

COUNCIL MEETING - 25 FEBRUARY 2020

AGENDA ITEM 6

QUESTIONS FROM COUNCILLORS

1. Councillor Duveen to ask the Leader of the Council:
Accounts for 2017-18 and 2018-19

Producing verified accounts for each financial year are the basic requirements for any accounting system. It is now becoming clear that this Administration cannot be trusted to produce accounts on time and is clearly lacking the capacity to do so. Can the Leader of the Council explain why, after the saga of delays in publishing the accounts for 2016/17 which cost the council at least £400,000 to put right, are we seeing yet more delays in producing the accounts for 2017/18 and 2018/19. Have we learnt nothing from this saga and the failure of governance that produced it ?

The never-ending issues with producing the Council's accounts are a disgrace and do nothing to promote residents confidence in their elected Councillors. Other Councils seem to manage perfectly well.

Can the Leader of the Council tell me how much we expect to pay out in fines and consultancy in finally producing the accounts for each of the last three years. Do we have a timetable for when these accounts for 2017/18 and 2018/19 might finally be published ?

REPLY by Councillor Brock Leader of the Council.

The Council's 2017/18 draft accounts were made available for public inspection on the Council's website and handed to the Council's external auditors, Ernst & Young In late August 2019. The statutory public inspection period closed on 20th September 2019. No objections were received.

The audit of the 17/18 accounts commenced in October 2019 and is ongoing with the latest position reported to the Audit and Governance Committee on the 30th January. Having completed the draft 17/18 accounts the Finance Team immediately turned their attention to preparing the 18/19 accounts and these will be available for public inspection later this month.

The delay in producing the 2017/18 Accounts is entirely attributable to the delay in publishing the 2016/17 Accounts, as the 2016/17 signed off closing balances are in effect the opening balances for 17/18.

The difficulties in closing the 2016/17 accounts have been well documented and quite properly resulted in a more stringent Audit of the 2017/18 Accounts, which is welcomed by myself and the Council as it will ensure that the accounts are a true and fair reflection of the Council's finances. The finance team have been managing this audit whilst also preparing the 18/19 draft accounts, which have been published today.

Officers have already begun preparatory work for the 2019/20 Accounts, with these (and the Accounts relating to subsequent financial years) forecast to be completed in a timely manner now that issues relating to the delayed production of the 2016/17 accounts have been overcome.

Sign-off of the 2017/18 and 2018/19 Accounts is dependent upon the availability/capacity of the External Auditors. At present, they have indicated that their indicative sign-off date for

the 2017/18 Accounts is June 2020, with Audit of the 2018/19 and 2019/20 Accounts being scheduled simultaneously to commence in August 2020. It is to be noted that at the time of writing approximately 50 councils have not yet produced signed-off accounts for the 2018/19 financial year, primarily due to a nationwide shortage of external Auditors.

External Audit costs payable in relation to the closure of the 2016/17 accounts were approximately £600,000. The current scale fee for the 2017/18 audit, as reported to the Audit & Governance Committee on 30th January 2020, is £160,029 although additional fees may apply. The audit fee for 2018/19 is yet to be confirmed.

**2. Councillor Duveen to ask the Leader of the Council:
Equal Pay Settlements**

This Council has dragged its feet in settling a number of historic Equal Pay claims dating back more than 10 years. Can the Leader of the Council please update me on the number of Equal Pay settlements that have been resolved, the number still outstanding, the total amount paid out so far in both compensation and in legal fees, and estimates of the remaining costs and legal fees ?

REPLY by Councillor Brock Leader of the Council.

The number of equal pay settlements that have been resolved are 158.

The number still outstanding of the original equal pay claims is 7. The Council won a judgement in the employment tribunal regarding jurisdictional issues (for the 7 claimants) which was subsequently appealed to the Employment Appeal Tribunal by Doran Law. The appeal was won by Doran Law but the Council are appealing that decision to the Court of Appeal.

The total amount paid out so far in both compensation and in legal fees is £15,493m.

With regard to the estimate of remaining costs and legal fees, in addition to the above there were an additional 73 claims lodged (by mostly existing claimants) by Doran Law following the implementation of pay and grading, alleging continuing pay discrimination. The claimant's solicitor has recently been given leave to establish the number of valid claimants. The Council considers the number of claims to be less. As this is ongoing litigation it is not appropriate to give further details at this time.

