

POLICY COMMITTEE MEETING MINUTES - 3 AUGUST 2020

Present: Councillor Brock (Chair);
Councillors Duveen, Emberson, Ennis, Hoskin, Page, Stanford-Beale, Stevens, Terry and White

RESOLVED ITEMS

33. 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 item 34 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.

34. GREENWICH LEISURE LIMITED - FINANCIAL SUPPORT

The Executive Director of Economic Growth and Neighbourhood Services submitted a report with a confidential appendix in relation to the recommendation to provide financial support to Greenwich Leisure Limited (GLL) following a request for assistance from the Council relating to the impact of Covid-19.

Resolved -

That the information contained in Appendix A to the report be noted and taken into account in making a decision in regard to the Part 1 report 'Greenwich Leisure Limited - financial support (Minute 38 refers).

(Exempt information as defined in paragraph 3)

35. MINUTES

The Minutes of the meeting held on 3 August 2020 were agreed as a correct record and would be signed by the Chair.

36. QUESTIONS

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

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Tom Lake	Royal Berkshire Health Trust	Cllr Hoskin
2.	Jan Trchalik	Pension Investments	Cllr Brock

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

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Questions on the following matters were submitted by Councillors:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Cllr White	House Insulation	Cllr Hoskin
2.	Cllr White	Wokingham Road Pay & Display	Cllr Page

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

37. CORONAVIRUS PANDEMIC - DELEGATIONS FOR LOCAL LOCKDOWNS

The Assistant Director of Legal & Democratic Services submitted a report on the new powers which had been given to councils to assist with their response to the pandemic. The Health Protection (Coronavirus, Restrictions) (England) (No.3) Regulations 2020 came into force on 18 July 2020, which granted local authorities new powers to respond to a serious and imminent threat to public health and to prevent COVID-19 transmission where this was necessary. The implementation of measures should be proportionate to mitigate the spread of the coronavirus in the area. The report explained the powers granted by the new Regulations and recommended making delegations for their effective operation. The powers to be exercised by the Council would be delegated according to the table in section 4.1 of the report. In each case, the power to give a direction, would also include the power to review, revoke or replace the direction as envisaged by the Regulations. In cases where there were significant impacts for the borough, the relevant Lead Councillors would be consulted about the use of the powers.

Resolved -

That the powers to direct under the Regulations, (including the power to review, revoke or replace the direction as envisaged by the Regulations) be delegated to the appropriate officers as follows:

- (a) Regulation 4 (directions relating to individual premises) - delegation to the Executive Director of Economic Growth and Neighbourhood Services in consultation with the Director for Public Health;**
- (b) Regulation 5 (directions relating to events) - delegation to the Executive Director of Economic Growth and Neighbourhood Services in consultation with the Director for Public Health;**
- (c) Regulation 6 (directions relating to outdoor places) - delegation to the Executive Director of Economic Growth and Neighbourhood Services in consultation with the Director for Public Health;**
- (d) Regulation 12 (enforcement of requirements), (including (i) the power to designate officers for the purpose of the Regulations and (ii) the power to delegate authority to designated officers to issue prohibition notices) -**

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delegation to the Executive Director of Economic Growth and Neighbourhood Services;

- (e) Regulation 14 (power to authorise persons to issue fixed penalty notices) - delegation to the Executive Director of Economic Growth and Neighbourhood Services; and
- (f) Regulation 15 (power to instigate prosecutions) - delegation to the Assistant Director of Legal and Democratic Services.

38. GREENWICH LEISURE LIMITED - FINANCIAL SUPPORT

The Executive Director of Economic Growth and Neighbourhood Services and Executive Director of Resources submitted a report on a proposal to provide financial support to Greenwich Leisure Limited (GLL) following a request for assistance from the Council relating to the impact of Covid-19. The terms of the financial support were set out in paragraph 4.4 of the report.

The report explained that the Covid-19 pandemic and the Government's lockdown resulted in the temporary closure of Rivermead Leisure Centre. GLL was seeking financial support from partners in order to remain financially viable as its centres reopened to the public. The Rivermead Leisure Centre had reopened on 25 July 2020 and it was recommended that GLL should be provided with additional financial support up to a limit of £410k to secure the opening and continuation of their operation this financial year based on open book accounting. The Committee had received, in closed session of this meeting (Minute 34 refers), commercially sensitive information in relation to this decision.

Resolved -

That the Executive Director of Economic Growth and Neighbourhood Services be authorised to provide financial support of a maximum of £410k to Greenwich Leisure Limited within the terms set out at paragraph 4.4 of the report to address the impact of COVID-19.

39. GREENWICH LEISURE LIMITED - PLANNING COSTS AGREEMENT

The Executive Director of Economic Growth and Neighbourhood Services submitted a report seeking permission to enter into a Planning Costs Agreement (PCA) with Greenwich Leisure Limited (GLL) to meet the proposed timetable to construct new leisure facilities at Rivermead Leisure Centre and Palmer Park Sports Stadium. The Council had authorised the award of a 25-year contract with GLL to design, build, operate and maintain (DBOM) the Council's four leisure centres; the contract included:

- A new-build solution at Rivermead, incorporating a new competition standard pool with provision for diving;
- A new community pool at Palmer Park linked to existing facilities;
- Improvements to existing leisure centres at South Reading and Meadway;

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- Introduction of membership and customer schemes allowing access to all Council facilities.

