bidder's existing track record, their technical capacity, professional ability and economic and financial standing.

- **Invitation to Tender (ITT)** - The ITT was issued to the bidders in November 2022 with all bidders submitting a return on the 10 March 2023. ITT submissions were evaluated, and feedback was provided to the bidders.
- **Negotiation** - The ITT evaluations did not identify a tender of sufficient advantage to proceed to award. The Council decided to invoke the negotiation stage of the procurement to help the remaining bidders refine their proposals and achieve positive enhancements in the way they sought to meet the Council's objectives. Negotiation sessions were held through the summer of 2023 and in particular covered bidders' submissions regarding:
 - Design and planning
 - Meeting minimum requirements in respect of affordable housing, net zero and public realm
 - Deliverability
 - Commercials/Financials
 - Legals
- **Best and Final Offers (BAFO)** - were received from bidders in October 2023 covering:
 - Outline design proposals for the scheme
 - Financial model demonstrating viability and cost neutrality for the Council, save for the utilisation of previously secured grant funding through the Brownfield Land Release Fund
 - Social Value Proposals
 - Marked up draft Development Agreement
- **Appointment of Highest Scoring Bidder** - This is the purpose of this report.
- **Contract Award**

4 Bidder Selection and Evaluation Process

- 4.1 Bidders submitted detailed schemes in Spring 2023 which were evaluated, scored and subject to detailed bidder feedback. Bidders then engaged in an extensive competitive negotiation dialogue with the aim of securing positive enhancements to each bid, drawing on the aims set out in Section 3. Bidders responded positively to this process, refining their submissions at the Best and Final Offer (BAFO) stage.
- 4.2 The BAFO documentation required bidders to submit a detailed final scheme, together with comprehensive responses and commentaries against a series of key evaluation criteria. The scoring criteria ranged across design, quality, commercial, delivery, valuation, financial and the contract documentation (draft development agreement and Lease) and risk-based assessment. The criteria and weightings are included at Appendix 1.
- 4.3 During October 2023, Best and Final Offers were evaluated by a cross-cutting team of Council Officers, commercial advisors Eddisons and legal advisor Freeths. Where possible, evaluation was undertaken by at least two evaluators with expertise and/or experience in the area; they evaluated under categories and against set criteria. Independent technical advice was sought to inform evaluators where required. The evaluations were then moderated to agree consensus final scores for each bidder. All bids received were deemed compliant.

5 Draft Development Agreement and Draft Lease

- 5.1 Approval is sought to appoint the highest scoring bidder based on a well-designed scheme that can be further enhanced through collaboration, community engagement and pre-planning application advice and moved forward to planning. The selection is also based on a commercial offer and land value, which includes an assessment for achieving a viable scheme that can secure commercial funding on the open market.
- 5.2 In agreeing to proceed to award of contract with the highest scoring bidder, subject to satisfactory conclusion of the Development Agreement, the Council is agreeing to work with them to take their scheme on a journey through and to meet, a series of conditions covering planning, viability, funding and delivery (with associated build and cost certainty).
- 5.3 This relationship and sequencing of events and milestones between the Council and the highest scoring bidder is set out in the draft Development Agreement (“DA”). The main terms of the DA are summarised in Exempt Appendix F which is drafted in accordance with the Strategic Objectives and Development principles approved at [Policy Committee in July 2022](#).
- 5.4 Subject to Policy Committee approval of the highest scoring bidder and their formal appointment, the draft DA will be finalised with the highest scoring bidder. There be a period following such approval, estimated at six months, to agree the final forms of the DA and Lease prior to exchange. The purpose of the DA is to ensure that the Council’s and the highest scoring bidder’s interests and obligations are clear.
- 5.5 The DA seeks to secure pace and momentum from the highest scoring bidder by placing clear obligations on them to progress their scheme through to formal planning consent and start on site, following exchange of contract. Failure to meet these key milestones without a clear and supportable reason could result in the Council taking formal steps to safeguard its position. Of particular note, the Development Agreement contains provisions for the relationship to be reviewed or terminated as set out in Exempt Appendix F, Development Agreement Summary.
- 5.6 Some of the key points that the draft Development Agreement and Lease cover are set out below:

Development Agreement

- a) What is to be included in the final scheme and delivery plan for the development
- b) When and how the financial position will be agreed and approved
- c) Conditions for the drawdown of land and what the process will be
- d) Longstop dates and delay events
- e) Consultation and engagement expectations, including adjoining landowners
- f) Governance of the project over the lifetime of the development
- g) Agreement, together with council approvals and consents
- h) Exit and termination of the DA and consequences of such action

Leases

- a) The Council will grant a lease of 250 years, to the highest scoring bidder, of the site which comprises the assets, open areas and roads set out at Section 7 of this report. The Council’s lease of Civic Car Park B will also be assigned to the highest scoring bidder.
- b) The provision of affordable housing will be protected.
- c) The Public Realm will be maintained and managed with an offering of arts and culture.

6 Implementation – Next Steps

- 6.1 Subject to the Policy Committee’s decision, work towards implementation of the bidder’s scheme will commence. The Exempt Report summarises an indicative timetable, informed by the highest scoring bidder’s own programme.
- 6.2 Subject to Policy Committee approval to appoint the highest scoring Bidder, written notifications will be issued to all bidders in accordance with PCR2015 and the Council will observe a 10-day standstill. This allows the unsuccessful bidders to review the outcome of the Evaluation process and request further information if required.
- 6.3 Once this period has elapsed, subject to there being no requests or challenges to the outcome, the highest scoring bidder will be named.
- 6.5 Following the standstill, the Council will establish formal working arrangements with the highest scoring bidder.

7 Land and Title Matters

- 7.1 The development site, Minster Quarter Central, RG1 is shown edged red on the plan attached at Appendix 5 (the “Development Site”) and is held by the Council for civic and commercial purposes under its General Fund. The site includes the following assets, land and roads:

a) The Civic Car Parks

Civic Car Park A (Vacant): This is at sub-podium level and adjoins the Magistrates Court. It has circa 40 spaces belonging to the Council.

Civic Car Park B: The car park is a surface car park of circa 170 spaces held by the Council under a lease from with Magistrates Court with approximately 981 years of the term left to run. Brighter Futures for Children use spaces in this car park. Council Officers will make arrangements for reprovision of dedicated parking spaces.

The Car Parks are held by the Council for parking purposes. Following reprovision of car parking spaces for Brighter Futures for Children both car parks will be surplus to requirements.

b) Hosier Street Market/Blue Collar

Blue Collar occupy part of the Development Site under a lease that ends in March 2024 and they manage the Hosier Street Market on a Licence that is coterminous with the Lease. Blue Collar are to remain on the site on a temporary basis until the land is required for development and options for relocation are also being explored.

c) The Former Civic Centre site (vacant)

This was the site of the Council’s Civic Offices and was held as Council Offices prior the relocation to Bridge Street. The former Civic Centre has been demolished and the site is being held as an asset surplus to requirements. The site was leased to Thames Valley Police for use as a community garden and was occupied by Food for Families for this purpose. Food for Families have now vacated and accepted the offer of two alternative locations at Appleford Road and Holy Brook Nook, Berkley Road.

d) Open Areas

There are open areas on the development site which are used by the public and which will be incorporated into the development. As part of the Minster Quarter Central development, an enhanced public realm is to be provided on this site with

an offer of arts and culture as set out in this report and as part of the Council's key objectives and requirements.

e) Private Road and Highways

The site comprises unadopted and adopted roads. It is intended that some of these roads within the Site will be transferred to the Developer. It is considered that some of the roads may need to be stopped up, as necessary, prior to the implementation of development. The Development Agreement requires that the developer ensures continued access is provided where required. This will ensure e.g. that access for the Hexagon shall continue to operate during construction of the development with commitments from the highest scoring Bidder to minimise disruption as far as possible. Any required stopping up, will be picked up as part of the planning process.

Rights Easements Restrictions Open Spaces and Appropriation

- 7.2 There are potentially restrictions, easements and rights on the Development Site. The land and title will be investigated by the developer, once appointed, as part of their pre-contract due diligence (including any site investigations and surveys).
- 7.3 The highest scoring bidder, once appointed, will engage with the Council on any issues to be resolved either by the Council, the Developer or jointly. The resolution of such matters is likely to include appropriation for planning purposes to facilitate the carrying out of the regeneration and redevelopment of Minster Quarter Central. Open space areas will be included within the proposed appropriation of the land for the same reasons.

Appropriation

- 7.4 The Council acquires and holds property for various statutory purposes in order to perform its functions. The process of changing that purpose without changing the ownership is described as appropriation.
- 7.5 The Council currently holds the Development Site for Civic and Commercial purposes under the General Fund. As noted above, there are potentially restrictions and rights on the Development Site and as it is to be redeveloped, it is considered that appropriation of the land for planning purposes to facilitate the regeneration may be the necessary approach.
- 7.6 On appropriation to the Council's planning powers, the Council will hold the Development Site for planning purposes. By doing so, the Council can exercise its powers under the Town and Country Planning Act 1990 to carry out development of the Development Site notwithstanding the existence of any rights and restrictions on the land.
- 7.7 If a local authority decides that it needs to transfer land from one purpose or function to another for redevelopment then it may appropriate the land under s.122 of the Local Government Act 1972 (LGA). S. 122 (1) (LGA) empowers the Council to appropriate land for any purpose for which it is authorised to acquire land by agreement, so long as the land is no longer required for the purpose for which it was held immediately before the appropriation. Section 122 (2A) LGA gives the same power to the authority over land comprising or forming part of an open space, but, in the latter case the appropriation must first be subject to public consultation on the proposals.
- 7.8 As part of the Development Site forms open space, the consultation requirements of section 122 (2A) LGA apply. It takes the form of advertisements for two consecutive weeks in newspapers circulating in the area in which the open space is situated and the Council must consider any objections received in response to the advertisements before making a decision.

- 7.9 Once land has been appropriated, s.203 of the Housing and Planning act 2016 provides that, subject to the rights of statutory undertakers and operators of the electronic communications code network, the erection, construction or maintenance of any building or work on land which is acquired or appropriated by a local authority for planning purposes, if done or carried out in accordance with planning permission, shall override restrictions as to use of the land and any easement, liberty, privilege, right or advantage annexed to other land adversely affecting that land. Compensation would be payable under the statutory framework to anyone whose right is injuriously affected by the erection, construction, or maintenance in question however this would prevent them from taking injunctive action. S.241 of the Town and Country Planning Act 1990 provides that land appropriated by a local authority for planning purposes may be used in any manner in accordance with planning permission notwithstanding its status as open space.

Estates Matters

- 7.10 The Council has an existing operational waste management depot within the land being sold and this depot is to be re-provided as part of the proposed development scheme by the highest scoring bidder, on terms to be agreed. The Council also has other storage areas in rooms under the Podium which are currently used by Trading Standards and election services. These storage facilities are proposed to be relocated within the Civic Centre.
- 7.11 The Hexagon Theatre also uses storage facilities and currently has 5 parking spaces under the podium. It is anticipated that these uses will be re-provided as part of the proposed development.
- 7.12 It should be noted that there is a decommissioned generator within the undercroft storage and this will be removed to provide vacant possession of the Development Site to the developer.

8 Contribution to Strategic Aims

- 8.1 The Council's Corporate Plan has established three themes for the years 2022/25. These themes, and an explanation of how the proposals contained within this report align with them are below and outlined in more detail in the body of the report:
- Healthy Environment: the proposals aim to achieve net zero development and design standards, enable sustainable access, deliver a net gain in biodiversity and improvements in the public realm.
 - Thriving Communities: the proposals seek to create a new community with a mix of uses such that residents can meet their needs with reduced need to travel, whilst also meeting the housing and other needs of existing residents.
 - Inclusive Economy: the proposals seek to regenerate the town centre, providing direct and indirect employment opportunities, and delivering significant social value in the process.

9 Environmental and Climate Implications

- 9.1 The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers).
- 9.2 A major development of this nature will inevitably have significant environmental and climate impacts, particularly during the construction phase, although the ambition is for these to be minimised in the short-term by sustainable construction practises and outweighed in the long-term by energy-efficient operation and designing in sustainable access which minimises the need to travel. The decision to appoint Bidder B (the highest scoring bidder), with Bidder A (next highest scoring bidder) in reserve does not in and of itself have any climate impact, so a climate impact assessment has not been completed

for this report but the report sets out (in section 4 of the Exempt Report, Appendix 1a and exempt Appendix A) in detail how the bids were evaluated for their performance against the Council's objectives in regard to both net zero and wider environmental consideration.

- 9.3 Specific climate considerations in relation to the highest scoring bid are outlined in Part 2 report.
- 9.4 Further assessment of climate and environmental impact of specific proposals will be undertaken as they are developed and either brought forward for future Committee decisions, or through the normal mechanisms of the planning and development management process.

10 Community Engagement

- 10.1 Pre procurement, the Council consulted through the planning process on the development and subsequent adoption of the Minster Quarter Development Framework Supplementary Planning Document. As part of any planning application the highest scoring bidder will engage with a pre-application process, with the Council expecting them to carry out consultation on the draft application proposals. Targeted consultations should include local residents' groups, traders, business association and civic and heritage societies, as well as local landowners, both individual and institutional. Such consultation will be carried out in accordance with the Council's adopted Statement of Community Involvement.
- 10.2 The Council's Civic Board, a fully constituted group with cross-party, political representation were engaged at Selection Questionnaire Stage for the shortlisting of bidders to move forward to the Invitation to Tender stage and following the completion of BAFO evaluation to keep them apprised of the process and its outcomes.
- 10.3 The highest scoring bidder, as part of their final tender submission, has outlined their approach to meaningful engagement throughout the development process so as many people as possible engage with, contribute to, shape and support the creation of Minster Quarter Central.

11 Equality Implications

- 11.1 Previous reports to Members, including assessments for the Local Plan have indicated that there would be no significant adverse impacts on specific groups due to race, gender, disability, sexual orientation, age or religious beliefs. Given the site is an under used brownfield site with no active uses or homes, an Equality Impact Assessment (EIA) has not been completed at this time. Equality considerations have informed bidder's proposals and an EIA will be completed as the scheme progresses through Planning.
- 11.2 A key equality consideration at this point is the potential for impact on local housing opportunities and choice. In achieving the development, no current housing will be redeveloped and therefore the Committee can be satisfied that the proposed scheme does not directly disadvantage or create the need to relocate or re-house those with a home on Minster Quarter. On completion, the scheme will add substantially to the stock of rental accommodation within Reading town centre.
- 11.3 The scheme does not result in the closure of any local businesses nor the loss of any employment. Indeed, the scheme has the potential to achieve a significant increase in local jobs and workplace opportunities (apprenticeships and training). The development at Minster Quarter Central, combined with the potential of adjacent sites, provides the opportunity to achieve a planned and focussed local labour intervention which will benefit local people, especially those entering or re-entering the workforce.
- 11.4 The Charter Market is a colourful, vibrant and much-loved feature within the Minster Quarter. It provides a ready source of affordable fresh produce and is well used by the diverse communities that live in and enjoy Reading town centre. The intention is for the

market to be retained and returned to a long-term home within the completed development. It will need to be relocated at key points to facilitate the construction period and close working will take place with the market operator (Blue Collar) and traders to safeguard their continued operations.

- 11.5 Significant investment in high quality public realm will deliver new, improved public and private spaces throughout the scheme for the benefit of residents and visitors to the wider area. Inclusivity and health and well-being are central to the design principles. Public spaces will cater for all users, considering neurodiversity, age, and ability.

12 Other Relevant Considerations

Risk

- 12.1 Minster Quarter Central is a complicated brownfield site, in the centre of a busy town centre with active adjoining uses. Its successful delivery will depend on close partnership working and close monitoring of market and other conditions to mitigate any potential delay to, or non-delivery of, the project.

Notable risks which will be actively managed include;

- a) **RISK: Scheme is not financially viable.** MITIGATION: Bidders have submitted detailed development appraisals with benchmark cost data against schemes which are well developed. The Development Agreement includes the requirement for a site wide viability assessment post planning to give confidence the scheme is deliverable ahead of any drawdown of land. In the event the scheme is not viable, the Development Agreement makes provision for a 6-month period for the highest scoring bidder and Council to seek to address any viability gap. The Council may also undertake to seek further third-party funding should this be required.
- b) **RISK: Failure to exchange contracts with highest scoring Bidder.** MITIGATION: The procurement process has facilitated strong competition and has resulted in a compliant and strong reserve bidder which has also put forward a high quality and deliverable scheme. In the event agreement cannot be reached with the highest scoring bidder, recourse to the reserve bidder is secured.
- c) **RISK: Failure to secure planning consent.** MITIGATION: Bidders were provided with a Council prepared concept scheme, and bidders were scored against their planning programme and accordance with planning policy. Additional design workshops were held during negotiation to debate planning issues such as height, massing and public realm to help bidders refine their proposals. Highest scoring bidder will engage with the Local Planning Authority through a pre application process.
- d) **RISK: Lack of cooperation with or by adjoining landowners.** MITIGATION: The Minster Quarter Central Governance arrangements will include establishing a Joint Landowners Forum (JLF) which will bring key stakeholders together in a site wide agreement to manage and mitigate a number of site wide risks and issues ranging from planning, utilities capacity, coordination of construction activity, health and safety and long-term asset management. The obligation to be party to this Forum is enshrined within the Development Agreement.

