

POLICY COMMITTEE MEETING MINUTES - 10 JUNE 2024

Present: Councillor Terry (Chair);
Councillors Leng (Vice-Chair), Barnett-Ward, Emberson, Ennis, Gittings, Griffith, McEwan, Rowland, R Singh, Thompson, Williams and Yeo

Apologies: Councillors

5. MINUTES

The Minutes of the meetings held on 22 April 2024 and 22 May 2024 were agreed as a correct record and signed by the Chair.

6. QUESTIONS

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

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Lin Godfrey	Footpath Maintenance	Cllr Rowland

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

7. READING TRANSPORT LIMITED - CHANGE OF ARTICLES OF ASSOCIATION

The Committee, acting in its capacity as sole shareholder of Reading Transport Limited (RTL), considered a report outlining proposed changes to the Articles of Association of RTL. The following documents were attached to the report:

- Appendix 1 - Detailed report on changes to the Articles and a list of subsidiaries;
- Appendix 2 - Proposed Articles of Association (track changes showing);
- Appendix 3 - Proposed Articles of Association to be adopted by the Council by way of shareholder special resolution for Reading Transport Ltd;
- Appendix 4 - Proposed Articles of Association for group companies to be adopted by Reading Transport Limited by way of shareholder special resolution for those group companies;
- Appendix 5 - Proposed Shareholder Agreement between Reading Borough Council and Reading Transport Limited.

The report noted that the Articles of Association had last been reviewed by the Council in 2013 when the current Articles had been adopted. They were bespoke Articles of Association which disappplied the statutory 'Model Articles' and made provision for the unique circumstances of RTL as a council-controlled company which was also subject to the regulation of municipal bus companies through the Transport Act 1985. A review had been carried out and changes were proposed to modernise and adapt the governing document of RTL to better align with the overall governance structures of the Company and the Council. This alignment aimed to enhance the Company's ability to serve the interests of the Council as the sole shareholder while ensuring effective and transparent governance. It also aimed

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to ensure that the Company was best placed to serving the interests of Reading and the surrounding area to provide an excellent transport service.

A report attached to the report at Appendix 1 set out a detailed breakdown of the Articles and whether changes were required by the review. The changes which had been identified were either marked up for reference in the proposed new Articles of Association, which was attached to the report at Appendix 2, or had been moved to the proposed new Shareholder Agreement, which was attached to the report at Appendix 5. The provisions of the Articles were intended to be more permanent governance features, which it was not envisaged would be changed frequently. The new Shareholder Agreement included matters which could be updated more frequently.

The report further noted that due to previous acquisitions RTL was a group of companies. Included in Appendix 1 to the report was a diagram of the corporate structure and officers within the Group. The Articles of the Group had been reviewed alongside the main company Articles and the proposed Articles for the subsidiary companies were attached to the report at Appendix 4. The subsidiaries were not companies originally formed as municipal bus companies under the Transport Act 1985, but the Transport Act still imposed restrictions on subsidiaries of municipal bus companies such as the power of borrowing. In order to simplify the running of the Group it was proposed that the subsidiary companies be bound by the rules set out in the Articles of RTL.

Resolved -

- (1) That the reasons for, and the detailed changes to, the Articles of Association as set out in the report and Appendix 1, be noted;**
- (2) That the Committee, in its capacity as sole shareholder for Reading Transport Limited, adopt the revised articles as set out at Appendix 3;**
- (3) That consent be given for the Articles of the RTL subsidiary companies to be altered in accordance with Appendix 4;**
- (4) That the Shareholder Agreement between Reading Transport Limited and the Council be agreed as shown at Appendix 5, and that the Assistant Director for Legal and Democratic Services be authorised to sign the Agreement on behalf of the Council and agree any minor changes to the Agreement in consultation with the Leader of the Council;**
- (5) That it be noted that future suggested changes to the Shareholder Agreement would be referred to Policy Committee when RTL presented its annual report or half-yearly review;**
- (6) That, with regards to the Shareholder Agreement, the Assistant Director of Legal and Democratic Services and the Director of Finance be authorised to perform those shareholder approvals allocated to them on behalf of the Council, in consultation with the Leader of the Council and the Chief Executive.**

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8. OUTSIDE BODY APPOINTMENTS

The Committee considered a report on the appointments or nominations to outside bodies for the Municipal Year 2024/25, or longer where required. A schedule of outside body appointments showing the Group Leaders' recommendations was tabled at the meeting.

The recommendation in the report and the schedule of appointments incorporated the recommendations of a review of Outside Bodies carried out by the Trustees Sub-Committee (Minute 3 of the meeting held on 26 March 2024 refers). The Sub-Committee's recommendation to discontinue making a nomination to the Tilehurst People's Local Charity had been amended following further correspondence from the organisation.

