

COUNCIL MEETING MINUTES - 23 FEBRUARY 2021

Present: Councillor Stevens (Mayor);

Councillors David Absolom, Debs Absolom, Ayub, Ballsdon, Barnett-Ward, Brock, Carnell, Challenger, Davies, Duveen, Eden, Edwards, Emberson, Ennis, Gittings, Grashoff, Hoskin, James, Jones, Khan, Leng, Lovelock, Maskell, McEwan, McGonigle, McKenna, O'Connell, Page, Pearce, Robinson, Rowland, Rynn, D Singh, R Singh, Skeats, Sokale, Stanford-Beale, Terry, White, Whitham, J Williams, R Williams and Woodward;

Apologies: Councillors Hacker and Manghnani.

14. MINUTES

The Minutes of the meeting held on 26 January 2021 were confirmed as a correct record and would be signed by the Mayor.

15. QUESTIONS FROM MEMBERS OF THE PUBLIC IN ACCORDANCE WITH STANDING ORDER 9

| | Questioner | Subject | Answer |
|----|----------------------|---------------------------------------------------------------------------|-------------------|
| 1. | Len Middleton | Settled Status of EU Citizens in Reading | Cllr Brock |
| 2. | James Denny | Provision for Pupils with SEN in Reading | Cllr Pearce |
| 3. | Alice Mpofu Coles | Decolonisation of the Primary and Secondary Curriculum in Reading Schools | Cllr Pearce |
| 4. | Alice Mpofu Coles | Black Bins | Cllr Barnett-Ward |
| 5. | Andrew Hornsby-Smith | Advice to Tenants | Cllr Ennis |
| 6. | Carolyn Lyle | EU Citizens Settled Status | Cllr Brock |

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

16. QUESTIONS FROM COUNCILLORS IN ACCORDANCE WITH STANDING ORDER NO 10

| | Questioner | Subject | Answer |
|----|-----------------|--------------------------|---------------|
| 1. | Cllr J Williams | Local Election System | Cllr Brock |
| 2. | Cllr White | Agency Manager Day Rates | Cllr Emberson |

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|----|----------------|---------------------------------------------|-----------|
| 3. | Cllr McGonigle | Double Parking Outside Alfred Sutton School | Cllr Page |
|----|----------------|---------------------------------------------|-----------|

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

17. CHIEF FINANCE OFFICER'S REPORT ON THE ROBUSTNESS OF THE COUNCIL'S 2021/22 BUDGET

The Executive Director of Resources submitted a report fulfilling the requirement on her under Section 25 of the Local Government Act 2003 as the Council's Chief Finance Officer to report on the robustness of the estimates made for the purposes of the calculations of the budget and the adequacy of the proposed level of financial reserves. The Council had a duty to have regard to the advice set out in the report when considering setting its 2021/22 Budget and Medium Term Financial Strategy for the subsequent two financial years. The Statement of Reserves and Balances, which provided a summary of estimated reserve movements from 31 March 2021 and 31 March 2024, were attached to the report for information.

The following motion was moved by Councillor Brock and seconded by Councillor Jones and CARRIED:

Resolved -

That the Chief Finance Officer's report on the robustness of the Council's 2021/22 budget and indicative budgets for the subsequent two financial years 2022/23 and 2023/24 be noted and the opinion contained therein be taken into account in making the decisions set out below in Minutes 18-21 below.

18. 2021/22 BUDGET & MEDIUM TERM FINANCIAL STRATEGY TO 2024

Further to Minutes 65 and 93 of the Policy Committee meetings held on 14 December 2020 and 15 February 2021 respectively, the Executive Director of Resources submitted a report on the Budget and Medium Term Financial Strategy (MTFS) for the three years 2021/22 - 2023/24. The report provided an update on the results of the budget consultation exercise as well as changes arising from the publication of the Provisional Local Government Finance Settlement and other changes that had arisen since the report to Policy Committee in December.