Programme Governance and Delivery Capacity

- 12.2 Subject to Policy Committee's decision to implement the outcome of the procurement process and proceed with the highest scoring bidder, the Minster Quarter Central programme will move to implementation phase in 2024. The initial emphasis will be on securing the Development Agreement and Lease and making progress on a major planning application. The Council will retain a significant leadership role in convening and

driving the programme, making full use of the evolving programme Governance and workstream structure set out in Appendix 4. The project will continue to be led by the Project Director, Deputy Director Infrastructure and Capital Projects and an ongoing, dedicated Project Manager role will liaise with the developer and other interested parties on a day-to-day basis and discharge contract management responsibilities with support from other Council departments. The scale and importance of the scheme necessitates this important role.

- 12.3 In addition to programme leadership and co-ordination, strong focus will be required on Estates issues, responding to the developer as Planning Authority and collaboration on the design and delivery of energy network/District Heating solutions. Additional external legal and commercial advice may be required at key points in the programme including at post planning viability stage and in the execution of lease agreements to facilitate land transfer.
- 12.4 Minster Quarter as a development area will also experience significant change through Council and third-party development projects, all of which requires careful and proactive coordination and management. Further consideration will be given to any other specific delivery capacity requirements in the next phase of detailed programming and with a more precise understanding of the contribution that the appointed developer can provide in terms of organisation, programming and technical capacity. Early programme discussions will therefore help refine further the Minster Quarter programme resource requirements for 2024-2029 across the Council team.
- 12.5 Resourcing for the project will be funded through the existing capital budget. The resource profile will be kept under close review by the Minster Quarter Central Programme Board.

13 Financial Implications

- 13.1 The procurement evaluation covers many value for money considerations not limited to financial benefit to the Council.
- 13.2 The Council retained Eddisons to undertake an independent valuation of the site. A copy of which is commercially sensitive and attached at Exempt Appendix C. Other commercially sensitive financial implications are set out in Exempt Report.
- 13.3 Resourcing up to contract exchange and the first two years of implementation will be funded through the Minster Quarter Central capital allocation. Once that budget is exhausted any further funding will be the subject of a future year's budget bid.

14 Legal Implications

Procurement

- 14.1 The value of the project is such that the provisions of the Public Contracts Regulation 2015 (PCR 2015) apply. The Council has conducted the procurement process using the Competitive Procedure with Negotiation (CPN) and has complied with the provision of the Public Contracts Regulations 2015 (PCR 2015) throughout the process.
- 14.2 This report seeks approval to delegate authority to Director Economic Growth and Neighbourhood Services, in consultation with others, to conclude the post tender due diligence and appointment of the highest scoring Bidder in relation to a procurement of the project through CPN. The Council must therefore comply with the requirements of the regulations when awarding this contract.
- 14.3 Following the decision of Policy Committee to award the contract, the Council will implement a 10-day standstill period prior to contract award to enable unsuccessful bidders to receive feedback and request disclosure on why their bids were unsuccessful as per the requirements of Regulation 87.

Disposal and Appropriation

- 14.4 Under section 336(1) of the Town and Country Planning Act 1990 (TCPA) 'open space' is defined as "any land laid out as a public garden, or used for the purposes of public recreation..." This would include almost any public open space owned by the Council and enjoyed and or used by the public for the purposes of recreation and would include the open areas on the Development Site.
- 14.5 In the event that the contract award is made, it is noted that later phases will be subject to property transactions by granting leases to Bidder B and assigning the Council's interest in the Civic Car Park B to enable them carry out the development.
- 14.6 The Council has the power to dispose of its land as it deems fit under s.123 of the Local Government Act 1972 (LGA) for a consideration reasonably obtainable. Where disposal is to be at an undervalue, Secretary of State consent is required.
- 14.7 Where disposing of open spaces, s123(2A) of LGA requires that the land be advertised for two consecutive weeks and any objections received are considered.
- 14.8 Under s246, 226(1)(a) and (1A) of TCPA, the Council is authorised to appropriate land for planning purposes if the Council thinks that the appropriation of the land will facilitate the development, redevelopment or improvement of the land; the land is required for a purpose which is necessary to achieve in the interests of the proper planning of the area in which the land is situate; where it is likely to contribute to the economic, social or environmental wellbeing of the area. The report sets out above how the requirements of s226 (1) (a) and (1A) have been satisfied and the redevelopment of the Minster Quarter will contribute to or is necessary under the requirements of the stated legislation.
- 14.9 S.233 TCPA provides that where land has been appropriated for planning purposes and is for the time being held for the purposes for which it was so appropriated, the Council may dispose of the land to any party, in such manner and subject to conditions which the Council deems expedient in order to secure the best use of that or other land and any buildings or works which have been or are to be erected, constructed, or carried out on it (whether by the Council or others); or erection, construction or carrying out on it of any buildings or works appearing to the Council to be needed for the proper planning of the area of the Council.
- 14.10 There are analogous advertisement requirements of 2 weeks in the local area here open space is to be appropriated under s.122 LGA and subsequently disposed of under S.233 TCPA.
- 14.11 There is no specified period for objections and this is at the Council's discretion, however, a reasonable period should be provided.
- 14.12 Following appropriation, the Council will hold the Development Site for planning purposes. The appropriated is then held by the Council under the statutory provisions under Part 9 of the TCPA 1990, within the General Fund Account.

Highways and Roads

Permanent Road Closures

- 14.13 Section 247 of the Town and Country Planning Act 1990 (TCPA) enables the Secretary of State to make an order to stop a highway where he is satisfied that is necessary to do so to enable development, for which there is a valid planning permission, to be carried out.

14.14 Under Section 116 of the Highways Act 1980 the Council as highway authority can apply to a magistrates' court to stop up a highway that it is unnecessary or where a proposed diversion makes the new route nearer or more commodious to the public. When an order is made, this terminates the highway rights and enables it to be enclosed or developed, subject to planning permission.

Temporary Road Closures

14.15 Where the Council, as traffic authority is satisfied that traffic on a road should be temporarily restricted or prohibited to allow development works, the Council as highways authority can make an order under Section 14 of the Road Traffic Regulation Act 1984.

15 Background Papers

15.1 There are none.

Public Appendices

Appendix 1 – Evaluation Criteria applied to Minster Quarter Best and Final Offers

Appendix 1a – Quality and Commercial Questionnaire

Appendix 1b – Pricing Evaluation Summary

Appendix 2 – High Level Risk Register

Appendix 3 – Broader Minster Quarter – Key sites

Appendix 4 – Minster Quarter Board and Governance Framework

Appendix 5 – Development Site Plan

Exempt Appendices

Exempt Appendix A – Minster Quarter Central Recommendation Report from Eddisons

Exempt Appendix A1 – Strategic Objectives and Development Principles

Exempt Appendix A2 – Evaluation Score Card

Exempt Appendix A3 – Moderation Evaluation Schedule

Exempt Appendix B – Tender Evaluation Report

Exempt Appendix C – Minster Quarter Section 123 Report

Exempt Appendix D – Land and Title Matters at Minster Quarter

Exempt Appendix E – Land and Title Plan – Unregistered Land

Exempt Appendix F – Development Agreement and Lease – Summary

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Appendix 1

Evaluation Criteria applied to Minster Quarter Best and Final Offers

Criteria	Evaluation Criteria	Weighted %
Technical	T1 – Design	20
	T2 – Planning	10
	T3 - Affordable Housing	5
	T4 - Public Realm	5
	T5 - Net Zero	5
Social	S1 - Social Value	5
Approach to Risk	R1 - Partner and Risk	10
Legal	L1 - Acceptance of Terms	5
Approach to Risk	L2 - Estate Management	5
Financial	F1a - Robustness of Appraisal	10
	F1b - Net Present Value Score	
	F1c - Blended Priority Return Score	
	F1d - Overage Score	
	F2 - Cost Plan	10
	F3 – Funding	10
TOTAL		100

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Appendix 1a

Quality and Commercial Questionnaire

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Technical				
T1. Design	<p>Bidders should describe how the proposed scheme addresses the following requirements (this list is not exhaustive):</p> <ul style="list-style-type: none"> a) Your phasing approach and implications on certainty of whole site development proceeding b) Your design quality for the development site and public realm c) Building massing, form and elegance and impact of sunlight levels for public and private spaces d) Outline building massing and form and how it integrates into the local townscape e) Your design's response to the Tall Building Strategy f) Approach to mitigation of both the noise and air quality impact of the 	<p>Responses should be limited to no more than 4000 words.</p> <p>A list of required documents can be found in the Schedule of Documents.</p> <p>Additional drawings, plans, diagrams and tables will be accepted.</p>	<ol style="list-style-type: none"> 1. Proposed scheme meets RBC's Strategic Priorities and Development Principles set out in: <ol style="list-style-type: none"> i. West Side Opportunity Area allocated in the Reading Borough Local Plan adopted in 2019 at Policy CR12e Hosier Street. ii. Minster Quarter Area Outline Development Framework (adopted 2019). 2. Achieves the minimum requirements set out in the Specification (comprising of planning brief and concept plan) with particular emphasis on affordable housing, net zero carbon and delivering public realm earlier in the programme. 3. Phasing approach - concurrent or multiple phases, is clearly defined - providing certainty of 	20

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 32	IDR, particularly affecting the residential units		whole site development proceeding	
	g) Accessibility and connection with the Hexagon Theatre on both lower ground floor and podium entrance levels		4. Exemplary design quality demonstrated across both the development site and public realm	
	h) Proposed frontages and uses throughout that enhance the development's character and identity		5. Building massing, form and elegance ensure good sunlight levels for public and private spaces	
	i) Outline your use of materials proposed for the scheme drawing attention to both quality and ethically-sourcing approach for different aspects of the scheme		6. Building massing, form and elegance ensures scheme integrates into the local townscape	
	j) How the scheme will be recognisable / locally distinct in the town hierarchy		7. Design meets or outlines mitigations in response to the Tall Building Strategy	
	k) Your consideration for working alongside adjoining developments		8. Mitigation of both the noise and air quality impact of the IDR, particularly affecting the residential units	
			9. The development ensures accessibility and is well connected with the Hexagon Theatre on both lower ground floor and podium entrance levels	
			10. Clear demonstration of how the scheme provides vibrant frontages and uses throughout that enhance the development's character and identity	
			11. Demonstration that the proposals will use high quality,	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 33			<p>ethically sourced materials throughout</p> <p>12. Appearance and stature of the site is ensured to be recognisable / locally distinct in the town hierarchy.</p> <p>13. Clear demonstration how you will meaningfully and cooperatively work alongside adjoining developments</p> <p>14. Provides the documents defined in Schedule B</p> <p>15. Bidder demonstrates or evidences the phases/sub phases can be brought forward concurrently.</p> <p>Reading Borough Council have received an updated proposal from AEW in relation to the development of the adjoining Board Street Mall shopping centre. Reading Borough Council would anticipate that the preferred developer for Minster Quarter Central will work with AEW for their mutual benefit to facilitate the regeneration of the wider Minster Quarter area and agree a mutually acceptable timetable and delivery plan.</p> <p>Please see the 'Broad Street Mall Shopping Centre Development Plans</p>	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
			<p>affecting Dusseldorf Way'. This proposal involves removal of a section of the Dusseldorf Way Podium, shaded red, during construction and reinstatement post construction, to be paid by the Broad Mall Shopping Centre owner AEW.</p> <p>At present AEW estimate that their construction programme would last two and a half to three and a half years and an indicative programme has been supplied by AEW and is included within the documentation.</p>	
Page 34	<p>10. Planning</p> <p>Bidders should outline their approach to planning and associated elements.</p> <p>a) Set out a planning strategy that will:</p> <ul style="list-style-type: none"> • Demonstrate how they would approach the preparation and submission of a planning application(s) and associated planning and highways agreements. • Deliver the development sites concurrently or through multiple phases in the type and quantum of housing mix. • Activate meanwhile uses in coordination with development phases • Highlight how they would mitigate any potential planning risk 	<p>Responses should be limited to no more than 2500 words.</p> <p>A list of required documents can be found in the Schedule of Documents.</p> <p>Additional drawings, plans, diagrams and tables will be accepted.</p>	<ol style="list-style-type: none"> 1. Adoption of a clear planning strategy, underpinned by a collaborative approach towards design development, demonstrating innovation, flexibility and in accordance with: <ol style="list-style-type: none"> i. The Outline Development Framework (2019) ii. West Side Opportunity Area allocated in the Reading Borough Local Plan adopted in 2019 at Policy CR12e Hosier Street; and iii. Minster Quarter Area Outline Development Framework (adopted 2019) 2. Achieve the minimum requirements set out in the Specification 	10

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 35	<p>b) Demonstrate how the proposed uses are informed by demand analysis and evidence-based market driven assumptions of the appropriate mix and quantum of uses</p> <p>c) Clearly set out their interpretation of planning policies associated with S106 and CIL contributions and provide details of their workings.</p>		<ol style="list-style-type: none"> 3. Evidence provided that the proposed scheme is likely to achieve detailed planning permission with acceptable conditions 4. A convincing, comprehensive and thought-through commitment to engaging in detailed pre-application discussions with the LPA and allowing sufficient time to conclude these discussions prior to formal submission 5. The proposed scheme aligns with National and Local Planning Policy and guidance, including the Planning Statement and Minster Quarter Area Outline Development Framework (adopted 2019). 6. Accommodation schedule illustrates a comprehensive scheme which includes details of well-designed layout, appropriate scale, high quality architecture and a suitable mix of dwelling types 7. Hosier Street is proposed within the SPD as the location for the replacement street market, along with associated storage facilities. This would be a mixed-use space, facilitating alternative activities when the market is not operating. Circa 10 temporary market stalls 2/3 days a week. 8. Detailed Construction Method Statement considered early in the 	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
			<p>process – should avoid the use of Hosier Street/St Mary’s Butts for construction traffic</p> <p>9. Clear link demonstrated between plans and demand analysis supported consistently by evidence for each use directly reflective of Reading demographic</p> <p>10. Understanding of CIL and S106 is accurate to a scheme within the Reading locale and correctly reflects the scheme as proposed</p>	
<p>T3. Affordable Housing</p> <p>Page 36</p>	<p>Bidders should describe how their scheme meets the minimum requirement regarding Affordable Housing</p> <p>a) Outline how you intend to maximise the delivery of affordable housing. Bidders should set out the provision of, at minimum, planning policy compliant levels of affordable housing (30% target) across a mix of tenures proposed for the site.</p> <p>b) Set out how they could accelerate the delivery of affordable housing through refinements in approach to policy directives:</p> <ul style="list-style-type: none"> • Policy H3 • AH SPD Affordable Housing SPD, adopted March 2021 (reading.gov.uk) 	<p>Responses should be limited to no more than 1500 words.</p> <p>A list of required documents can be found in the Schedule of Documents.</p>	<p>1. Policy compliant scheme as set out under Affordable Housing SPD, adopted March 2021 (reading.gov.uk). Which states:</p> <p>2. The proposed scheme aligns with RBC’s Affordable Housing Policy Target of 30% AH within the site in accordance with Policy H3 and the AH SPD Affordable Housing SPD, adopted March 2021 (reading.gov.uk)</p> <p>3. Of that 30% Target AH:</p> <ul style="list-style-type: none"> i. At least 62% Affordable rented accommodation at ‘Reading affordable rent’ levels; and ii. Max 38% Affordable home ownership (shared ownership or another product)” 	5