**3. Councillor O'Connell to ask the Lead Councillor for Strategic Environment, Planning and Transport:
Traveller Incursions**

Can the Lead Councillor explain to Tilehurst residents just why it took from 20 December through to 29 January to evict a band of travellers from the public park off Church End Lane. Tilehurst has suffered a great deal from traveller incursions in recent years but, even allowing for the Christmas holidays, this particular invasion seemed to take forever to remove. During this whole period traveller caravans and mobile homes were parked on a C Council playground, denying their use to residents for over a month. This is not acceptable.

REPLY by Councillor Page Lead Councillor for Strategic Environment, Planning and Transport.

I thank Cllr O'Connell for her question.

We acknowledge the considerable disruption that some unauthorised encampments can have on those living near to an encampment or wishing to use the land for a legitimate purpose.

To carry out the eviction the Council needed to obtain an order from the county court, and officers normally aim to complete this within three to four weeks.

This encampment arrived on the 22nd December 2019 and officers visited the site on the 23rd December 2019 and completed the paperwork to enable our legal service to start eviction proceedings.

Unfortunately, this was the very start of the Christmas Holiday period when the County Court was closed. It was therefore not possible to process the case until the courts returned to work. The earliest date the court could hear the possession case was on the 22nd January 2020.

Following advice from both our legal service and the bailiffs it was not possible to enforce the order until 29th January 2020 as some of the families occupying the site were not present. Excluding the Christmas break the encampment was removed in just over four weeks.

4. Councillor Manghnani to ask the Lead Councillor for Strategic Environment, Planning and Transport: Travellers

Due to further incursion of travellers Over the Christmas and New Year across Reading Borough resulting in residents having to put up with unsociable behaviour. Which include defecating in public, noises from Generators running throughout the night, public places such as playing fields, parks and woodlands made no go areas for both children and members of the public. Many senior residents who like to walk their pets through the woodlands are prevented because of the unpleasant mess left. Babies soiled nappies, toilet paper slung up in the trees and humane waste under foot, defences broken down so the travellers can gain easy access to school ground and public greens. Finally, the clean - up bill, which becomes the burden of the rate payers of Reading.

Would the Council be prepared to make a cross party representation to the Home Secretary to push forward the change in the law making Trespass a criminal offence ? Therefore, given more police powers to deal with what has become a serious irritation. And what plans are there to protect those areas that have been frequently invaded ?

REPLY by Councillor Page Lead Councillor for Strategic Environment, Planning and Transport.

I thank Cllr Manghnani for her question.

I fully understand the impact that some unauthorised encampments have on residents and legitimate park users, and the Council works to resolve this as quickly as possible.

Under the current regulations we are required to obtain a court order. Where the impact is such that the council believes it meets the criteria for the police use of S61 powers, our officers will always formally request this of the police. However, the decision to use the powers remains at the discretion of the police.

As colleagues know over the last few years the Council has spent a considerable sum of money defending its land and, in some areas, this has proven very effective. We continue to look at and implement options to improve the security of our land. In the past year we have spent around £50000 protecting those areas most frequently occupied illegally. However those

targeting these areas have used increasingly more high powered tools to cut through these barriers. With this level of determination, it will never be fully possible to prevent people from breaking onto and occupying our land. This is partly why we believe a change in the law is necessary.

Trespass is a civil matter however the government is currently consulting on making trespass with the intent of residing on the land a criminal offence. The Council is drawing together its response to this consultation, but we are generally in support of a change in the law. As always there may be unexpected consequences to any changes and these need to be considered.

I would be happy to share the Council's draft response with Opposition members to try and achieve a consensual submission on such an important issue.

5. Councillor Manghnani to ask the Lead Councillor for Health, Wellbeing and Sport: Indoor Bowling at Rivermead

I am delighted that Rivermead will have a swimming pool that will take them into the 21st century. However, not everyone can swim or like to swim to keep fit, those with disabilities, elderly and visibly impaired have other activities which suits their mobility and with convenient travel arrangements to Rivermead an asset.

I ask with passion that the Council, planning office and the company who will be responsible for the build, review the prospects for an indoor bowling green, in twenty five years' time Reading will have many more elderly residents, some of you here will be part of that number, although bowling may not be your sport, there are over 300 members in Reading who do love the sport, it encourages them to get out and most of all helps with their particular keep fit program.