The proposed Medium Term Financial Strategy was informed by and supported the delivery of the Council's Corporate Plan priorities including its commitment to address the climate change emergency; and sought to ensure that the Council was "fit for the future", with sound finances that would allow the Council's future funding challenges and spending pressures to be met in as sustainable a way as possible. The underpinning rationale of the Medium Term Financial Strategy was to deliver a balanced and affordable budget that ensured the Council's finances were sustainable over the medium term and that in the longer term the Council's finances were not reliant on the unsustainable use of one-off reserves or funding and that general and earmarked reserves were maintained and bolstered to meet future funding challenges and risk. The Strategy was informed by the Council's Vision: "to ensure that Reading realises its

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potential - and that everyone who lives and works in Reading can share in the benefits of its success”, as well as its Corporate Plan priorities. The Budget assumptions were set out in the report as follows:

- a) Council Tax increases of 1.99% for all three years of the MTFs (2021/22 to 2023/24) plus an Adult Social Care precept of 3.0% in 2021/22 and 1.0% in both 2022/23 and 2023/24;
- b) £28.0m of efficiencies and increased income across the period;
- c) A contingency provision over the three years (£3.8m 2021/22; £4.5m 2022/23; and £6.1m 2023/24) to mitigate possible slippage or non-achievement of higher risk savings and/or income targets over the period;
- d) The set aside of £4.523m of Government funding to meet the continuing costs of the pandemic and facilitate recovery;
- e) Provision of a one-off grant in 2021/22 of £70 for residents in receipt of Council Tax Support to help mitigate the increase in Council Tax in the current circumstances;
- f) General Fund capital investment of £200m and Housing Revenue Account (HRA) capital investment of £101m over the period 2021/22 to 2023/24; and
- g) £9.885m of transformation funding (over the period 2021/22 to 2023/24) to support delivery of efficiency savings assumed within the MTFs and test new service delivery models, taking the total transformation funding to £21.729m across the whole life of the Delivery Fund.

The report had the following documents appended: Summary of General Fund Budget 2021-22 to 2023-24; General Fund Revenue Budget by Service 2021-22 to 2023-24; Detailed General Fund Budget Changes 2021-22 to 2023-24; Housing Revenue Account Budget & Reserves 2021-22 to 2023-24; General Fund and HRA Capital Programme 2021-22 to 2023-24; Flexible Capital Receipts Strategy; Fees and Charges; Equality Impact Assessment; Dedicated Schools Grant (DSG) Funding 2021-22; details of the Budget Consultation; and the Residents Survey 2020.

A motion was moved by Councillor Brock and seconded by Councillor Jones and CARRIED as set out in the resolution below.

The following amendment was moved by Councillor White and seconded by Councillor Whitham and LOST:

‘In the recommendation relating to 2021/22 Budget & Medium Term Financial Strategy to 2024, insert “subject to an additional recommendation (l) below” after the words “...approve the Draft 2021/22 General Fund and Housing Revenue Account budgets, Draft Capital Programme and Medium Term Financial Strategy as set out in Appendices 1-9, and...”

Add a new Recommendation (l) as follows:

“(l) This Council notes:

- Reading Council has declared a climate emergency.
- 39% of Reading’s carbon emissions comes from housing.

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- 4,000 domestic properties per year need to be insulated in Reading.
- 9% (6,056) of our Reading households live in fuel poverty (where they don't have enough money to heat their home) and in some parts of the town it is as high as 30% of households.
- Most Council homes have had basic energy efficiency measures installed but many private rented and owner-occupied properties haven't.
- Some government money is available but there is no government scheme of the appropriate size to insulate the number of homes needed.

This Council resolves to:

- Earmark £120,000 of the 20/21 General Fund revenue underspend to pay for a 2 year Home Energy Conservation Officer fixed term post. This person would get more houses in the private sector insulated through tapping into grant and other funding sources.

Make all consequential amendments to the revenue and capital budgets arising from the above amendment.'

The voting was as follows:

For the motion: 6 Councillors Duveen, McGonigle, O'Connell, White, Whitham and J Williams.

Against the motion: 37

Councillors David Absolom, Debs Absolom, Ayub, Ballsdon, Barnett-Ward, Brock, Carnell, Challenger, Davies, Eden, Edwards, Emberson, Ennis, Gittings, Grashoff, Hoskin, James, Jones, Khan, Leng, Lovelock, Maskell, McKenna, McEwan, Page, Pearce, Robinson, Rowland, Rynn, D Singh, R Singh, Skeats, Sokale, Stanford-Beale, Terry, R Williams and Woodward.