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 37	<p>c) Confirm the rents proposed for all types of affordable housing provision</p> <p>d) Demonstrate how they will ensure affordable housing is delivered through concurrent or multiple phases</p>		<p>4. Where BTR (Build to Rent) is proposed, this would be the lower of:</p> <ul style="list-style-type: none"> i. Affordable Private Rent tenure with rents set at Local Housing Allowance and documented under the S106 agreement and long leasehold granted. ii. Or 80% Discounted Market Rent. <p>5. AH mix reflects the dwelling mix on site (bedroom numbers and housing types)</p> <p>6. Housing types and tenures result in a mixed and balanced community</p> <p>7. Dwellings meet Nationally Prescribed Space Standards</p> <p>8. Delivery of AH is clearly and convincingly outlined regarding phasing, location in scheme, and surety</p> <p>9. AH offering reflects Reading local need – both deliverability and demand (including RBC waitlists)</p>	
<p>T4. Approach and Adoption of Public Realm</p>	<p>Bidders should define their expected approach to meet the Public Realm Minimum Requirement.</p> <p>a) Outline proposed commitment to contribute to the costs and approach to on-going maintenance</p>	<p>Responses should be limited to no more than 2000 words plus attachments.</p> <p>A list of required documents can be found in the Schedule of Documents.</p>	<p>1. Approach is based on:</p> <ul style="list-style-type: none"> i. The guidance set out under Section 2.1 and 3.1 of the Minster Quarter Outline Development Framework (adopted 2019) and Planning Brief with a particular focus on linking the site to the south 	<p>5</p>

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
<p align="center">Page 38</p>	<p>b) Explain how the scheme addresses the following areas:</p> <ul style="list-style-type: none"> • Creation of Hexagon Square to enhance the new quarter’s identity and opportunity for multiple uses. • Enhance the Town Centre’s offer of public spaces for all residents supporting well-being and sustainability considering different users, times of day/year. • Integration with context (St. Mary’s Butts, Oxford Road, Castle Street) • Activating Hosier St entrance • Supporting retention of existing mature trees • Resolve design response for any undefined spaces and edges <p>Part of the wider Minster Quarter regeneration area includes the Hexagon Theatre, an iconic local cultural and artistic venue.</p> <p>c) Explain how you will ensure that the redevelopment of Minster Quarter supports the Hexagon and uses the surrounding public realm for cultural activities such as public art works, exhibitions, small scale performances and any other opportunities that may contribute to the overall improvement in the surrounding area.</p>	<p>Additional drawings, plans, diagrams and tables will be accepted.</p>	<p>and west with links to Queens Walk and St Mary’s Butts. Together with the scheme’s relationship with the Hexagon Theatre.</p> <p>ii. Improved linkages and connectivity across the Minster Quarter Area - good integration with context (St. Mary’s Butts, Oxford Road, Castle Street) and activating Hosier St entrance - and into the wider town centre, including as a minimum the safeguarding of a landing zone for a pedestrian and cycle access across the Inner Distribution Road (IDR).</p> <p>iii. Off-site works where appropriate to enhance landscape and heritage setting, physical and visual links and integration with and improvements to existing townscape.</p> <p>iv. Maintaining safe environments for all public realm areas.</p> <p>2. Bidder satisfies that there is a robust plan to mitigate long term liability</p> <p>3. Bidder technical solution ensures RBC can divest from its site (with public highway adoption to be proposed as a last resort)</p>	

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
<p align="center">Page 39</p>			<ul style="list-style-type: none"> 4. Full adoption of public open space proposed on site. 5. Well-designed Public Open Space (POS) and high-quality public realm enhancing the Town Centre’s offer to include: <ul style="list-style-type: none"> i. Landscaping and green space ii. Safe and well-designed streets, spaces, access and parking. iii. Consideration of safety including a lighting strategy and incorporation of CCTV iv. Consideration of health and wellbeing outcomes for residents and the wider public in design proposals v. Meeting the needs of a diverse range of users including dementia friendly spaces, consideration of the needs of neuro diverse users and children and young people. vi. Creation of well positioned and well sized Hexagon Square to enhance the new quarter’s identity and opportunity for multiple uses. vii. Sustainability viii. Considers and positively responds to various times of day/year. 	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
			<ul style="list-style-type: none"> 6. Maximises supporting retention of existing mature trees and mitigation measures where removal is necessary, or distress could occur despite non-removal 7. Public Realm responds meaningfully to convincingly describe how it compliments and will support Hexagon Theatre and surrounding areas or cultural activities and all other improvements 8. Proposal enhances the setting of the Hexagon Theatre to improve its accessibility, visibility and visual impact; this may include reimagining the entrance and allowing for the creation of an outside performance space within the public realm 9. Bidders set out a public realm strategy for the overall scheme which suitably addresses both relationships to adjacent uses and addressing increased permeability and accessibility throughout the site 10. All public realm within the development and later controlled by the estate management company will maintain public rights of way and unrestricted access to the public at all times. 	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
			11. Resolve design response for any undefined spaces and edges	
T5. Delivering of zero carbon development Page 41	<p>Bidders should set out how the scheme (and wider context) will deliver a net zero carbon development and how the design will respond to RBC's climate emergency and zero carbon policies, and as set out under RBC's climate and pollution climate change policy.</p> <p>https://www.reading.gov.uk/climate-and-pollution/climate-change/</p> <p>a) How will you ensure principles of sustainable development are incorporated into both the design and delivery</p> <p>b) Your approach to net zero carbon, circular economy and the enhancement of biodiversity.</p> <p>c) Your approach to the delivery of sustainable modes of travel.</p> <p>d) Any considerations made regarding logistics for supply chain and supply delivery</p> <p>e) Your approach to achieving building accreditations such as, but not limited to, New Part L, Future Homes standards, BREEAM and Passivhaus (where applicable)</p> <p>f) How will you inform and respond to plans for a Reading Town Centre District Heat Network (should this</p>	<p>Responses should be limited to no more than 2000 words.</p> <p>Outline proposals.</p>	<p>1. Bidder's proposals demonstrate their understanding of RBC's sustainability commitments regarding both design and delivery</p> <p>2. Bidder's approach ensures the development will align with and achieve the stated objectives:</p> <ol style="list-style-type: none"> i. Secures Net zero carbon ii. Delivers a circular economy iii. Enhances biodiversity iv. Responds to increasing sustainable modes of transport v. Addresses supply chain management / logistics vi. Meets expected building accreditations vii. Meaningfully responds to District Heating Network viii. Can facilitate connection to low carbon heat networks <p>3. Bidder has a sound approach to how they would inform and respond to plans for a Reading District Heating Network.</p> <p>Note: Please see Local Plan Policies H5, CC2, CC3, CC4 and the Sustainable Design and Construction SPD as well as:</p>	5

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 42	<p>be proposed by the Council in the immediate vicinity)</p> <p>g) Your approach to facilitate connection to low carbon heat network with heat sourced from environmental source(s) such as aquifer.</p>		<p>https://www.reading.gov.uk/climate-and-pollution/climate-change/</p> <p>4. All new homes will achieve zero carbon (Policy H5.c)</p> <p>5. The scheme directly addresses net zero target of the Reading Climate Emergency Strategy 2020-2025 achieved through:</p> <ul style="list-style-type: none"> i. reduced energy demand ii. transport modal shift iii. decarbonised power supply iv. resource and waste efficiency v. water efficiency vi. biodiversity vii. green space enhancements. viii. commercial floorspace to achieving BREEAM Excellent. 	
	Social Value			
S1. Social Value	<p>Bidders should:</p> <p>a) Set out how their development will enhance Social Value in accordance with the Public Services (Social Value) Act 2013. Specifically, setting out their strategy for securing wider social, economic, and environmental benefits on Minster Quarter and the broader Town Centre and highlight examples/experience of</p>	<p>Responses should be limited to no more than 2000 words.</p> <p>And Bidder should complete Social Value Proforma Sheet.</p>	<p>1. Bidders will demonstrate their approach to ensuring that best practice is embedded in delivering the social value outcomes set out in their Strategy and Proforma</p> <p>2. Bidder clearly outline how and when they will report on social value measures and outcomes to the Council* and how this will be communicated to the public.</p>	5

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 43	<p>securing impactful Social Value on similar schemes.</p> <p>b) Respond to the Social Value Proforma and explain how they will deliver Social Value opportunities or benefit(s) to the local communities during the construction and post construction phase.</p> <p>Note:</p> <p>The Public Services (Social Value) Act came into force on 31 January 2013. It requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. RBC is seeking partnership with suppliers that drive social as well as economic value.</p> <p>Bidder's response must extend over and above any social value aspects and/or benefits already outlined in the Specification or delivered through S106 planning obligations. These local benefits must be proportionate to the contract value and planned term and must be delivered without any</p>		<p>Indicative list of TOMS based social value outcomes are set out in the Social Value Proforma document and Bidders should complete and extend beyond to cover other areas:</p> <p>Jobs: Promote Local Skills and Employment:</p> <ul style="list-style-type: none"> ○ Jobs - Support for local employment and skills development <p>Growth: Supporting Growth and Responsible Regional Business</p> <ul style="list-style-type: none"> ○ Supporting schools and life-long learning. ○ Stronger local voluntary/ community sector ○ Community engagement throughout the development process. ○ Engaging and working with neighbouring landowners. <p>Social: Healthier safer and more resilient communities</p> <ul style="list-style-type: none"> ○ Supporting communities <p>Environment: Decarbonising and Safeguarding our World</p>	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 44	<p>additional contract costs to RBC or its communities.</p> <p>All commitments should relate specifically to RBC and solely to this contract. Any general/corporate social value measures being undertaken by the tenderer will not be considered. All commitments should be quantified and measurable, with the method for delivery and monitoring clearly demonstrated.</p>		<ul style="list-style-type: none"> ○ Reducing negative and promoting positive environmental impacts. ○ Environment -Initiatives which support RBC's target to be a carbon neutral borough by 2030 <p>Innovation: Promoting Social Innovation</p> <ul style="list-style-type: none"> ○ Developing cultural heritage ○ Social - Initiatives which address areas of inequality in the borough, one example being digital inclusion. <p>*We expect this to be no less than half yearly.</p> <p>For information, the councils Corporate Plan 2022-2025 can be found here.</p>	
Approach to Risk				
R1. Partner and Risk Management	<p>Bidders should outline their risk assessment and management of the project as a whole, as well as alignment to the overarching objectives to be delivered through this agreement.</p> <p>a) Submit a clear master programme indicating the pace and phasing of</p>	<p>Responses should be limited to no more than 2000 words.</p> <p>A list of required documents can be found in the Schedule of Documents.</p>	<ol style="list-style-type: none"> 1. Bidders master plan is clear and accurately reflects their scheme enabling the Council to understand the narrative leading to the risks identified by the Bidder 2. Bidder outlines a robust approach to phasing, programme delivery, pace and risk management. 	10

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 45	<p>development, primary activities and any associated dependencies supported by commentary on critical dependencies / risk, implications for programme</p> <p>b) Submit a summary risk register defining the key risks and mitigation measures associated with areas such as (but not exhaustive):</p> <ul style="list-style-type: none"> • Delivery of all elements of their scheme at Minster Quarter at pace - either concurrently or through multiple phases. • Managing the planning process. • Timetable to deliver total scheme. • Planning risk - especially covering the quality of design and delays • Mitigating impact of the IDR. • Procuring contractors and other significant members of their supply chain (including professionals) to deliver value for money. • Contingency planning such as delays in preparation of planning application. • Demand risks. • Potential economic impacts e.g., rising interest rates etc. • Title matters associated with maintaining access and rights for neighbouring occupiers (Note: Joint Landowners Guidance Note). • Manage void risks. 		<ol style="list-style-type: none"> Bidder has identified all key risks associated with their proposed scheme and how they propose to mitigate demonstrating a meaningful improvement to risks at their original state. Bidder has explained financial sensitivities on their development appraisal and how this would be mitigated Bidder has identified how they will address the risks identified at ITT stage. Bidders risk considerations are evidence-based from market assessment Bidders risk approach safely enables a pace brought forward at pace Bidder has represented both their own and the Councils positions through their assessment, noting similarities and differences in positions, and providing proposals for mitigations and resolutions where required Bidder has presented a fair proposal for overage which ensures recovered delivery of Public Realm and / or Affordable Housing etc. in latter phases rather than cashable alternatives 	

QUALITY				
Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 46	<p>c) Provide an evidence-based market assessment of the appropriate mix of uses and bringing these uses forward at pace.</p> <p>d) Applied consideration of the risk position for the Council through different phases of the scheme including viability testing and acceptance, planning, practical completion, secured delivery of objectives</p> <p>e) Outline their overage stance in relation to risk management, particularly paying reference to correcting any viability deficits, and ensuring delivery of Council objectives for the scheme versus transactional alternatives (NOTE: Schedule 3 of the Development Agreement)</p>		10. Bidder refer to Joint Land Owners Guidance Note included within documentation.	
	<p>L2. Estate Management</p> <p>Bidders should outline the expected estate management.</p> <p>a) Explain their approach to tenure regarding:</p> <ul style="list-style-type: none"> • RBC's leasehold title; • MOJ's car park rights; and • Requirements edged in blue area (set out in Title report enclosure 12 and 20 - Lease Summary (Plan 3)) <p>b) Provide an explanation of how they will:</p>	<p>Responses should be limited to no more than 1500 words.</p> <p>A list of required documents can be found in the Schedule of Documents.</p>	<p>1. Bidder proposal sets out the approach to the long-term estate management of the whole site over time including activation and curation of ground floors to maintain the quality of the space from a placemaking perspective over the longer term.</p> <p>2. The proposal for estate management is convincing and demonstrates a suitable approach to partnership with adjoining landowners including</p>	5

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 47	<ul style="list-style-type: none"> • Maintain the public realm created throughout the site • Work with the adjoining landowners and developers to create a long-term asset management agreement whereby future owners and occupiers contribute towards the maintenance and upkeep of the public realm. • Ensure MOJ spaces will be maintained with uninterrupted access and egress during the construction phase and post completion of scheme. <p>c) Define the expected Estate Management Plan.</p> <p>d) Identify any Capital Contributions to be maintained and by whom.</p> <p>e) Explain how you will allow the Council to divest its liabilities.</p> <p>f) Outline the estimated costs of maintaining the public realm per annum and provide benchmark data to support the figures.</p>		<p>futureproofing for occupiers and owners</p> <ol style="list-style-type: none"> 3. Technical solution ensures MOJ car parks spaces are accessible (any alternative reprovision solution will only be considered in terms of offering a better car park situation) and uninterrupted during all phases 4. Bidder has provided a robust long-term asset management responsibility of the planned Public Realm 5. Approach to tenure expectations is clearly defined and appears deliverable 6. Capital contributions are clearly defined and reasonable in their application to anticipate acceptance 7. Approach to Council divestment is clear, logical and methodical, and any elements where the Bidder considers the Council may be meaningfully maintained are precise in line with the overall objectives 8. All maintenance costs are clearly defined and meet benchmarking expectations <p>Note:</p> <p>RBC's long leasehold interest in the car park at the Magistrates Court</p>	

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Criteria	Question (and Requirements)	Submission	Key Evaluation Areas	Weighting %
Page 48			<p>(shown edged blue on the plan at enclosure 12) being approximately 112 car parking spaces) known as Car Park B Lease will be included either by way of sublease or assignment. There is approximately 982 years remaining (Please note, this is currently pending registration at the Land Registry, reference FA7F857). The Council's preference would be to ensure the length of term is the same as the sale of the Minster Quarter site on a 250-year leasehold interest.</p> <p>Bidders should note the Council's Draft summary of a proposed Joint Landowners Agreement in Schedule 3.</p>	
	Quality			

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Criteria	Question	Submission	Evaluation Areas	Weighting %
F1. Pricing and Development Values	<p>Bidders should present their pricing values to represent the design and delivery of their scheme:</p> <p>a) Provide a full development appraisal (using Argus software)</p>	Responses should be limited to no more than 4 A4 pages / 2000 words.	<p>Bidder demonstrates a robustness to their pricing model through:</p> <ol style="list-style-type: none"> 1. Providing a copy of their Argus appraisal 	10

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Criteria	Question	Submission	Evaluation Areas	Weighting %
Page 49	<ul style="list-style-type: none"> b) Define the assumptions by completing the F1 Excel Pricing Template. c) Demonstrate their cost and pricing assumptions with market comparable evidence and/or market benchmarks. d) Provide evidence to verify that tendered rental and sale values are achievable. e) Detail the demand risk research they have undertaken, including references to their own market analysis and third-party evidence for all assumptions. f) Confirm the overall anticipated overage sum of the scheme g) Confirm their blended priority rate of return h) Correctly represent all CIL, Section 106, grant applicable to their scheme 	<p>A list of required documents can be found in the Schedule of Documents.</p>	<ul style="list-style-type: none"> 2. Clearly outlining all calculations applied in addition to those already defined in the Excel 3. Accurately representing all their proposed scheme's underlying assumptions and their impact on the model 4. Setting out any technical conditions, matters or constraints that could affect the eventual receipts, timings, costs and outputs been assessed and prepared for 5. Providing sufficient detail as to the implications of item 4 above to the proposed development 6. The bidder has assessed and priced risk in an efficient and appropriate manner. 7. Correct treatment of Grant, CIL and S106 contributions 8. Use of benchmarking data, evidence regarding comparable rental levels, market appraisals etc. to support position throughout <p>Note: the above criteria apply to the 3% of the 10% price figure. The remaining 7% will be calculated using mathematical formula (outlined in the ITT) using the figures you supply in Excel F1:</p>	