Resolved -

- (1) **That the Committee make appointments or nominations to outside bodies as follows:**

Organisation	2024/25 nomination	Term of Office
Association of Public Service Excellence	Cllr Karen Rowland	1 year
Association of Public Service Excellence	Cllr Paul Gittings	1 year
AWE Aldermaston – Local Liaison Committee	Cllr Clarence Mitchell	1 year
AWE Aldermaston – Local Liaison Committee	Cllr Mark Keeping	1 year
Berkshire Flood Partnership	Cllr Micky Leng	1 year
Berkshire Healthcare NHS Foundation Trust	Cllr Jacopo Lanzoni	1 year
Berkshire Local Transport Body	Cllr John Ennis	1 year
Berkshire Music Trust	Cllr Paul Gittings	1 year
Berkshire Pension Fund Panel	Cllr Glenn Dennis	1 year
Berkshire Prosperity Board	Cllr Liz Terry	1 year
Brighter Futures for Children (Council-nominated Director)	Darren Carter	1 year
Caversham Park Village Association	Cllr Stephen Goss	1 year
Citizens' Advice Reading Trustee Board	Cllr Micky Leng	1 year
Community Alcohol Partnerships CIC	Matt Golledge	1 year
Conservation Area Advisory Committee	Cllr David Stevens	1 year
Homes for Reading Limited	Cllr Jan Gavin	3 years (annual confirmation)
Homes for Reading Limited	Cllr Jo Lovelock	3 years (annual confirmation)
Homes for Reading Limited	Cllr Rachel Eden	3 years (annual confirmation)
Homes for Reading Limited	Cllr Raj Singh	3 years (annual confirmation)
Homes for Reading Limited	Emma Gee	3 years (annual confirmation)
Improvement and Efficiency Social Enterprise (shareholder representative)	Cllr Liz Terry	1 year
Improvement and Efficiency Social Enterprise (Non-Executive Director)	Cllr Ellie Emberson	1 year

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Kenavon Drive Management Company	Cllr Richard Davies	1 year
LGA Unitary Councils Network (substitute)	Cllr Liz Terry	1 year
LGA Unitary Councils Network	Cllr Micky Leng	1 year
Local Enterprise Partnership Forum	Cllr Liz Terry	1 year
Local Government Information Unit Members Assembly (deputy)	Cllr Alice Mpofu-Coles	1 year
Local Government Information Unit Members Assembly	Cllr Rachel Eden	1 year
Mid and West Berkshire Local Access Forum	Cllr Adele Barnett-Ward	1 year
Readibus Board of Directors	Cllr Andrew Hornsby-Smith	1 year
Readibus Board of Directors	Cllr Jacopo Lanzoni	1 year
Readibus Board of Directors	Cllr Mohammed Ayub	1 year
Reading Climate Change Partnership	Ben Burfoot	1 year
Reading Climate Change Partnership	Chris Maddocks	1 year
Reading Climate Change Partnership	Cllr John Ennis	1 year
Reading Community Energy Society	Cllr Liz Terry	1 year
Reading Community Energy Society	Cllr Rachel Eden	1 year
Reading Community Welfare Rights Unit	Cllr Ayub	1 year
Reading Community Welfare Rights Unit	Cllr McEwan	1 year
Reading Community Welfare Rights Unit	Cllr O'Connell	1 year
Reading Hampshire Property Partnership	Michael Graham	1 year
Reading In Bloom Committee	Cllr David Stevens	1 year
Reading Sports Aid Fund	Cllr Paul Gittings	3 years
Reading Sports Aid Fund	Cllr Glenn Dennis	ex-officio as Mayor
Reading Voluntary Action	Councillor Adele Barnett-Ward	1 year
REDA - Reading's Economy and Destination Agency	Cllr Liz Terry	1 year
REDA - Reading's Economy and Destination Agency	Jackie Yates	1 year
Royal Berkshire Archives Standing Committee	Cllr Liz Terry	1 year
Royal Berkshire NHS Foundation Trust - Governor	To be appointed under delegation	1 year
South East Employers	Cllr Liz Terry	1 year
South East Employers	Cllr Emberson	1 year
South East England Councils	Cllr Liz Terry	1 year
South East England Councils (substitute)	Cllr Micky Leng	1 year
South East Reserve Forces and Cadets' Association	Cllr Graeme Hoskin	3 years
South East Strategic Leaders	Cllr Liz Terry	1 year
South East Strategic Leaders (substitute)	Cllr Micky Leng	1 year
Thames Valley Police & Crime Panel	Councillor Karen Rowland	1 year
Thames Valley Police & Crime Panel (substitute)	Cllr Paul Gittings	1 year
Trading Standards South-East Ltd	Rob Abell	1 year
Trading Standards South-East Ltd	Matt Golledge	1 year
University of Reading Court	Cllr Glenn Dennis	1 year