Abstention: 1 Councillor Stevens.

The following amendment was moved by Councillor Duveen and seconded by Councillor O'Connell and LOST:

'In the recommendation relating to 2021/22 Budget & Medium Term Financial Strategy to 2024, insert "subject to an additional recommendation (l) below" after the words "...approve the Draft 2021/22 General Fund and Housing Revenue Account budgets, Draft Capital Programme and Medium Term Financial Strategy as set out in Appendices 1-9, and..."

Add new Recommendation (l) as follows:

"(l) Make provision for an additional £150,000 in 2021-22 for planting more trees and for purchasing a new bowser and towing vehicle and to make further additional provision of £50,000 in 2022-23 and £50,000 in 2023-24.

The above provisions are to be funded from the underspend from 2020-21."

Make all consequential amendments to the revenue and capital budgets arising from the above amendment.'

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The voting was as follows:

For the motion: 6 Councillors Duveen, McGonigle, O'Connell, White, Whitham and J Williams.

Against the motion: 37

Councillors David Absolom, Debs Absolom, Ayub, Ballsdon, Barnett-Ward, Brock, Carnell, Challenger, Davies, Eden, Edwards, Emberson, Ennis, Gittings, Grashoff, Hoskin, James, Jones, Khan, Leng, Lovelock, Maskell, McKenna, McEwan, Page, Pearce, Robinson, Rowland, Rynn, D Singh, R Singh, Skeats, Sokale, Stanford-Beale, Terry, R Williams and Woodward.

Abstention: 1 Councillor Stevens.

Resolved -

That, taking due regard of the results of the budget consultation exercise (as outlined in Sections 3 and 4 and set out in more detail in Appendices 10 and 11 of the report), approve the Draft 2021/22 General Fund and Housing Revenue Account budgets, Draft Capital Programme and Medium Term Financial Strategy as set out in Appendices 1-9, and agree the following:

- (a) the Council's General Fund Budget Requirement of £146.166m for 2021/22 and an increase in the band D Council Tax for the Council of 1.99% plus an additional 3.00% Adult Social Care Precept, or £84.44 per annum, representing a band D Council Tax of £1,776.60 per annum, excluding precepts from Police and Fire, as set out in paragraph 9.2 of the report;
- (b) the utilisation of one-off grant funding in 2021/22 to award £70 to residents in receipt of Local Council Tax Support to help mitigate the increase in Council Tax as set out in paragraph 5.3 of the report;
- (c) the efficiency and invest to save savings of £13.7m together with additional income of £1.4m in 2021/22 required to achieve a balanced budget for that year as set out in Appendices 2 and 3 to the report;
- (d) the overall savings proposed within the MTFs of £28.0m (of which increases to income, fees and charges would be £5.4m) and three-year growth changes to service budgets of £19.5m as set out in Appendices 2 and 3 to the report;
- (e) the budgeted draw from earmarked reserves totalling £2.776m to balance the 2021/22 budget as set out in paragraph 5.18 of the report;
- (f) the Housing Revenue Account budget for 2021/22 of £43.647m as set out in Appendix 4 to the report and the average increase of 1.5% in social dwelling rents from April 2021 giving a revised weekly average social rent of £104.11;
- (g) the General Fund and Housing Revenue Account Capital Programmes as set out in Appendices 5a and 5b to the report;
- (h) the Strategy for the use of flexible capital receipts to deliver future transformation and ongoing savings as set out in Appendix 6 to the report;

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- (i) the changes to Fees and Charges set out in Appendix 7 of the report;
- (j) the Equalities Impact Assessment as set out in Appendix 8 to the report;
- (k) the allocation of Dedicated Schools Grant (DSG) as set out in Appendix 9 to the report.

A recorded vote having been demanded, the voting was as follows:

For the motion: 29

Councillors David Absolom, Debs Absolom, Ayub, Barnett-Ward, Brock, Challenger, Davies, Eden, Edwards, Emberson, Ennis, Gittings, Hoskin, James, Jones, Khan, Leng, Lovelock, Maskell, McKenna, McEwan, Page, Pearce, Rowland, D Singh, Sokale, Terry, R Williams and Woodward.