The convenience of travel is also essential to those with visible impairment.

When the Council, spending in excess of £45 Million, I am sure an indoor bowling green would be a drop in the ocean, the benefits out way any financial gains, to those who play the sport.

Foot note:

History has shown how a game of bowls can contribute to winning battles, Sir Francis Drake won a major battle whilst playing bowls. People are fighting physically and mental battles every day, I believe bowling will help them win those battles.

REPLY by Councillor Hoskin Lead Councillor for Health, Wellbeing and Sport.

Thank you for your question about bowls and provision for older people.

We do understand the disappointment that a dedicated bowls hall could not, in the end, be provided within the final plans for the new leisure centre at Rivermead. Whilst we would love to have been able to provide a new bowls hall, the process to select a partner was driven by a need to secure affordability for the council tax payer. These budget constraints meant we were unable to include these facilities in the specification for the leisure contract as a minimum requirement.

As part of the process to develop the specification, the council used Sport England modelling to review the demand and supply for indoor sports facilities, including bowls. Particular

attention was paid to likely future demand including changes in population and changing trends in participation in physical activity.

This was used to produce the minimum requirements for facilities and services. The modelling indicated greater capacity than demand for indoor bowls, reflecting the membership numbers observed.

Reading is unusually fortunate to be served by two indoor bowls halls, three miles apart. Whiteknights bowls club with seven rinks has 850 to 900 members, and Rivermead with 250 to 300 members, uses the six rinks provided.

I have committed myself to working closely with Rivermead Bowls Club to explore fully all options and proposals to support both it and members over the next couple of years. A senior council officer and I have already enjoyed a productive meeting with the club and the next is in the diary. Furthermore we will increasingly include GLL in these discussions. It is also important to remember that the present bowls hall, along with the rest of Rivermead, will remain open until, at least, late summer 2022, and therefore provide a home for the winter 20/21 and 21/22 seasons.

In comparison to bowls club membership, membership of the 60+ club (which is aimed at older people) has grown to over 800 people at Rivermead. The 60+ club use a range of facilities and some members participate in inter club games. Other activities such as stay active and walks programmes are continuing to grow.

GLL have been tasked with increasing the number of people from priority groups participating in physical exercise. Older people have been identified as a priority group. To achieve this GLL have opted to make significant improvements to facilities and provide a number of targeted activities within their programme that best serves these priority groups.

This includes expanding the 60+ clubs across all leisure centres in Reading, providing more walking sports, and developing new activities with Age UK and the University of the 3rd Age.

There are plans to link to health programmes such as social prescribing, exercise referral, falls prevention, cardiac and cancer rehabilitation activities. There will also be community outreach programmes targeting priority groups delivering monthly sessions in community settings such as parks and community centres.

We will over the next 3 years be updating centres and opening new facilities across Reading to provide a range of high quality and modern services better serving the needs of Reading.

I would like to politely suggest to Conservative councillors they might like to reflect upon their campaigning for a Conservative government. As a result of the unprecedented and massive cuts to council funding leisure centres, swimming pools, libraries and community centres have been closing across the country since 2010. We have been fortunate in Reading that we have been able to protect so many frontline services and, indeed, be now planning the best leisure facilities the town has ever seen. Without the budgetary constraints imposed on us by Conservative government cuts then, undoubtedly, we would be in a much better position to be able to subsidise indoor bowls as you request.

**6. Councillor White to ask the Lead Councillor for Housing:
Is Rough Sleeping on the Increase ?**

I understand that rough sleeping in Reading is unfortunately on the increase. Please can the Lead Councillor confirm the latest annual headcount figure and what the Council is doing to bring this number down to zero ?

REPLY by Councillor Ennis Lead Councillor for Housing.

The most recent officially published annual headcount figure is from 2018 and in Reading this figure was 25 individuals found on 'a typical night'. The figure from the 2019 headcount will be published on 27th February by MHCLG along with figures across the country. MHCLG has asked that all local areas wait until the official statistics are published, as a collective, before choosing to publish their own local authority statistic more widely. A full briefing on the annual headcount figure can therefore be provided further to 27th February.