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Criteria	Question	Submission	Evaluation Areas	Weighting %
			3% - NPV (Net Present Value) land receipt 2% - Overage Sum (please refer to Development Agreement Schedule 3 and ITT) 2% - Blended Priority Return (see ITT for how to determine)	
F2. Cost Plan Page 50	Bidder should set out their cost structure applicable to their design: a) Complete the cost plan F2 with full breakdown of all construction costs (under each phase) together with supporting information on the working assumption for each line of expenditure set out. This may include a summary of base construction costs on a m ² basis covering each type of use and how they were arrived at. b) Confirm its grant funding requirement and explain how it will meet the Brownfield Land Release Fund Criteria based on extended qualifying period beyond March 24. In addition, it should explain the eligible items of expenditure planned. c) Summarise the risk associated with their construction contracting	Responses should be limited to no more than 1000 words. A list of required documents can be found in the Schedule of Documents.	1. The costs reflect what is proposed in terms of design, construction method and technologies, quality and finish. 2. Bidders outlined intended use of further public sector grant or subsidy in this scheme fall under that funds eligibility criteria / legitimate attribution 3. Bidder has used reasonableness and logic in its approach to cost management: i. Construction risk, especially inflation ii. Meeting a compliant S106 and CIL contribution iii. Demonstrates how market fluctuations can be mitigated and what intervention measures may be required iv. Fair application of cost management fees, profit and contingency (e.g. avoidance of	10

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Criteria	Question	Submission	Evaluation Areas	Weighting %
<p>Page 51</p>	<p>approach including detail and reasoning for model form of contract used</p> <p>Please note:</p> <ul style="list-style-type: none"> ○ the total expenditure via BLRF (Brownfield Land Release Fund) will be circa £2m to help fund early works and infrastructure for phase 1 of the scheme. ○ Reference OPE 9 Funding in respect of redesign around MOJ car park - Circa £80,000 is available to preferred development partner of which circa £60,000 is recoverable funds to finalise design proposals for the MOJ parking within the Civic Car Park and to be approved by RBC/MOJ prior to submission of planning application ○ design needs to show improvement in housing density for phase one beyond the 187 homes estimated as part of BLRF submission ○ OPE 9 Recoverable funds to be 75% repaid to OPE on exchange of unconditional contracts to draw down 		<p>any potential double-counting of costs / “contingency on contingency”)</p> <p>4. Type of construction contract is appropriate and comprehensively demonstrated to suit Bidder’s requirements to ensure scheme delivery and cost risk management</p>	

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Criteria	Question	Submission	Evaluation Areas	Weighting %
	(release) phase 1 and 2) of Minster Quarter.			
F3. Funding	<p>Bidders should outline their funding structure to deliver the scheme:</p> <p>a) Bidders should provide full details of their funding strategy for each phase by completing the Excel Funding document F3 provided</p> <p>b) Regarding those projects to be funded please indicate:</p> <ul style="list-style-type: none"> • Who your lender(s) are or explain how you propose to raise finance for the project. • Provide evidence of other projects where the bidder has raised similar levels of finance. • How would any cost overruns that might arise from the scheme be paid for • If elements of your scheme are to be funded / part funded through forward sale arrangements (e.g. affordable housing, PRS, etc), please indicate: Who your investor / investors are? And outline the terms anticipated for the scheme. • Indicate proposed exit strategy for each phase. <p>c) Explain where forward sale funding is required if the heads of terms for the forward sale are agreed or still to be agreed.</p>	<p>Responses should be limited to no more than 2000 words.</p> <p>A list of required documents can be found in the Schedule of Documents.</p>	<ol style="list-style-type: none"> 1. The financing structure and accompanying evidence of funding availability is appropriate and adequate for Bidder's proposed scheme. 2. Bidder has provided some of their own direct equity into the scheme. 3. It has demonstrated that the funding is certain (or has a robust approach), appropriate for the structure and at pace. 4. There is a clear and robust exit strategy proposed. 5. The financing of the residential element, details of long-term and short-term partners, debt and equity arrangements are fully explained and suitable for the scheme. 6. The Bidder has demonstrated that its forward funder is satisfied with the security arrangements set out under the contract structure. 7. There is a robust cash flow breakdown which supports the development and sales programme and is consistent with financing arrangements. 	10

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Criteria	Question	Submission	Evaluation Areas	Weighting %
Page 53	d) Demonstrate how all elements can be accelerated for development completion either concurrently or through multiple phases		<ul style="list-style-type: none"> 8. Junior equity is defined and positive without undue coverage expected by Council 9. Planning costs have been accounted for and Bidder has demonstrated certainty funding resourced to and through this stage 10. The Bidder has explained its position clearly whether the Funding for each phase requires exit prior to investment in phase 2 11. Risks of meeting the BLRF criteria including time scale to spend money are appropriate to the grant conditions 12. Any intention that debt will be refinanced is clear, concise and meets reasonable financial assurance 	
L1. Acceptance of Contract Terms	<p>A form of contract (Development Agreement and Precedent Lease) is provided. Bidders are expected to provide marked up copies.</p> <p>Bidders should set out:</p> <p>a) Contracting Party Structure including guarantor arrangements</p>	<p>Responses should be limited to no more than 1000 words.</p> <p>And provide contract markup (See schedule 4).</p> <p>A list of required documents can be found in the Schedule of Documents.</p>	<p>Acceptance of the contract terms and conditions set out – see ITT for marking.</p> <p>On exchange of the DA RBC envisages the following arrangements and transactions:</p>	5

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Criteria	Question	Submission	Evaluation Areas	Weighting %
Page 54	<p>between the Parent Company and SPV (if applicable).</p> <p>b) Any conditionality associated with their proposal must be explained with associated drafting.</p> <p>c) What terms of security your lender or investor requires and are there any implications on the terms set out under the contract structure?</p> <p>Note:</p> <p>The Council prefers the drawdown of the scheme under a single-phase basis.</p> <p>RBC does not intend to amend the contract documents. However, if the bidders feel that they require any of the clauses/terms to be amended, they should set out their rationale.</p> <p>The contract will include provisions for the selected Bidder to fund the cost of contract management over the term of the contract.</p> <p>Negotiation of contract terms beyond contract award are not permitted to take place under Public Contracts Regulations 2015. Bidders should ensure full and</p>		<p>RBC expects to see the scheme being delivered at pace and has set out a timeline involving:</p> <ul style="list-style-type: none"> • 3 months to exchange the Development Agreement • 9 months from exchange to submit a planning application (with a commitment to conduct pre-application consultation with the Local Planning Authority). And to pay all necessary fees to the LPA in respect of this pre-app). • There is to be a target date for obtaining satisfactory planning consent of 24 months from exchange. • There is to be a long stop for the Development Agreement to become unconditional of 36 months from exchange, failing which it may be terminated. <p>Amendments proposed must not create unacceptable shift in risk/ achievement of RBC’s key objectives and development principles.</p>	

COMMERCIAL				
Criteria	Question	Submission	Evaluation Areas	Weighting %
	early use of the clarification opportunity on release of BAFO invitation for any substantial revisions required to make their scheme deliverable which if accepted by the Council will be equitably offered to all bidders. This includes all liabilities, conditions, financial mechanisms, trigger dates, definitions etc.			
Commercial				35%

DRAFT

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Appendix 1b

Pricing Evaluation Summary

As part of the Minster Quarter Central Development partner procurement, commercial aspects of the bid were assessed to confirm the economic soundness of the schemes being proposed. Commercial was weighted 35% out of the total 100%. It was subdivided into criteria, namely “price” at 10%, “cost” at 10%, “funding” at 10%, and “legals” at 5%. The Price criteria at ITT was assessed solely on Net Present Value (NPV) of the site, which looks at the current balance of inflow and outflow of value on the site (rather than predictions of potential future values) should the site be delivered as of today. It was agreed that a more comprehensive assessment should occur at BAFO, to consider other key values related to the site being delivered that would identify a more advantageous scheme with which the Council would wish to proceed. This paper outlines that methodology.

The 10% for Price was segmented to assess four key values:

Element	Sub Element	% Weighting
Pricing & Development Values	Robustness of Development Appraisal	3
	NPV Receipt	3
	Blended Priority Return (%)	2
	Overage Sum	2
Total % Weighting		10

For ITT, bidders had had to submit narrative to support their stance in their Pricing document but had not been assessable due to the defined methodology; evaluators were unable to objectively determine if the claims in the Excel workbook stacked up effectively and we agreed with the basis of their assessed NPV. In BAFO, we brought the narrative into the assessment, allowing valuers and commercial experts to challenge the soundness of evidence on a 0-5 scale.

NPV was assessed with the bidder who was able to offer the highest NPV receiving the maximum 3% points. All other bidders received a pro rata proportion of the total points available. This value was verified alongside data from the bidders outlining the build-up of the scheme¹. The mathematics allowed for both positive and negative values to receive proportionate points in the calculation due to the current market instability and trends, avoiding the Council needing to reject a tender which in months' time / by planning or other time could be a positive value.

Blended Priority Return was weighted at 2%. This value considers that bidders were offering a profit share as part of the Development Agreement, where revenue exceeded costs plus the required profit for their funders and themselves could be secured. For example, a bidder may require to achieve 10% profit on site to make a sufficient return for their funders to back the site. If 11% profit was achieved, that 1% excess would be shared with the Council on a ratio determined by the bidder. Blended Priority Return looked at actual cost minus profit, aiming to control bidders being able to double count costs and not offer a profit share to the Council when one could be achieved. The bidder offering the lowest Blended Priority Return (i.e., sharing profit with the Council sooner) would score the highest points with others pro-rata.

¹ The F1 excel confirmed Appraisal Inputs (Revenue and Costs for the scheme), detailed S106 and CIL contributions anticipated, grant usage, affordable housing rental values in line with RBC policies, and cashflow.

Finally, overage sum was weighted at 2%. This value looks to assess the sum payable to the Council on completion of the development based on value generated on site. The bidder offering the highest overage received the maximum score, with other scores prorated.

Appendix 2

High Level Risk Register

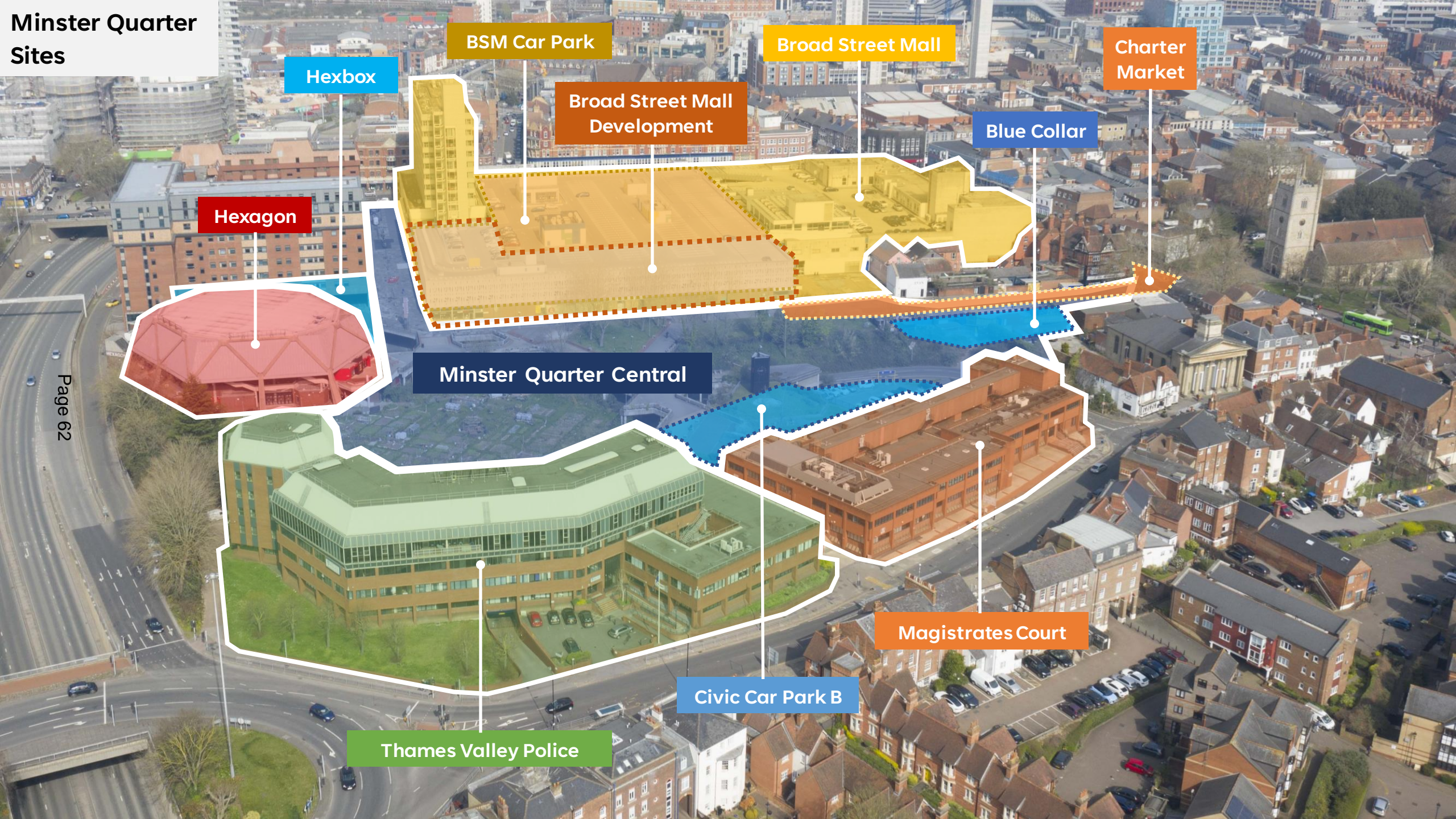
No	Item	Mitigation	Red, Green or Amber
1	Delay or difficulty in securing exchange of contracts/signing the Development Agreement.	Preferred Bidder has six months from date of meeting to sign Development Agreement and Lease with Council - details have been discussed through process of Competitive Negotiation. Designation of viable and quality Reserve Bidder is recommended as mitigation	Green
2	Treatment of Podium - condition and surveys.	Preferred Bidder has proposed early programme of surveys/investigation	Yellow
3	Achieving vacant possession of MQ site.	Workstream established to address all Title and Current use issues.	Yellow
4	Relationships with adjacent Landowners and maintaining a strong and positive relationship during a complex series of development programmes over time.	Robust and proactive estate management. Mobilisation and leadership on Joint Landowners Agreement.	Yellow
5	Scheme viability and funding.	Appointment of experienced developer with proven track record and strong commercial offer. Sustained work and attention on Viability and funding ahead of Viability, Funding and Construction conditions. Appropriate break provisions have been achieved within Development Agreement to secure momentum - and deal with any obvious delays to advancing the programme.	Red
6	Replacement site for Hosier Market.	Intention is to relocate within final scheme. Consideration will be given to town centre sites in which to achieve short term relocation during works.	Green
7	The Council's strategic priorities not met especially on social housing.	This has been heavily tested throughout bidding process and will remain under close scrutiny. Opportunities for third party funding will be explored as they arise.	Green
8	Development requirements for Minster Quarter scheme are unaffordable e.g. public realm works.	Availability of grants, next submission due by end of March 2024.	Green
9	Protecting public and adjacent owners rights of way and safety during the construction period.	Joint working arrangement with adjacent Landowners to ensure a fully planned and integrated approach to access and works.	Yellow