The Council had also delegated authority to the Executive Director for Economic Growth and Neighbourhood Services to finalise contractual arrangements in consultation with the Lead Councillor for Health, Wellbeing and Sport, the Assistant Director for Procurement and the Assistant Director for Legal and Democratic Services. The contractual discussions had been disrupted by the Covid-19 pandemic and the temporary closure of leisure facilities which had delayed the signing of the DBOM contract. In the interim, officers were seeking permission to enter into a separate PCA with GLL to progress the design and planning approval of the new build elements at Rivermead and Palmer Park. This would reduce the impact of the lost time due to Covid-19 on the implementation of the scheme, secure the intellectual property rights of the designs developed since the contract award and progress the scheme through to planning approval and up to signing the DBOM contract. A new timetable for both the signing of the DBOM contract with GLL and the construction of the facilities was set out in the report.

Resolved -

- (1) That the Executive Director for Economic Growth and Neighbourhood Services be authorised to enter into a Planning Costs Agreement (PCA) with Greenwich Leisure Limited (GLL) at a cost of £816k, in consultation with the Lead Councillor for Health, Wellbeing and Sport, the Assistant Director for Procurement and the Assistant Director for Legal and Democratic Services;
- (2) That the updated timetable to formally enter into a DBOM contract and construct the new facilities at Rivermead Leisure Centre and Palmer Park Sports Stadium be noted.

40. CONTRACT AWARD - EXTERNAL AND COMMUNAL MAINTENANCE CONTRACT 2020-2027

The Executive Director of Economic Growth and Neighbourhood Services submitted a report seeking approval for the award of a 'works' contract for the provision of repairs and decorations to the external and communal elements of housing blocks containing both Council flats and leaseholders. The contract would relate to the repair and maintenance of the Council's Housing Stock and would be awarded to a single contractor. The expenditure would depend on the actual level of work that was required during the year. Based on expenditure records, the total expenditure was estimated to be around £560k per annum for both external and communal works, which would include the replacement of communal flooring.

Resolved -

That the Director of Economic Growth and Neighbourhood Services be authorised, in consultation with the Lead Councillor for Housing, to award a

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Works Contract for the External and Communal Maintenance Contract for a period of 5 years with a 2-year extension.

43. 2020/21 QUARTER 1 PERFORMANCE AND MONITORING REPORT

The Executive Director of Resources submitted a report setting out the provisional revenue and capital outturn positions for the Council's General Fund and Housing Revenue Account as at the end of June 2020 (Period 3). These forecasts included the additional pressures arising as a result of Covid-19 and associated government funding. The report set out the projected revenue and capital outturn positions for 2020/21 for both the General Fund and the Housing Revenue Accounts. The forecast General Fund revenue outturn position as at the end of Quarter 1 was a £3.7m overspend. This forecast included gross revenue pressures of £22.139m arising as a direct result of Covid-19.

The Housing Revenue Account (HRA) was currently projecting an underspend of (£0.480m) as at the end of Quarter 1. The General Fund Capital Programme was forecast to underspend by (£105.523m). This was predominantly because the £80m budget for commercial property would not be used. The HRA Capital Programme was currently forecast to spend to budget. The combined gross revenue and capital pressures as a result of Covid-19 totalled £22.439m. This was partially offset by a total allocation (£9.775m) of Central Government general support grant and an estimated (£0.837m) furlough grant claim and an estimated (£6m) in income compensation. This gave a net projected pressure caused by Covid-19 of £5.827m.

Central Government had announced that it would compensate Local Authorities for 75% of qualifying lost income over and above 5% of 2020/21 income budgets for 2020/21 only. Whilst the Government had published the principles for eligible income compensation, the detailed guidance setting out exactly what income would qualify was still awaited, but it had been confirmed that income relating to commercial property investments would not be included. The current estimate was that up to (£6m) of income losses could be compensated, dependent upon the guidance, and subject to fluctuations in the level of lost income. Changes to this assumption and the impact on the forecast outturn position would be contained in future reports. The financial implications of Covid-19 would continue to be refined and reported on a monthly basis.

The report also set out performance against the measures of success published in the Council's Corporate Plan.

The draft report had the following documents appended:

- Appendix 1 - Financial Monitoring for Quarter 1;
- Appendix 2 - Performance Report for Quarter 1.

Resolved -

- (1) That it be noted that the forecast General Fund revenue outturn position as at the end of June 2020 was a net overspend of £3.700m, due to an overspend of £22.850m on services budgets mitigated by an underspend

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of £2.538m on corporate budgets and anticipated Government Covid-19 Grants of £16.612m which comprised £9.775m of received general support funding; an estimated £0.837m furlough claim and an estimated £6.000m income compensation claim;

- (2) That the Housing Revenue Account was forecast to underspend by £0.480m as at the end of June 2020 be noted;
- (3) That the General Fund Capital Programme was forecast to underspend by £105.523m and the HRA Capital Programme was forecast to spend to budget as at the end of June 2020 be noted;
- (4) That the performance achieved against the Corporate Plan success measures as set out in Section 11 and Appendix 2 of the report be noted.

(The meeting started at 6.30 pm and closed at 8.00 pm)