Reading Borough Council is committed to reducing rough sleeping and as such funds a range of core services to support people who are sleeping rough.

In September 2018, Homelessness Support Services for those who are rough sleeping or at risk of homelessness were recommissioned to include:

- **A Rough Sleeper Outreach Service** to engage with rough sleepers and support them into accommodation; as well as providing intensive support for Housing First clients¹ a project that provides an unconditional offer of secure tenure and intensive support for complex rough sleepers for whom traditional interventions have been unsuccessful in enabling them to move from the streets
- **Intensive and Engaging Support Services:** Hub and accommodation that includes 10 all-year round emergency, fold-out beds for those with or without a local connection for up to 14 days; 8 emergency and assessment bed spaces for up to 28 days and options for single people, couples and dog owners at Willow House (34 beds) and Shepton House (20 beds)
- **Working Towards Independence Accommodation:** which includes 100 bed spaces within shared houses for those who require support attached to their housing before accessing independent rented accommodation
- **A Floating Support Service** for tenancy sustainment, resettlement and homelessness prevention through early intervention

Reading Borough Council works closely with MHCLG to identify all opportunities to enhance services with a significant focus on reducing rough sleeping to zero by 2027. In 2018/19 and 2019/20 Reading Borough Council bid for and was awarded Rough Sleeping Initiative funds and Rapid Rehousing Pathway funds from the MHCLG of circa £600,000 per annum to implement new interventions to reduce rough sleeping numbers in the borough. A further proposal has been recently been approved the MHCLG for the same level of funding for 2020/21. This funding has supported a range of interventions from additional capacity within outreach services, to the provision of 10 immediately available bed spaces.

In addition to RBC commissioned Homelessness Support Services and Rough Sleeping Initiative funded interventions, approximately £30,000 has been secured by RBC from the MHCLG's Cold

¹ Housing First is an internationally evidence-based approach, which uses independent, stable housing as a platform to enable individuals with multiple and complex needs to begin recovery and move away from homelessness <https://hfe.homeless.org.uk/principles-housing-first>

Weather Fund (CWF)² for 2019/20 for some additional provisions to be delivered during the winter months.

Rough Sleeping is a complex and multi-faceted issue that requires flexible responses from a range of services and partners. As such Reading Borough Council has coordinated the development of Street Support Reading - a partnership of charities and statutory organisations who are working together to end rough sleeping and homelessness in Reading via Reading's Homelessness Partnership (HoP). A full on-line directory of services that can offer food, support, accommodation and advice can be found at www.streetssupport.net/reading.

7. Councillor Josh Williams to ask the Leader of the Council: Ensuring Value for Public Money

In June of last year, the Leader of the Council said that he shared the concerns expressed by the previous Leader that, "the entire Audit and Governance Committee feel strongly that the historic issues the current auditors EY have required the Council to deal with should have been identified by the previous auditors, KPMG."

Councillor Brock said that the Council was still considering its position in regards to asking KPMG for a refund for its inadequate work, in order to offset the spiralling costs of over half a million pounds of public money. He pledged to discuss the matter with his colleagues, and with the Chair of the Audit and Governance Committee after the 2016/17 accounts had been signed off. The Council's 2016/17 accounts were signed off in July, can the Leader update us on the discussions that he held and his decision ?

REPLY by Councillor Brock Leader of the Council.

Councillor Williams misrepresents an element of my response from June 2019 when I said that: 'I share concerns expressed by the previous Leader - although it must be noted that Cllr Lovelock has never placed blame for the Council's issues 'squarely on the previous auditors.'

It is unclear to me why, tonight, he should want to, by sophistic sleight of hand, seek to effectively ascribe the words of another Councillor to myself.

That being clarified, Councillor Williams asked a broadly similar question last year and, as was noted in that reply, the responsibility for preparing the Council's accounts rests solely with the Council. Whilst external audit are under a duty to apply due diligence in forming an opinion as to the accuracy of those accounts, they cannot be held responsible for any mis-statements that subsequently occur so long as they have planned their work and undertaken such testing as required in accordance with auditing standards. Validation of the accounts was subject to assurances and explanations provided by officers as part of that process.

Both the Council's previous and current auditors have identified historic weaknesses in the Council's general financial framework and closure of accounts processes which they brought to the Council's attention in their Audit Results reports. The reports provided a warning that a risk existed that reported balances had the potential to be misstated. Our current auditors in signing off the 2015/16 account also issued a S24 Report which highlighting control weaknesses.