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Appendix 3

Broader Minster Quarter - Key sites

Minster Quarter Sites



Hexbox

BSM Car Park

Broad Street Mall

Charter Market

Hexagon

Broad Street Mall Development

Blue Collar

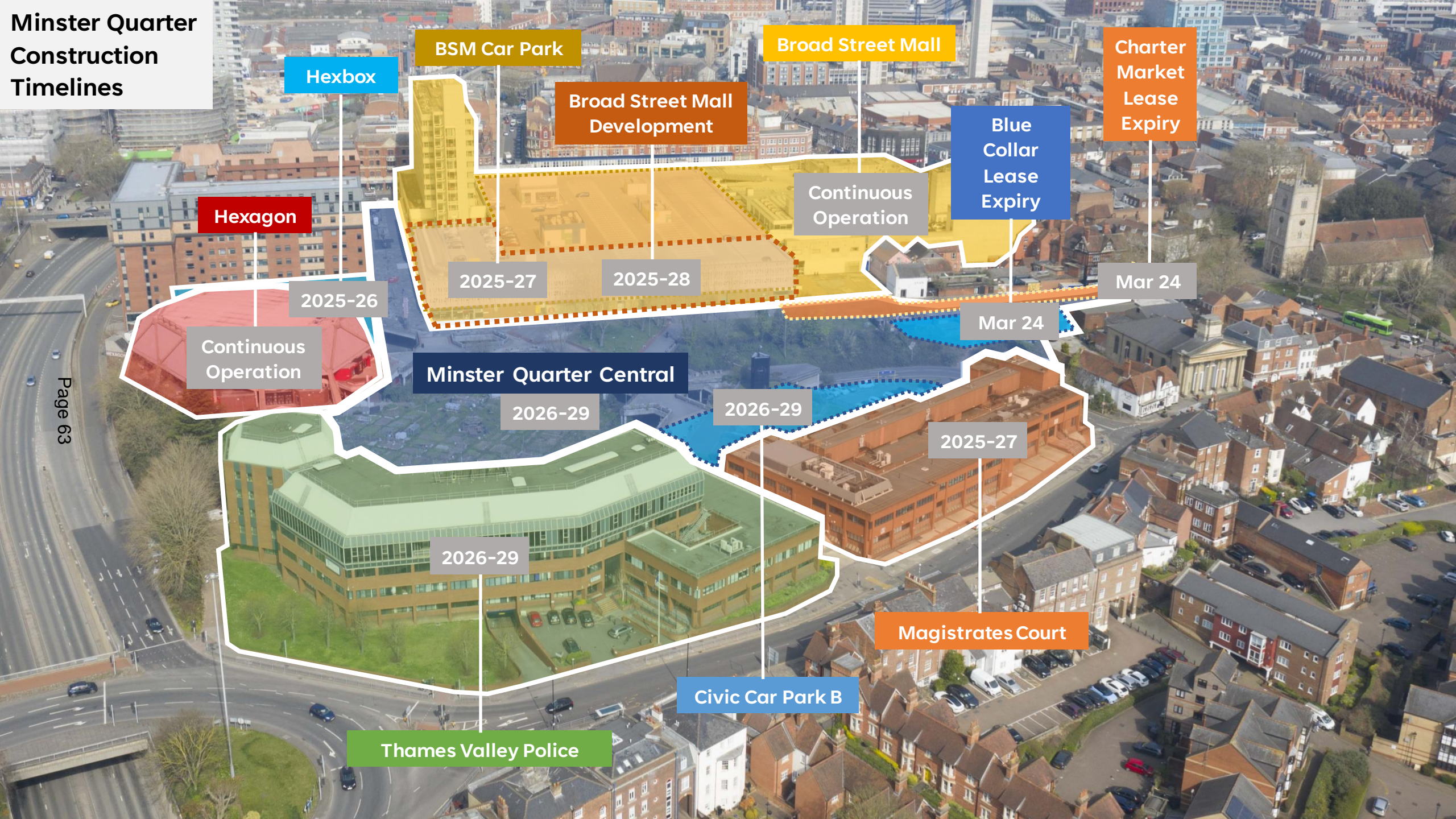
Minster Quarter Central

Magistrates Court

Civic Car Park B

Thames Valley Police

Minster Quarter Construction Timelines



Hexbox

BSM Car Park

Broad Street Mall

Charter Market Lease Expiry

Broad Street Mall Development

Blue Collar Lease Expiry

Hexagonal

Continuous Operation

2025-26

2025-27

2025-28

Mar 24

Continuous Operation

Minster Quarter Central

Mar 24

2026-29

2026-29

2025-27

Page 63

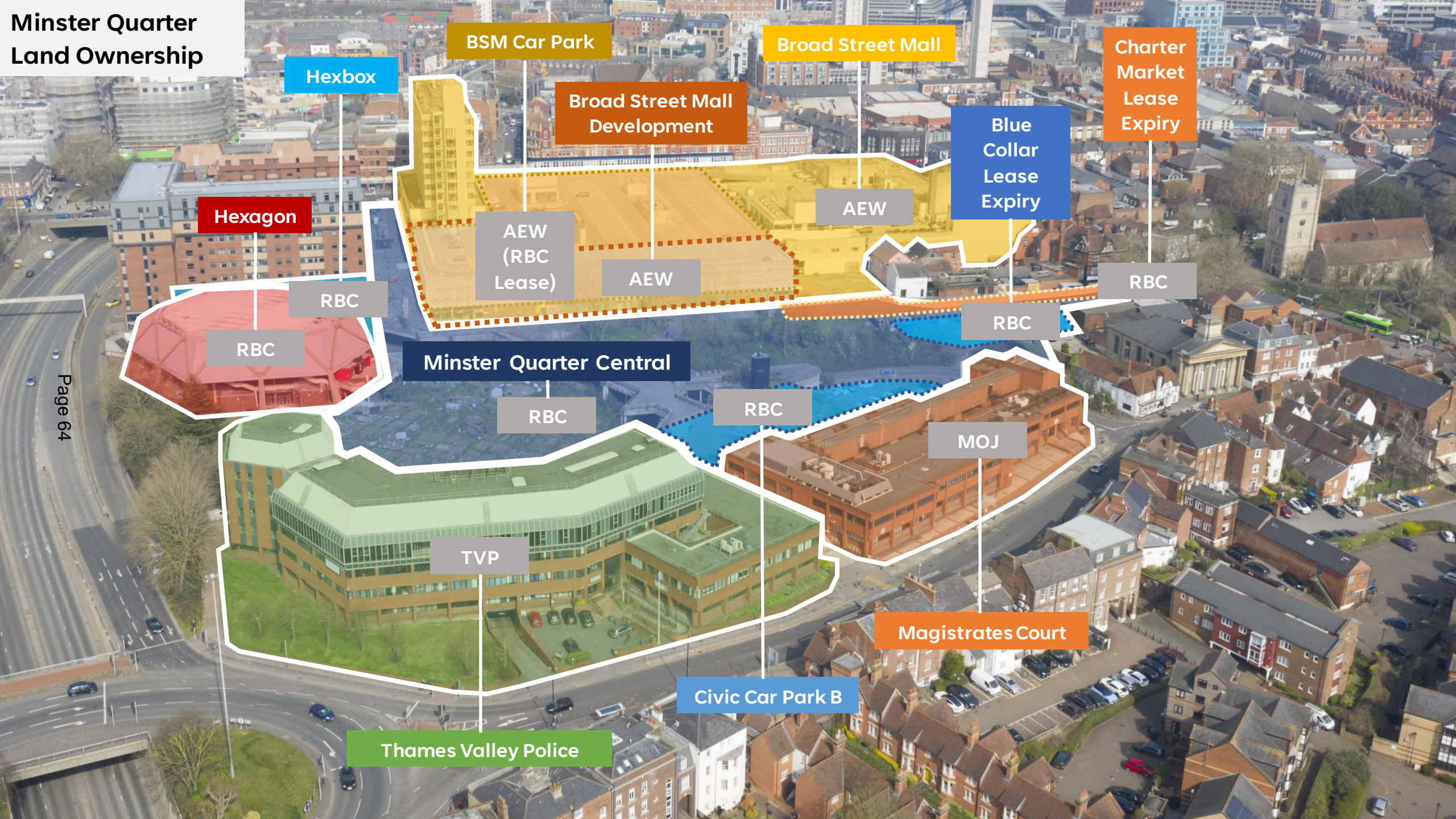
2026-29

Magistrates Court

Civic Car Park B

Thames Valley Police

Minster Quarter Land Ownership



BSM Car Park

Broad Street Mall

Charter Market Lease Expiry

Hexbox

Broad Street Mall Development

Blue Collar Lease Expiry

Hexagon

AEW (RBC Lease)

AEW

AEW

RBC

RBC

RBC

RBC

Minster Quarter Central

RBC

RBC

MOJ

Page 64

TVP

Magistrates Court

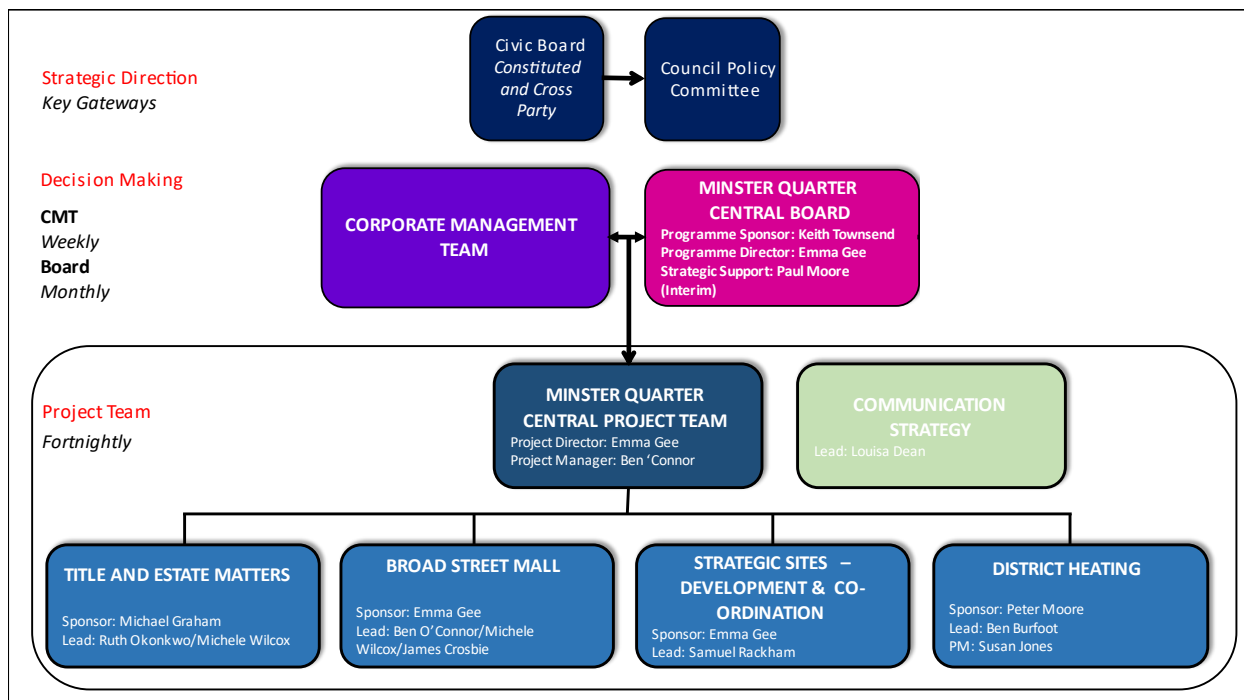
Civic Car Park B

Thames Valley Police

Appendix 4

Minster Quarter Board and Governance Framework

Minster Quarter Central Board



Board Purpose

To provide strategic direction to the Minster Quarter Central Bidder procurement in line with the delegations afforded by relevant Policy Committee decisions. To advise and report to Policy Committee at key gateways and upon contract award monitor progress of the scheme in line with the Development Agreement. Meetings held monthly.

Terms of Reference

1. To oversee the implementation of the Minster Quarter Central Regeneration Project and to ensure that it meets the objectives established by Policy Committee, and in particular:
 - to exercise those financial management and procurement powers of Policy Committee set out below in respect of the Project
 - to agree the Project Plan and monitor progress of the project against that Plan including key milestones and decision gateways
 - to agree progression to the next stages of design as set out in the Project Plan
 - to ensure effective actions are in place to address key risks
 - to consider and agree methods of consultation and engagement
 - to consider and agree a communication strategy
 - to identify and monitor dependencies with other council and third-party projects and programmes

2. To exercise the following powers of Policy Committee under the Constitutions/Financial Procedure Rules in respect of the Project:
 - authority to release expenditure for approved capital schemes
 - approval of capital or revenue virement or supplementary capital or revenue estimate
 - approval of final cost for capital schemes in relation to the Project, including the meeting of Brownfield Land Release Fund grant conditions

3. To exercise the following powers of Policy Committee under the Contract Procedure Rules in relation to the procurement of contracts for works, goods, software or services in connection with the Project:
 - approval of price/quality evaluation criteria
 - approval of short-listing procedures, short-list selection and approved lists of contractors, including the authorisation of any departures from Contract Procedure Rules
 - to make recommendations to Policy Committee in respect of contract award

4. To consider and approve the submission of planning applications to the Local Planning Authority to take forward the Project in a landowner capacity.

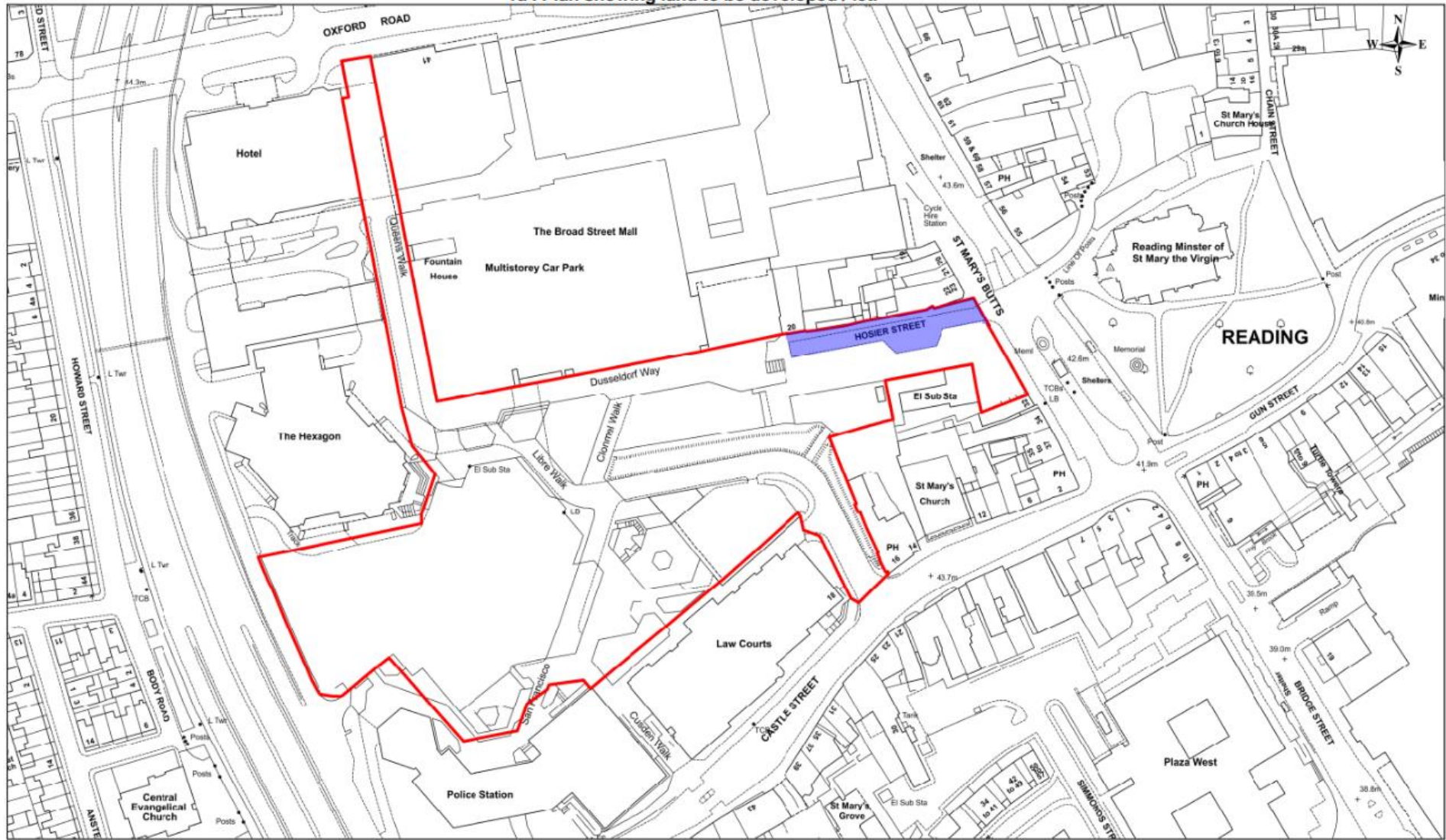
5. To agree resolution of any title matters, including necessary lease variations, assignments or granting of easements and instructing of surveys or preparatory work to ready the site for market and subsequent disposal within the budget allowed for the Project and to make appropriate recommendations to Policy Committee in respect of appropriation or CPO necessary to take forward the Project.

6. To agree the necessary legal structures and under delegation from Policy Committee implement transfer of land in line with the exchanged Development Agreement.