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- (2) That the appointments or nominations be made on an “or nominee” basis where the organisation in question was willing to accept this arrangement;**
- (3) That the discontinuation of a number of appointments, as recommended by the Trustees Sub-Committee and noted in the schedule, be agreed;**
- (4) That the Monitoring Officer, in consultation with the Leader of the Council, be authorised to consider any requests to continue or reinstate appointments and to make any other mid-year appointments as required;**
- (5) That the Monitoring Officer, in consultation with the Leader of the Council and the Chair of the Trustees Sub-Committee, be authorised to discuss the requirements of the Tilehurst People’s Local Charity with the organisation further, before making a decision on whether to make a nomination or consent to the Council's nomination rights being relinquished;**
- (6) That appointed representatives be requested to report back annually to ensure that information on appointments was kept up to date and to provide reassurance that relationships with outside bodies continued to promote the Corporate Plan priorities and were of benefit to the external body and (if applicable) the Council.**

9. DISPOSAL OF CENTRAL LIBRARY PREMISES

The Committee considered a report on the proposed disposal of the Central Library site, which would become surplus to requirements as the library service moved to a new building to be constructed and integrated into the Council’s Civic Offices. The site was shown on a plan attached to the report at Appendix A.

The report noted that Levelling Up Fund (LUF) funding had been secured for a new Reading Library to relocate the Central Library at Kings Road to the Civic Offices on Bridge Street, while releasing land for new homes. The LUF bid document had referred to demolition of the Central Library building to make way for 46 new homes and help address the housing shortage in Reading, but it was now recognised that certain factors meant retention of the building could be a more valuable option. Additionally, valuation advice had placed a higher value on upwards extension and retention of the existing building, which would also have the benefit of reducing embodied carbon.

The report proposed that the appointed sales agent, Savills, be instructed to market the property to invite conditional offers subject to planning. This would allow the Council to retain an element of control, as the local planning authority, of the nature of development and to ensure the onwards use of the site was in accordance with the Council’s objectives. There was also potential for a higher offer price as the risk that the property would not achieve planning consent or viability remained with the Council as landowner. The LUF bid requirement to provide 46 homes to be built on the site created conditionality which could impact on the level of consideration.

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The report noted that disposal on a subject to planning basis usually resulted in a longer period for receipt of sale proceeds taking account of the planning application process and that the risk (but not cost) of securing a suitable planning consent remained with the Council. However, with this approach, it was considered that the Council was able to balance fulfilling the conditions and requirements of LUF and market the property without the need to procure a development partner, which would be costly, time-consuming, and reduce the number of potential purchasers further.

Resolved -

- (1) **That the Central Library site be declared surplus to operational requirements and the disposal of the site be approved;**
- (2) **That the Executive Director of Economic Growth and Neighbourhood Services, in consultation with the Lead Councillor for Planning and Assets, the Leader of the Council, the Director of Finance, the Assistant Director of Legal and Democratic Services and the Assistant Director of Property and Asset Management, be authorised to negotiate, agree terms and complete necessary documentation and dispose of the Central Library to the successful bidder.**

10. EXCLUSION OF THE PRESS AND PUBLIC

Resolved –

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of items 11 and 12 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

11. DISPOSAL OF CENTRAL LIBRARY PREMISES

The Committee received a report setting out an appendix to the report on the proposed disposal of the Central library (Minute 9 above refers). Appendix A (Strategy Report –Savills Informal Valuation advice) contained exempt information and was therefore submitted separately from the main report which had been considered in public session.

Resolved –

That Exempt Appendix A be noted.

(Exempt information as defined in Paragraph 3).

12. HOSTING TENDER

The Committee considered a report recommending award of a 15-month contract for the Information and Communications Technology (ICT) Hosting service.

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The report noted that there were strong operational dependencies between the Hosting service and End User Services contracts, and it would be preferable for the long-term procurement of the services to be approached simultaneously. The contract for the Hosting service would expire on 5 October 2024 and it was therefore proposed to award a short-term 15-month contract to align the contract end date with the End User Services contract.

Resolved -

That the Executive Director of Resources, in consultation with the Lead Councillor for Corporate Services and Resources and the Chief Digital & Information Officer, be authorised to make a direct award of a 15-month contract for Hosting services as set out in the report.

(Exempt information as defined in Paragraph 3).

(The meeting started at 6.30 pm and closed at 7.05 pm)