² <https://www.homeless.org.uk/connect/blogs/2019/oct/11/2019-cold-weather-fund-application-guidance>

Any action against the previous auditors would require the Council to prove that the previous audits failed to identify the discrepancies that could have reasonably been identified and additionally that the audit not been planned or conducted in an appropriate manner. Such an exercise would be likely to prove costly and require substantial staff resources to support the re-providing of historic evidence for the audit to be effectively re-commissioned. Given the warnings clearly evident in the annual audit reports and s24 Report, such investment of staff resources and expense would offer little chance of success.

Even if the Council were to pursue the matter and achieve a successful outcome, it would need to demonstrate losses incurred as a result. As you may be aware, the correction of historic accounts have largely involved technical changes to the accounts involving asset valuation and have not materially impacted on usable reserves. Whilst the Council has incurred additional audit fees in correcting those balances, it is probable some of the additional cost would have been incurred in prior auditor fees and staff resources to resolve the issues had they been identified earlier.

The Council is focussed on delivering on its key priorities and improving the lives of its residents and wider community. Looking to the past on this issue is unlikely to deliver a financial reward to the Council and would impact on finance staff's ability to support services in the delivery of those objectives. Accordingly, and in consultation with others, I have determined that the Council will not pursue a claim against its previous auditors.

**8. Councillor McGonigle to ask the Leader of the Council:
Single use Plastics Update**

On the 25th June last year, this Council resolved to tackle single use plastics through ensuring that, wherever possible, single use plastic is eliminated from use within the Council as soon as this can be achieved. Can the Lead Councillor responsible update us on what action has been taken since ? For example, has the Council begun to phase out the purchase and procurement of single-use plastic products through commissioned services ? And has the Council brought reports to meetings of the appropriate committees that describe the Council's plans to eliminate single-use plastic from the organisation, including a timetable for doing so ?

REPLY by Councillor Brock Leader of the Council.

I thank Councillor McGonigle for her question.

The Council has been seeking to reduce the negative environmental impacts of its purchasing activities over many years. Since the resolution was passed last year, specific attention has been paid to the issue of single use plastics and work has started to phase out single use plastics although much remains to be done.

You will have readily noticed some of the small-scale improvements that have occurred around this building. Moreover, in the short term, we have looked for opportunities within existing and new contracts to find alternatives examples include:

- The Hexagon and South Street eliminating single use plastics in their operations, including by implementing compostable plant based disposable glasses at the Hexagon, introduction of reusable glasses at South Street, and the removal of plastic drink bottles.
- The Brighter Futures for Children's school meals contractor is currently working towards the reduction and elimination of single use plastics in the current contract

(due to end in April 2021) and the specification for the next contract will require further progress.

- A new vending machine contract has recently been implemented which provides for both recyclable cups and the option for users to use their own reusable cups.
- A new stationery contract where the contractor has committed to minimising single use plastics in their own activities and which offers a wide range of reusable and recyclable products.

In the longer term, the Council is developing an updated procurement strategy that will set clear objectives for a wide range of environmental and sustainability objectives, including the elimination of single use plastic, meeting the Council's net zero carbon target, protecting the natural environment and delivering social value outcomes.

9. Councillor White to ask the Lead Councillor for Hoskin:
Council inaction on Green Road Tennis Courts

Back in 2015, the old tennis courts land at Green Road was earmarked by the Council as land for recreation and was added to the comprehensive review of open space/playing fields at the time. Its use as recreation space was to offset some of the loss of part of the playing fields. It has been empty and nothing has been done since then to convert the land into something that the local community can use. Green Councillors would like to see it in use as soon as possible for sport or recreation. Can the Lead Councillor please update us on what sporting use has been decided on for this land and when people will be able to start playing?

REPLY by Councillor Hoskin Lead Councillor for Health, Wellbeing and Sport.

Planning permission for conversion of Hamilton Centre into a Special Educational Needs College was granted this month. The former tennis courts will be used as a site compound with works running until Autumn 2021 after which the compound will be removed and re-instatement works completed. These works will include resurfacing with tarmac, new perimeter fence and court markings so that the court can be used by the Community.