Membership

- Executive Director Economic Growth and Neighbourhood Services (**Chair**)
- Deputy Director Infrastructure, Economy and Capital Projects (**Deputy Chair**)
- Director of Finance
- Director of Law and Governance
- Assistant Director Property and Asset Management
- Growth and Regeneration Manager
- Principal Valuer Property and Assets
- Principal Regeneration Lawyer
- Strategic Business Partner (Finance)
- Commercial Procurement Manager
- Commercial and Legal advisors to attend as required/by invitation
- AD or Project Managers to attend when relevant projects are being discussed

1a . Plan showing land to be developed / let.



Title: **Old Civic Centre Development Area**

Drg.No.: GIS00433

Scale at A3: 1:1250

Date: 14/09/2022

Produced by GIS & Mapping Services

Ref: G:\Mapinfo\Workspaces\KQ\Civic HQ Plan\Plan 4 2022



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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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Choose an item

22 January 2024



Reading
Borough Council
Working better with you

Title	Tackling Inequality Strategy Update
Purpose of the report	To note the report for information
Report status	Public report
Report author	Gavin Handford
Lead Councillor	Liz Terry
Corporate priority	Thriving Communities
Recommendations	<ol style="list-style-type: none"> 1. That the Committee notes the progress in delivering the Tackling Inequality Strategy objectives 2. That the Committee notes the intention for the two Place Based pilot projects to be extended and that a request will be made to reprofile the budget as part of year end processes, as detailed in para 3.17.

1. Executive Summary

- 1.1. In January 2023 the Council agreed its new Tackling Inequality Strategy 2023 – 2026. The Strategy outlined how the Council can go beyond its existing activities and strategies to achieve a more consistent quality of life for our residents in all areas of the Borough. The key focus of the strategy is to support our residents to become more resilient, building on a foundation of educational attainment, strong skills and practical knowledge that enables them to realise their potential through accessing suitable employment opportunities.
- 1.2. Within the first year of the new strategy, the Council has worked with Brighter Futures for Children, New Directions College, and the Reading Economic Destination Agency (REDA) to deliver a broad range of activities to support Reading residents with the skills and learning to improve their financial resilience.
- 1.3. The Council is delivering part of this Strategy through an innovative and targeted place-based approach to address the underlying determinants of deprivation within the Borough that adversely affect Education, Skills, and Training.
- 1.4. The Council has commenced this place-based work within the Church and Whitley wards, identifying a broad range of opportunities to improve resident's individual and collective quality of life.

2. Policy Context

- 2.1. The Council's Corporate Plan 2022-25 'Investing in Reading's Future' sets out the vision for Reading to reach its potential and to ensure that everyone living and working in Reading can share the benefits of our town's success.
- 2.2. Within Reading there is a mismatch between its economic success and the benefit realised by residents within some of our communities. Significant inequalities persist in

terms of skills, wealth and health, with the borough having some of the most and least affluent localities in the whole of the Thames Valley.

- 2.3 The latest Index of Multiple Deprivation from 2019 shows Reading has five areas within the Borough that are in the 10% most deprived nationally compared to two in 2015. A total of twenty-four areas have at least one indicator which is in the 10% most deprived in the country.
- 2.4 The initial finding from the 2021 Census shows a similar picture, with areas in the south of the borough showing the greatest prevalence of household deprivation relating to education, employment, health, and housing.
- 2.5 The specific scope of the Tackling Inequality Strategy is to go beyond our existing activities and strategies to achieve a more consistent quality of life for our residents, regardless of where they live within the borough.
- 2.6 The Council's Tackling Inequality Strategy and place-based pilot approach seeks to respond to this issue by focusing on:
 - those areas of greatest need, so that we can achieve our collective ambitions and deliver the successes we want for everyone within the Borough to share in Reading's success.
 - increasing attainment in skills, education and training enabling residents to access quality employment.
- 2.7 The development and delivery of the Tackling Inequality Strategy has happened during a backdrop of significant cost-of-living challenges for Reading residents including the new residents within the Borough who have sought asylum in the UK.
- 2.8 Tackling inequality is not something which the Council can do alone. Our strategy emphasises the importance of working with partners, particularly the voluntary and community sector which is often operating at the very local level to support residents. Direct engagement with our residents by public, private and voluntary sector organisations to understand their needs and aspirations, and what barriers they face to achieving them is crucial to the success of this strategy. The Tackling Inequality Strategy (2023 to 2026) can be found here:
<https://images.reading.gov.uk/2023/02/Tackling-Inequality-Strategy-2023-2026.pdf>

3. The Proposal

Tackling Inequality Strategy Action Plan Delivery

- 3.1 The Tackling Inequality Strategy includes a detailed action plan of activities to support increasing educational attainment, skills and learning to support residents' economic self-sustainability. The delivery of these actions is being led by three key partners who are committed to achieving the aims of the Tackling Inequality Strategy. These are:
- 3.2 **Brighter Futures for Children:** BFfC have the target of improving educational attainment, skills, and learning through:
 - Early identification of additional needs, aligned with a wide range of provision.
 - Ensuring all Reading children are included, engaged in learning and barriers to achievement removed.
 - Promoting positive futures for all Reading young people, focusing on those most in need
 - Local schools work in partnership to realise the potential of all Reading pupils.

3.3 Reading Economic Destination Agency: REDA have the target of ensuring economic stability through:

- Emerging skills and jobs.
- Start Up Reading and small business support.
- Employment and employability.

3.4 New Directions College: NDC have three specific goals:

- To provide outstanding adult skills and community learning that meets the needs of learners, communities, and local businesses.
- Core Skills for Local People
- Employment And Employability

3.5 A summary of delivery against these actions is presented in Appendix 1.

Place-Based Pilots Programme

3.6 Another key part of the strategy is the place-based pilots operating in two Wards. The aim of place-based working is to take a more holistic, targeted and co-designed approach to the deployment of Council, community, and private sector resources, in our least affluent Wards to better support residents. Crucial to the success of this approach is that everyone who has a stake or an interest in the area can contribute and share their perspective about how best the desired outcome might be achieved.

3.7 The place-based pilots programme covers two areas of the Borough: Church and Whitley Wards with the new approach being piloted over a period of twenty-four months.

3.8 The activities of the Place-Based Pilots are being managed through five specific workstreams:

Workstream	Objective
Community Engagement	To connect with residents and communities to build strong ongoing relationships to understand what it means to live in Church and Whitley wards, and to involve and collaborate with these communities in the development and delivery of future services and activities.
Educational Attainment	To support pupils, parents & guardians, teachers, and local communities to secure the best educational attainment for our children and young people.
Increasing Skills and Abilities	To understand and nurture the skills and abilities that residents need to secure the employment that they want.
Sustainable Employment	To support residents into economically sustainable employment that provides them with good quality of life.
Community Priorities for Public Realm	To respond to what residents tell us about the physical environment and to create a place that supports their quality of life.

3.9 To support the delivery of the Place-Based Pilots, two Community Project Officers have been recruited to act as a focal point within the designated Wards.

- 3.10 A key element of their work is to build new relationships with stakeholders to drive successful collaborative working, engage, and to connect with the local community to build trust and encourage participation in Tackling Inequality Strategy activities. They are working with the local community, other public sector, and voluntary and community sector organisations to gather intelligence on the needs and aspirations of residents, support the development of options for targeting services and resources within the pilot area, and to work with the local community and partner agencies to strengthen local capacity and social capital.
- 3.11 During the first months of the Place-Based Pilots programme, the Community Project Officers have focused on:
- Identifying and collecting local data to measure progress, impact, and to inform service improvement activities and measure their achievements,
 - Mapping local assets, activities, and resources within the ward (a summary of local community facilities is attached as Appendix 2),
 - Planning and delivering of stakeholder events,
 - Identifying opportunities for regenerating local assets and infrastructure,
 - Identifying systems-based changes in service delivery to reduce silos and strengthen partnership working,
 - Identifying options for reducing demand on local services by early intervention and prevention activities.
- 3.12 This initial activity has identified a broad range of potential projects which could support the objectives and workstreams of the Place-Based pilots. This includes providing additional focus and support to existing Council projects to ensure that we are maximising their impact within Church and Whitley, and developing new projects identified through engagement with local stakeholders.
- 3.13 Through engagement between Brighter Futures for Children and the John Madjeski Academy, priorities for supporting local school children have also been identified to provide a focus for activities within the Place-Based Pilots. These priorities for delivering improved educational outcomes are:
- Parental Engagement and Co-Production of Improvement Outcomes.
 - Increased Attendance through Role-Modelling Positive Behaviours and Improved Public Health.
 - Classroom Activities supported by local community and cultural activities.
- 3.14 All three priorities can be enhanced by greater active connectivity between the schools and local community, and recruitment of school staff that align with the life experiences and heritage of the local community.
- 3.15 New Directions College has identified opportunities to go beyond its core offer, including:
- Be a physical community venue for activities linked to the place-base pilots and will attend other community events across the borough, to promote the offer of adult and community learning to support social mobility.
 - Provide bespoke Careers Guidance and Information, Advice, and Guidance to residents looking to secure employment or make progress with their career with enhanced qualifications or apprenticeships.
- 3.16 The next stage of the Place-Based Pilots programme is to engage with residents within Church and Whitley to understand their needs and aspirations in relation to attainment, skills and employment. We need to understand which will have the most impact and are therefore a priority for delivery. Given the time it will take to develop and deliver effective engagement practices within the two wards, it is inevitable that the Place-

Based Pilots Programme will not be able to deliver every improvement project that is identified during its current timeframe of 24 months, making this prioritisation process a vital piece of work with the local community.

- 3.17 Officers are currently developing a range of engagement methods to capture experiences, preferences, and feedback from the communities within South Reading. Some of these are new approaches that are being tested, and some will build on existing practices that residents value. To enable the maximum benefit from the resources committed to the Place-Based Pilots programme it would be prudent to extend the timescales for the programme. As part of the year-end budget process, a request will be made to reprofile the expected spend on the budget allocated to the Place-Based Pilots for 2023-25 to reflect this new timeframe. It is anticipated that the reprofiling request will reflect the table below. This would extend the delivery of the Place-Based Pilots into 2025/26 within the existing approved resources.

	2023/24	2024/25	2025/26
PBP Budget Allocation	£100,000	£250,000	£300,000

- 3.18 Following the assessment and engagement on potential improvements within Church and Whitley wards, any additional budget requirements (including extending the Community Project Officers posts) would be considered within the annual budget-build process.
- 3.19 Within the potential projects that have been identified, opportunities are also being reviewed for how any improvements within Church and Whitley can be delivered across the borough or can create systemic change in how Reading Borough Council services are delivered to residents. Creating improvements that can be realised across the whole borough remains a key aspect of the work of the Place-Based Pilots Programme.
- 3.20 Since the genesis of the Tackling Inequality Strategy work, Reading Borough residents have experienced the initial impact of the significant rise in the cost of living. What is not yet known are the longer-term impacts of this rising cost of living and how they relate to the objectives of the Tackling Inequality Strategy and the Place-Based Pilots Programme. This further supports the intention to reprofile the use of available resources so that emerging impacts of the sharp rise in the cost of living can be identified and understood.

Feedback from Engagement with Local Residents and Stakeholders

- 3.21 Council Officers have conducted a range of engagement and consultation activities within Whitley and Church wards to understand the views of residents about what they see as important within their lives and the objectives within the Tackling Inequality Strategy. This included:
- Focus Groups with Residents and Council Tenants
 - Focus Group with Community Researchers
 - Whitley Wood Community Centre Survey
 - Whitley Community Development Association Engagement
 - Have You Say Event
 - Whitley Networking Meeting
 - Meetings with local Ward Councillors
- 3.22 The following key points have been raised during these engagement activities:
- Support for parents who are struggling to help their children with their education.
 - Community activities and events to build relationships with hard-to-reach residents.
 - Access to community spaces and condition of existing facilities.

- Improved communication of information that meets local needs.
- Finding enjoyable employment
- Council staff having a greater awareness of living in an area of historic deprivation.
- Sharing local experiences to decision makers
- Removing and challenging the South Reading stigma

South Reading Community Information Ambassadors

3.23 120 people across Church and Whitley wards have signed up to act as an informal ambassador. These new ambassadors will share information with friends, family, work colleagues and neighbours, and are provided with monthly updates to share within the community.

Residents Survey 2023

3.24 The annual Residents Survey results show the following priorities for residents in Church and Whitley wards, in terms of what they think makes somewhere a good place to live, and what needs improving in their area:

What Makes Somewhere a Good Place to Live?

Church		Whitley	
Factor	%		%
Level of crime	33%	Good schools	39%
Facilities for children and young	28%	Facilities for children and young	27%
Roads and pavement repairs	24%	Clean streets	21%
Good schools	24%	Level of traffic congestion	21%
Clean streets	22%	Level of crime/ shopping facilities	19%

What Needs Improving In Your Area?

Church		Whitley	
Factor	%		%
Level of crime	37	Road and pavements repairs	27
Road and pavements repairs	26	Clean streets	25
Facilities for children and young	26	Level of crime	22
Clean streets	21	Level of traffic congestion	17
Parking	17	Facilities for children and young	16

Place-Based Pilots Programme – Alignment with Other Council Projects

3.25 Alongside the delivery of the Tackling Inequality Strategy objectives and the Place-Based Pilots programme, the Council has also delivered other projects focused specifically on addressing inequality within the borough. These include:

Cost of Living Response / Household Support Fund

- 3.26 In response to the rising cost of living experienced by people living in Reading, the Council has commissioned local voluntary and community organisations to deliver services and activities to support residents experiencing uncertainty and hardship. These commissioned services are complemented by a comprehensive information resource within the Council website developed to ensure that residents can find information about what support is available to address their specific needs.
- 3.27 The Council has also developed a programme of financial support for residents utilising the Household Support Fund grant provided by Department of Work and Pensions. This programme provides direct support to Pupil Premium Free School Meal families, Older People on Housing Benefit, and Care Leavers, as well as creating an opportunity for low-income households to apply for financial assistance.

VCS Compact

- 3.28 In September 2023, the Council agreed a new VCS Compact between Reading Borough Council and Reading's voluntary and community sector sets out the basis for strategic engagement, partnership working and collaboration to deliver our shared ambition of improving the quality of life for the residents and communities of Reading.
- 3.29 This new Compact will help realise this ambition by embedding ways of working that combine the complementary capabilities and perspectives of Reading Borough Council and the voluntary and community sector to achieve:
- A strong and self-sustaining voluntary and community sector which Reading can be proud of.
 - More strategic alignment between the Council and the voluntary and community sector, recognising its important role in helping to understand priorities and shape service delivery across Reading, but also recognising that we may not always agree.
 - Mutual understanding between the Council and the voluntary and community sector of how each organisation/sector works alongside a commitment to overcome factors that constrain joint working and support each partner wherever possible.
 - Positive engagement and insight into the diverse needs of local people.
 - Better services more tailored to the needs of our residents.
 - A borough where volunteering is encouraged, nurtured, and celebrated.

Community Wellness Outreach Project

- 3.30 In November 2023, the Community Wellness Outreach Project commenced which is an investment of £811,000 over two years from the Integrated Care Board, to develop a local community outreach service which offers prevention and early identification of cardiovascular disease to patients at the heart of communities in a way which best suits local needs.
- 3.31 This project recognises the role of voluntary and community sector organisations in supporting community wellness and reducing health inequalities, with a view to ensuring that the local operating model contributes to building community assets.

4. Contribution to Strategic Aims

- 4.1. The key objectives of the Tackling Inequality Strategy are to create strong self-sustaining communities by improving residents' skills and abilities to enable them to access employment opportunities which match their ambitions. Our local economy needs to be strong so that there are the good jobs that our residents want, or the markets to sustain small businesses and the self-employed.
- 4.2. These activities are supported by taking a holistic approach to improving areas of the borough to create a positive environment for growth and achievement.

- 4.3. These objectives relate specifically to the Corporate Plan themes of Thriving Communities and Inclusive Economy.
- 4.4. Delivery of the Tackling Inequality Strategy is based on utilising the principles of partnership working and identifying opportunities to work differently to deliver more effective and efficient services for our residents.
- 4.5. Working effectively with our partners is critical to the work to tackle inequality. To help our residents obtain the skills and abilities to realise their potential, has required the Council to work closely with key partners such as Brighter Futures for Children, New Directions College and the Reading Economy & Destination Agency, along with our schools, colleges and businesses who are also focused on securing outcomes for residents that provide opportunities for learning and development.
- 4.6. Central to our delivery of this strategy has been the establishment of area-based projects which enable Council services, local partners, our voluntary and community sector, and our residents, to come together as part of the multi-disciplinary project team and utilise all available resources to deliver the changes needed for our residents to realise their potential.

5. Environmental and Climate Implications

- 5.1. The Place-Based approach within the Tackling Inequality Strategy takes a holistic approach to identifying improvements, which can include environmental elements such as air quality; biodiversity/wildlife; greenspace/natural habitats; landscape/visual impact; natural resources; noise/disturbance; and waste management.
- 5.2. Specific carbon emission reduction activities could relate to the development of new facilities within communities which are more actively used by the local community, and energy efficiency improvements within people's homes. The creation of more suitable local employment opportunities for residents would reduce the need to travel.

6. Community Engagement

- 6.1. Delivery of the Tackling Inequality Strategy is heavily dependent on understanding residents' particular needs and aspirations so that services can be tailored to be more effective. This engagement approach is complemented by a strong commitment to collaborative working with local partners and other stakeholders to develop mutually reinforcing service improvements.
- 6.2. A key element of the early work of the Community Project Officers has been to build relationships with local community stakeholders and provide opportunities for focused discussions on local community needs and aspirations. As part of the Place-Based Pilots work, new engagement models are being explored to embed effective ways to improve our understanding of our residents across the borough.

7. Equality Implications

- 7.1. The Tackling Inequality Strategy is focused on exploring all issues which may limit residents' abilities to participate and enjoy the benefits of living within the borough, including all the protected characteristics detailed within the Equality Act (2010), and residents belonging to the Armed Forces community.
- 7.2. By its very nature, the Tackling Inequality Strategy details how the Council will work to improve inclusivity within the borough, with a strong element of delivering improvements by engaging directly with residents to understand their individual circumstances, needs and aspirations.

- 7.3. There is a specific commitment within the Tackling Inequality Strategy to always be mindful of the diverse personal life experiences of our residents and how these can contribute to their equal enjoyment of life and achievements within the borough.

8. Other Relevant Considerations

- 8.1 None arising from the recommendations.

9. Legal Implications

- 9.1. None arising from the recommendations.

10. Financial Implications

- 10.1. See attached template.

11. Timetable for Implementation

- 11.1. The Tackling Inequality Strategy and Place-Based Pilots Programme are focused on delivering improvements between 2023 and 2026.

12. Background Papers

- 12.1. None.

Appendices

Appendix 1: Tackling Inequality Strategy Action Plan Update – October 2023

Appendix 2: Local Community Assets within Whitley & Church Wards

FINANCIAL IMPLICATIONS

The financial implications arising directly from the proposals set out in this report are set out below. Note paragraph 3.23 and recommendation 2 outlines proposals to request a reprofiling of the budget as part of the financial year end processes. This does not change the overall expenditure related to this activity:

Revenue Implications

	2023/24 £000	2024/25 £000	2025/26 £000
Previously Agreed Budget Allocation	£350	£300	
Expenditure	£350	£300	£0
Income from: Fees and charges (see note2) Grant funding (specify) Other income	0	0	0
Total Income	0	0	0
Net Cost (+)/saving (-)	£0	£0	£0

Value for Money (VFM)

The activities of the Place-Based pilots within the strategy and commitment to collaborative working with key partners are all predicated on an aspiration to identify more efficient use of resources in delivering services for residents.

Risk Assessment.

Failure to implement the tackling inequality agenda within the Borough and reduce levels of inequality is included within the Council's Strategic Risk Register. Identified issues to be mitigated include lack of resources, focus and coordination of internal teams, deficit of community infrastructure to support local delivery, and lack of effective community engagement leading to inappropriate interventions. Mitigations are in place for each element of the risk and are being actively monitored.

APPENDIX 1
TACKLING INEQUALITY STRATEGY ACTION PLAN UPDATE – December 2023

1. IMPROVING EDUCATIONAL ATTAINMENT, SKILLS, AND LEARNING			
Early identification of additional needs, aligned with a wide range of provision			
Intention/Aim	Owner	RAG	Updates
Agree partnership action to deliver the priorities of the SEND Strategy 2022-2027	Reading schools and Brighter Futures for Children		Report to Health and Wellbeing Board October 6 sets out details of progress on all outcomes in this section. Director of Education attended Reading Alliance for Racial Cohesion - led session on Education and inequalities, to promote more inclusive representation on Governing Boards and Reading Families Forum
Establish clear pathways and provision from early intervention through to specialist provision	Reading schools and Brighter Futures for Children		Autism Education Trust Hub established, training offer in place. Therapeutic Thinking in Schools, Principles of Instruction training offers in place with a focus on reducing inequalities. Anti-Racism project focused on recruiting more schools to participate. Provided schools with SEND consultant support in 22-23 to support school improvement and reduce risks for children with more complex SEND.
Improve Sufficiency of SEND placements	Reading schools and Brighter Futures for Children		Supported and evaluated curriculum provision and effectiveness in all mainstream based specialist resources and provided training and networking opportunities through the AET Hub and school effectiveness team
With health partners, develop integrated working to identify and respond to children's additional needs	BOB ICB, Reading schools and Brighter Futures for Children		NHS - led ICB review of therapies underway

Ensuring all Reading children are included, engaged in learning and barriers to achievement removed			
Intention/Aim	Owner	RAG	Updates
With Reading schools, understand and take action to improve attainment and reduce attainment gaps	Reading schools and Brighter Futures for Children		Reading Schools Partnership Board established to coordinate school-to-school support and challenge. School effectiveness framework in place and used to address issues in specific schools, successful Rapid Improvement actions have supported improved outcomes in schools. Annual School Standards report set out agreed actions to reduce attainment gaps, endorsed by ACE Committee, June 2023. Virtual School training offer, support, advice, and guidance for professionals working with children looked after evidenced as making an impact in 2022/2023 results and recent Ofsted visit. Overall, attainment gaps are still too wide and year to year reductions needed over a three-to-five-year trajectory
Coordinate education and wellbeing recovery action to support children's learning	Reading schools and Brighter Futures for Children		Support to schools in place to improve curriculum intent and implementation through the coordination of training for school leaders and programme of curriculum reviews evidencing impact in monitoring reviews. Maintained Ofsted Outcomes above national average. Monthly Emotional Health and Wellbeing Triage Support Group for focusing on reducing inequalities making progress on access and impact
Promote attendance and remove the barriers to engagement in education using trauma-informed and relationship-based approaches, including targeted work to prevent exclusions and reducing the number of Children Missing Education	Reading schools and Brighter Futures for Children		Persistent Absence is a priority area, including for vulnerable pupils. BFfC restructure has brought attendance support into Education department. Continued promotion of Therapeutic Thinking in Schools and training offer, behaviour reviews in schools where SEND or exclusion are concerning. Virtual School training offer, drop-in clinics, advice, guidance, and Personal Education Plans promote inclusive and trauma informed practice for schools, professionals and carers to support attendance. Dedicated VS Inclusion Support Officer with robust tracking and monitoring of inclusion data is helping achieve good attendance for our looked after children
Targeted School Effectiveness intervention with priority schools	Reading schools and Brighter Futures for Children		Successful Rapid Improvement approaches with schools supported improved outcomes in priority schools, with early data analysed for 22/23 results and schools causing concern identified

Promoting positive futures for all Reading young people, focusing on those most in need			
Intention/Aim	Owner	RAG	Updates
Identify young people at risk of NEET and take targeted action to prevent them becoming NEET	Reading schools and Brighter Futures for Children	Green	Continued positive impact of NEET prevention work resulting in good outcomes for children at risk of NEET
Develop and promote a wider range of EET opportunities and possible futures for all Reading young people	Reading schools and Brighter Futures for Children	Yellow	A successful young entrepreneur's programme engaged groups of children at risk of poor outcomes to develop their creative skills into artistic product, including through arts and creative events focused on the Southcote area, which they sold at Wembley Entrepreneurs Fair. A wide range of additional opportunities identified, including in developing skills for culture and enterprise, but more needed to be done to integrate work of skills agenda, economic development partnership and schools' engagement
Reinvigorate the 16-19 partnership, building relationships with HE and FE providers	Reading schools and Brighter Futures for Children	Green	Reading School and College Leaders group has integrated work with colleges, ensuring Activate Learning and other FE and HE providers are integrated with a Reading-wide approach to tackling inequalities. Reading University Head of Education Institute has joined Reading Education Partnership Board.
Broker strong partnerships between businesses and schools to harness Reading's economy for the benefit of young people	Reading schools and Brighter Futures for Children	Yellow	Progress made with Price Waterhouse Coopers to secure opportunities for vulnerable children. More needed to be done to integrate work of skills agenda, economic development partnership and schools' engagement
Promote enrichment, cultural and leisure opportunities for primary and secondary pupils to help children develop their interests and skills	Reading schools and Brighter Futures for Children	Green	Promotion and take up of opportunities has seen a term-on-term increase over the last academic year. More work is planned to expand the engagement of schools in cultural and creative opportunities through the Cultural Education Partnership

Local schools work in partnership to realise the potential of all Reading pupils			
Intention/Aim	Owner	RAG	Updates
Reading's leaders of education, working with the community and businesses, deliver an Education Vision and strategy promoting education, skills and opportunities for all pupils.	Reading schools and Brighter Futures for Children		Reading Education Partnership Board established, overseeing outcomes for all children and with a priority to reduce gaps in outcomes. RBC Covid recovery funding enabled catch up summer schools for vulnerable pupils. annual Standards and Achievement report established and presented to ACE committee, establishing a baseline understanding of inequality issues, in July 2023. ACE Committee endorsed educational priorities regarding reducing inequality and regular reporting cycle at July 2023 ACE Committee meeting.
Targeted school effectiveness support to Reading community schools ensures quality education for all pupils, reducing inequalities	Reading schools and Brighter Futures for Children		Successful Rapid Improvement Group meetings supported improved outcomes and reduced performance gaps in RIG schools, early data analysed for 22/23 results and schools causing concern identified. Writing and reading interventions ensured stronger outcomes at KS2 and KS1 moderation and in overall results for writing at KS2 for locally maintained schools in comparison to academies. Rate of improvement in LA maintained schools above national rate of improvement. Quality of education judgements good in all inspections bar one, with inclusive practice mentioned in all reports.
Peer to peer school support ensures consistent quality across all of Reading schools, reducing inequalities	Reading schools and Brighter Futures for Children		Reducing inequality and improvement projects have supported schools to work together most notably the Tom Sherrington Project this year. Education Partnership Board established
Wellbeing of school staff	Reading schools and Brighter Futures for Children		Support to schools subject to RIGS has resulted in improved wellbeing for all leaders involved. School to school support for schools commissioned as part of the RIG process has provided peer support. Additional support provided for Caversham primary from EP critical incident support through to specialist coaching for leaders

To provide outstanding adult (age 19+) skills and community learning that meets the needs of learners, communities, and local businesses.			
Intention/Aim	Owner	RAG	Updates
Establish an Adult Skills and Community Learning Strategy for Reading that links to the Berkshire County Deal and the work being undertaken to devolve the Adult Education Budget.	New Directions College		Strategic Development Plan, Quality Improvement Plan and Annual Accountability Statement (published to DfE) are all clearly aligned to improving social and economic outcomes for adult learners in the Borough. Exploratory work is still ongoing in regard to the devolution of adult education in Berkshire, which Reading continues to lead.
Contribute to the development and delivery of Local Skills Improvement Plans (LSIPs) and where appropriate, bid for structural development funds.	New Directions College		The College successfully bid for Local Skills Improvement Funding (the new name for SDF) and will be delivering transferable skills provision in Leadership/Management/Business Professional and Sustainability/Carbon Literacy. The College will play a key role in the delivery of the LSIP for Berkshire and will continue to feed into the workforce development plans.
Offer bespoke provision for adults with Learning Difficulties/Disabilities with a focus on developing pathways to employment.	New Directions College		The course offers for adults with SEND in 23/24 has continued to strengthen, as too is our partnership with local employers. Two planned cohorts of learners started in September 23 (meeting planned maximum numbers) and further courses are on offer throughout the academic year. Learners will be involved in one, possibly two exciting initiatives to run and manage local cafe facilities at the College and possibly Cedar Court (supported living accommodation in Whitley).
Offer/commission provision for adults with mental health conditions that will support their recovery and enable them to progress to further learning or employment.	New Directions College		The College's partnership with Compass Recovery College and Together remains strong. The college's dedicated IAG Officer is responsible for ensuring all learners are aware of local services to support mental health.

Offer/commission family learning activities which promote the development of basic skills and parental engagement in education.	New Directions College		The College is currently recruiting for a dedicated Skills for Life Community Tutor who will be responsible, along with the Curriculum Manager, for building links with local schools and children's centres and delivering bespoke skills for life programmes to parents.
Celebrate Adult Learner success throughout the year and via the annual Adult Learning Awards.	New Directions College		The second annual awards ceremony took place on 20th September at the Concert Hall with over 100 people in attendance. The Mayor of Reading presented awards to over 20 adult learners, staff and volunteers.

2. SOUTH READING PLACE-BASED PILOTS			
Whitley & Church Place-Based Pilots: Area Based approach to improving attainment, skills and outcomes for residents who are not realising their potential, supported by long-term improved economic sustainability			
Intention/Aim	Owner	RAG	Updates
Establish New Directions College as a centre of excellence for adult and community learning.	New Directions College		The College is on track to receive a Good/Outstanding Ofsted rating at its next inspection in 2024/25. The College continues to work with national sector bodies such as HOLEX, Education and Training Foundation, the Carbon Literacy Trust and EAUC to develop provision linked to industry standards and to share best practice.

3. ECONOMIC SUSTAINABILITY			
Emerging Skills & Jobs			
Intention/Aim	Owner	RAG	Updates
New Directions College to build and deliver foundation level talent pipelines into jobs within key emerging sectors across Berkshire, including Film and Production Industries and Green Skills.	New Directions College		The College has secured a place on the LSIP delivery board and will play an active role in delivering skills provision for Green Skills/Sustainability. The college is well connected to the Screen Skills infrastructure across Berkshire, including the newly established Screen Skills Berkshire group and the work underway to deliver Skills Bootcamps for the sector. The College will continue to horizon scan and plan opportunities for partnership/delivery as and when appropriate.
Core Skills for Local People			
Intention/Aim	Owner	RAG	Updates
New Directions College to deliver a service that is effectively aligned and connected to local projects and programmes of work linked to improved economic and social outcomes and skills for adults.	New Directions College		Strategic Development Plan, Quality Improvement Plan and Annual Accountability Statement (published to DfE) are all clearly aligned to improving social and economic outcomes for adult learners in the Borough.
New Directions College to deliver provision that addresses foundation level skills gaps and meets the needs of unemployed and underemployed adults.	New Directions College		Academic year 2023-24 will see a continued increase in the volume of courses to support the unemployed, including more Sector Based Work Programmes with local employers and Skills Bootcamps (bid pending). There is also an increase in courses for adults with SEND looking for supported employment within Hospitality.
Deliver Multiply (national Numeracy skills development project) to over 1000+ adults in Reading until 2025, providing innovative numeracy courses that promote skills development and progression to further learning.	New Directions College		The College met Yr1 deliverables (275 adults engaged in provision) and is on target to meet/exceed deliverables in Yr 2 (285 engagements). The College has been selected by the DfE for a case study on our work with the NHS and to deliver numeracy skills provision to staff working at the Royal Berkshire Hospital and in the NHS across Berkshire. The College has also been pivotal in introducing a new web platform for Berkshire Local Authority Multiply providers so that residents can access

			the information they need in order to learn more about the programme: https://www.adultlearningberkshire.co.uk/
Work with local FE and learning providers to build strong learning and skills pathways and avoid duplication, to ensure equality of access to high quality learning provision across Reading.	New Directions College		College Governance Board has 2 x local FE representatives. The College Chairs the Berkshire Adult Learning Network and Skills Devolution Working Group. The College is represented at several local networks and the Skills for Growth Group and is working with the Thames Valley Chamber of Commerce on the roll out of activities linked to the Local Skills Improvement Plans (LSIP)
Employment And Employability			
Intention/Aim	Owner	RAG	Updates
New Directions College to build on the successful employability opportunities that are created in partnership with local employers, key stakeholders such as REDA and JCP i.e. Sector Based Work Programmes linked to specific employers/sectors and targeted at specific learner groups.	New Directions College		The College continues to deliver Sector Based Work Programmes with JCP and local employers such as Thames Water, Ikea, Crowne Plaza, RBH etc and has submitted an EOI to the Berkshire LEP to deliver Skills Bootcamps for Accelerated Apprenticeships in Early Years and Sustainability for Leaders and Managers.
New Directions College to grow the delivery of Apprenticeships and technical/vocational education that meets the skills gaps within key sectors and is responsive to employer demand.	New Directions College		The College continues to play a key role in the delivery of vocational education for the Early Years and Schools sector. Work is underway to offer more Accelerated Apprenticeships within the Sector and to offer L3 pathways for 'Supporting Teaching and Learning' for the first time. This means that adult learners can start at L1 and move all the way through to L3 with the College. The College is also seeing an increase in uptake of adult learners studying the Award in Education and Training and moving onto the Certificate in Education and Training. Apprenticeships continue to be offered in Leadership and

			Management and Business Professional. More apprenticeship pathways are currently in development.
New Directions College to offer the National Skills Fund and Lifetime Skills Guarantee to Adults across Reading looking to secure their first full L3 qualification.	New Directions College		The College has fully utilised the L3 fund already for academic year 23-24 and will be requesting growth from the ESFA in Dec 23. This is an area that the Council could continue to support through the Social Inclusion Fund.
New Directions College to offer bespoke provision for adults with Learning Disabilities/Difficulties, with a focus on developing pathways to employment.	New Directions College		The partnership with Ways into Work and local Hospitality providers continues to strengthen the offer of training for adults with SEND. New initiatives are underway, including the establishment of an on site Café at the College which learners will manage and run, providing them with work experience. We are also exploring a partnership with Cedar Court in Whitley where learners could run a cooked meal/cafe service for residents.

3. ECONOMIC SUSTAINABILITY			
Emerging Skills & Jobs			
Intention/Aim	Owner	RAG	Updates
Employer led employment Opportunity and Support for every Reading student with strong focus on development of skills needs from emerging sectors (Low Carbon Economy and Creative Film Sector Jobs)	REDA		<p>Work with Education Business Partnership is in its final few weeks and is on target to reach 3,860 student employer interactions through 27 events at 6 secondary schools including The Wren, Maiden Erlegh Reading and Blessed Hugh.</p> <p>All delivery is being aligned with Tackling Inequality aims.</p> <p>REDA has now published its Screen Sector research updated to include partnerships with the LSIP, Screen</p>

			Berks and Resource Productions. The first Creative Skills task and finish group has met with the aim of aligning Screen Production Skills with other creative industries and skills delivery across Reading.
Co-ordinating and supporting new developer led S106 Employment and Skills Plans to meet local priorities	REDA		9 plans currently signed - 6 underway
New Employment Opportunities for Residents emerging from Developer ESPs	REDA		There are currently nine Employment and Skills Plans signed with developers locally, six of these are currently underway - including Greyfriars Church and most significantly Station Hill. There are at least six other significant plans in the development pipeline. Although new data is still awaited on some sites the cumulative ESP output is now 771: 25 apprenticeships, 452 local jobs, 38 work experience opportunities and education support to 256 students. Construction teams have engaged with several local schools including Civitas and Reading Girls, providers including New Meaning and Reading College, the University of Reading and Brighter Futures. ESP contributions continue to support the programme agreed by Policy Committee in Dec 22, outlined under Powered by People as above.

Start Up Reading and Small Business Support			
Intention/Aim	Owner	RAG	Updates
Start Up and Employment Advice and Guidance in Community Setting	REDA		The next tranche of outreach delivery starts at the end of October. The first wave included 22 events at 6 venues reaching 366 residents, including Afghan women and Hong Kong emigres
Supported Ways into Self- employment through training	REDA		The second Rotary-organised self-employment course started on Oct 9th with 19 learners. The first 10-week course saw 11 people complete and start a business with mentor support, 7 of these have received start up grants from REDA. The self employment course by Supersonic StartUp (previously Enterprise Exchange) has begun with

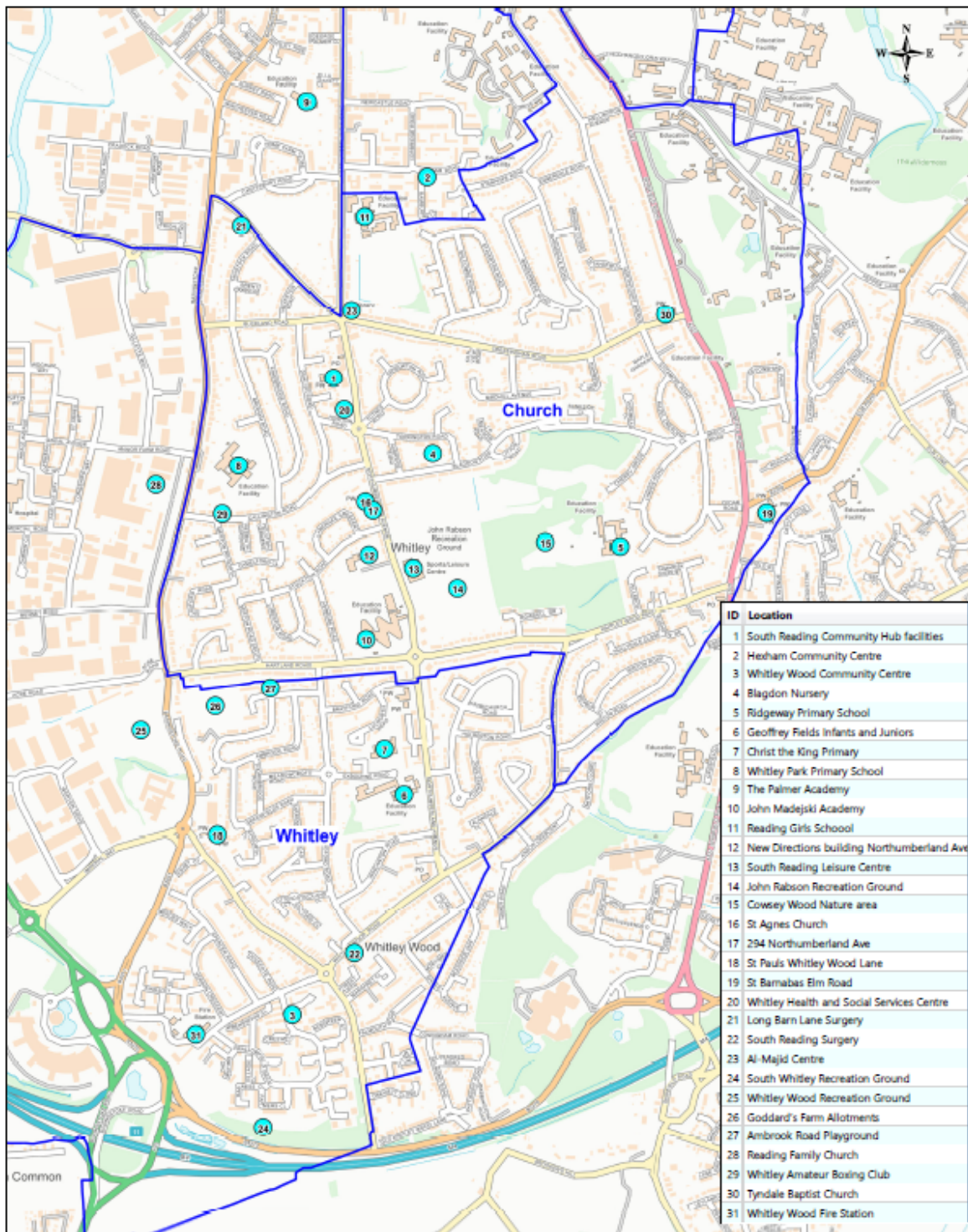
			17 participants, this runs until February with participants receiving intense one to one support.
Introduction to Self-Employment Taster Events	REDA		2 sessions have taken place at Whitley Community Café and The Pavilion, Oxford Road - 28 residents have attended and referred to courses, or other pathways
Workshop and Mentoring Programmes by business owners	REDA		As above, 11 have completed courses and being mentored through the ongoing Launch Reading programme (ongoing programme with 19 joining the programme in October)
Creating Strong Local Business Pathways and Growth Support to help business survive and grow local employment including skills and training	REDA		<p>Reading Business Network meets monthly online and Quarterly in person.</p> <p>The most recent live event was sponsored by the Reading Hilton, in partnership with Screen Berks and hosted 120 (of 160 registered) local businesses interested in opportunities in the Screen Industry supply chain. A follow-up online event took place in November with 70 attendees seeking expert advice on the Screen Industry and skills and procurement opportunity. Ambitious plans are now shaping to build on our creative industry cluster as well as support procurement routes in other sectors. RBN has nearly 500 members.</p> <p>Berkshire Growth Hub – is funded via the UKSPF serving all 6 Berks LAs - and has so far completed 11 t Start Ups and 2 High Growth.</p>

Employment And Employability			
Intention/Aim	Owner	RAG	Updates
Post Covid and Cost of Living Crisis: Access to employment opportunities for all our residents through a range of jobs and skills events around the Borough, working with National Careers Service, New Directions and JCP to provide recruitment support and soft skills	REDA		The Job Fair in July attracted nearly 500 attendees / 47 exhibitors (employers with live jobs, training providers to support employment routes). A second Job Fest for 2023 took place at The Town Hall with close to 500 job seekers attending to meet 43 employers and training providers. This is the 10th year of DWP/REDA organised events.

Ensuring our workforce has the skills that employers need and where there are jobs waiting to be filled – including construction, hospitality, digital and healthcare.	REDA		28 young adults funded through CSCS training in partnership with New Meaning, supporting excluded young people with additional barriers to employment
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APPENDIX 2

Local Community Assets within Whitley & Church Wards



Title: Community assets in the South Reading area

Drg.No.: GIS00522

Date: 31/05/2023 Scale at A3: 1:10,000

Produced by GIS & Mapping Services

Ref: G:\MID\CD\Edu&Comm\South Read Com.Assets\2022\social Inclusion Strategy Community Assets Mapping_V2



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Policy Committee

22 January 2024



Reading
Borough Council
Working better with you

Title	Brighter Futures for Children Ltd – Appointment of Director
Purpose of the report	To make a decision
Report status	Public report
Report author	Mike Graham, Asst Director for Legal and Democratic Services
Lead Councillor	Cllr Jason Brock, Leader of the Council
Corporate priority	Not applicable, but still requires a decision
Recommendations	<ol style="list-style-type: none"> 1. That Seona Douglas be appointed as the Council Nominated Director for Brighter Futures for Children Limited from 1 January 2024 to 1 January 2025. 2. That the Chief Executive is delegated to finalise the terms and conditions of appointment. 3. That the Council waives the requirement in the Articles of Association that the Council Nominated Director be an officer of the Council. 4. That the retirement of Calvin Pike as Director is noted.

1. Executive Summary

- 1.1. This report to the Policy Committee is in its capacity as the sole member of Brighter Futures for Children Ltd (BFfC).
- 1.2. This report asks Policy Committee to make a decision as the sole member of BFfC regarding an appointment to the Board of Directors.
- 1.3. In February 2023, the Council appointed Mike Graham, Assistant Director of Legal and Democratic Services as the Council Nominated Director. It was recognised at the time that this was a temporary arrangement and was expected to last until the Council appointed a new Executive Director of Adult Health and Care Services (expected to be summer 2023).
- 1.4. Since that time, the Council has restructured the Directorate of Adult Health and Care Services and it has created the Directorate of Communities and Adult Social Care.
- 1.5. The expanded role of the new Executive Director, and the time commitments for these new responsibilities, mean that it is inappropriate to appoint the post holder to the Board of BFfC at this time.
- 1.6. The Council has therefore approached Seona Douglas the former Executive Director of Adult Health and Care Services, now retired, to resume her role as the Council Nominated Director. Seona Douglas has indicated her willingness to serve again in this capacity. Seona is a qualified social worker and has experience of Children’s Services in her career. Seona is very familiar with the Company as she served as the Council Nominated Director from 2018-2022. The Board has been consulted on this proposal to appoint Seona and is in agreement with it.

2. Policy Context

- 2.1. The Council's policy is to ensure that Children's Service's achieve an OFSTED status of at least "Good" by 2024. This was the stated aim of the Service Contract when Brighter Futures for Children Ltd was established in 2018 and Children's Services were in intervention. Since then, Brighter Futures for Children Ltd have moved from "Inadequate" to "Requires Improvement to be Good" (October 2019). Intervention in Children's Services ended in February 2021. The Company has also seen a number of other successes (but it is not the place of this report to go into detail on those). A full reinspection of Children's Services by OFSTED is overdue and until that inspection takes place, there will be no change in the grading of the Service.
- 2.2. Good governance through an effective Board is a key contributor to this objective and to deliver the vision and mission of the Company.
- 2.3. The Articles of Association have always envisaged that a Council Nominated Director would be a part of the BFfC Board and a key part of the governance arrangements for the Company.

3. The Proposal

- 3.1. In October 2018, the Council approved the formation of a separate Company for the delivery of Children's Services in Reading; Brighter Futures for Children Limited (BFfC). The Company subsequently began delivery of services in December 2018.
- 3.2. BFfC is a company limited by guarantee without share capital. Its sole member is Reading Borough Council, and the Council has several rights under the Articles of Association (the Company constitution).
- 3.3. The minimum requirements for the Board in Article 9.2 are specified as follows:
 - The Chair
 - At least one Executive Director in addition to the Executive Director of Children's Services
 - At least one Independent Non-Executive Director
 - The Council Nominated Director
- 3.4. The composition of the Board is currently as follows:

Role	Name	Appointed
Chair	Di Smith	1 Apr 2020
EDCS	Lara Patel	1 Feb 2023
EDF&R	Kit Lam	5 Jun 2022
NED	Nicola Gilham	15 Nov 2018
NED	Paul Snell	15 Nov 2018
NED	Tony Byrne	15 Nov 2018
NED	Calvin Pike	1 Nov 2021
Council	Mike Graham	22 Feb 2023

- 3.5. The Board has agreed that, as a cost saving measure, Calvin Pike will retire from the Board on 25 January 2024.

Appointment of Directors

- 3.6. There are two methods in the Articles for the appointment (which can be taken to also include re-appointment) and removal of Directors.
- 3.7. First, the Chair, Managing Director and Council Nominated Director are appointed by "the Members by Ordinary Resolution". As there is only one member, effectively this is a decision of Policy Committee acting in its capacity as sole member. These

appointments are then notified to the Company in writing. The Company will be consulted on these decisions in advance and the Council is expected to act reasonably and consider any representations of the Board.

3.8. Secondly, Additional Executive Directors and Independent Non-Executive Directors are appointed by the Board. However, these are Reserved Matters and the Board must seek approval for these decisions from the Members in writing.

3.9. As regards the Council Nominated Director, the Articles envisage an officer of the Council will be appointed to this role.

3.10. The definition of the Council Nominated Director within the Articles says as follows:

“means as appointed by the Member pursuant to Article 10.1, a non-executive director nominated by the Chief Executive of the Council who shall be an officer of the Council (other than the chief executive of the Council)”

3.11. When Seona Douglas was the Executive Director for DAHCS from 2018 to 2022, she fulfilled the conditions of the Articles as she was an officer of the Council. However, if she is to be appointed again, having retired from the Council, then the Council as sole member of the Company will need to agree to waive this provision in the Articles. This is the proposed course of action.

3.12. Options Proposed

3.13. In its capacity as the sole member of the Company, Policy Committee is asked to approve these arrangements:

- For Seona Douglas to be re-appointed as Council Nominated Director for a one-year term from 1 January 2024 until 1 January 2025
- For the Council as sole member of BFfC to waive the requirement in the Articles for the Council Nominated Director to be an officer of the Council

3.14. No further options have been explored at this time.

4. Contribution to Strategic Aims

4.1. The Council's new Corporate Plan has established three themes for the years 2022/25. These themes are:

- Healthy Environment
- Thriving Communities
- Inclusive Economy

4.2. These themes are underpinned by “Our Foundations” explaining the ways we work at the Council:

- People first
- Digital transformation
- Building self-reliance
- Getting the best value
- Collaborating with others

4.3. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

4.4. The delivery of improved services to Children in Reading is covered by the Brighter Futures to Children Business Plan which was last approved by Policy Committee on 7 March 2022. The plan is published on the [Brighter Futures for Children website](#). The Company's vision is – to protect and enhance the lives of the children of Reading and

help families find long-term solutions to ensure children lead happy, healthy and successful lives.

- 4.5. Ensuring stability of the Board and sound governance for the Company is key to delivery of that vision.

5. Environmental and Climate Implications

- 5.1. The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers).
- 5.2. There is nothing within this report which is relevant to the Council's climate change policies.

6. Community Engagement

- 6.1. There is no consultation or community engagement required on this proposal, nor has any been carried out voluntarily to help the report author consider the views of external parties in preparing this report.

7. Equality Implications

- 7.1. Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2. An Equality Impact Assessment (EIA) is not relevant to the decision. An EIA has not been carried out.

8. Other Relevant Considerations

- 8.1. There are none.

9. Legal Implications

- 9.1. The appointment of Directors is a matter for the Articles of Association. All the relevant points have been addressed in the body of the report.

10. Financial Implications

- 10.1. The Council will be paying the day rate for the Council Nominated Director.

11. Timetable for Implementation

- 11.1. If councillors are minded to support these recommendations then they will be implemented at the BFfC Board on 25 January 2024.

12. Background Papers

- 12.1. There are none.

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of the Local Government Act 1972.

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