Against the motion: 14

Councillors Ballsdon, Carnell, Duveen, Grashoff, McGonigle, O'Connell, Robinson, Rynn, R Singh, Skeats, Stanford-Beale, White, Whitham and J Williams.

Abstention: 1 Councillor Stevens.

19. CAPITAL STRATEGY 2021/22

Further to Minute 95 of the Policy Committee held on 15 February 2021, the Executive Director of Resources submitted a report on the Capital Strategy, which was attached as an Appendix, and provided an overview of where and how the Council intended to deploy its capital resources to support the delivery of the strategic aims set out in the Corporate Plan. The Capital Strategy should be read in conjunction with other strategic documents such as the Medium Term Financial Plan, Treasury Management Strategy, Asset Management Strategy, Corporate Investment Strategy and Carbon Reduction Strategy.

The Capital Strategy had regard to prevailing Ministry of Housing, Communities and Local Government (MHCLG) Guidance and the Prudential Code. The Action Plan at Appendix D of the Strategy identified four areas where work was ongoing for the Council to become fully compliant with the CIPFA code requirements. These were:

- Developing our knowledge of the existing asset base;
- Identifying what assets we need in the future;
- Developing and implementing new systems and processes, which enable the transition to become fully compliant with the code requirements;
- Reviewing current capacity within the organisation.

The following motion was moved by Councillor Brock and seconded by Councillor Jones and CARRIED:

Resolved -

- (1) the Capital Strategy, as attached at Appendix 1 to the report, be approved;

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- (2) the updated Action Plan that forms Appendix D of the Capital Strategy be noted, together with the associated financial implications.

20. TREASURY MANAGEMENT STRATEGY STATEMENT (2021/22); MINIMUM REVENUE PROVISION POLICY (2021/22); ANNUAL INVESTMENT STRATEGY (2021/22)

The Executive Director of Resources submitted a report seeking approval for a Treasury Management Strategy, which had to be in place before the start of each financial year, in accordance with the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 and the CIPFA Prudential Code. The Council's Treasury Management Strategy Statement (TMSS), was attached to the report at Appendix A, setting out the parameters for the Council's planned Treasury activity during 2021/22, which the Council's Treasury Team would manage on a day-to-day basis. The TMSS reflected the Council's Capital Programme 2021/22 to 2023/24 with non-treasury investments being registered in the Council's Capital Strategy, which was presented separately to the TMSS (see Minute 19 above). The report also had appended the Treasury Management Policy 2021/22; Minimum Revenue Provision (MRP) 2021/22; and the Annual Investment Strategy.

The following motion was moved by Councillor Brock and seconded by Councillor Jones and CARRIED:

Resolved -

- (1) the Treasury Management Strategy Statement for 2021/22 as set out in Appendix A to the report;
- (2) the Treasury Management Policy for 2021/22 as set out in Appendix A to the report;
- (3) the Minimum Revenue Provision (MRP) Policy for 2021/22 as set out in Appendix A to the report;
- (4) the Annual Investment Strategy for 2021/22 as set out in Appendix A to the report, noting the revised total limit for Non-Specified Investments; and
- (5) the Prudential and Treasury Management indicators as set out in Appendix A to the report.

21. COUNCIL TAX SETTING

The Executive Director of Resources submitted a report seeking approval of the calculations for determining the Council Tax requirement for the year 2021/22, in accordance with the Local Government Finance Act 1992. The report also sought approval to set the Council Tax amounts for each property valuation band in the Borough including precepts from the Office of the Police & Crime Commissioner for Thames Valley and Royal Berkshire Fire & Rescue Service.

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The following motion was moved by Councillor Brock and seconded by Councillor Jones and CARRIED:

Resolved -

- (1) the following amounts that have been calculated for the year 2021/22 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 be agreed:
 - (i) £457,986,350 - Gross Revenue Expenditure, including transfers to reserves and any collection fund deficit, being the estimated aggregate expenditure of the Council in accordance with section 31A (2) of the Act;
 - (ii) £358,767,273 - Gross Revenue Income, including transfers from reserves, general government grants and any collection fund surplus, being the estimated aggregate income of the Council for the items set out in section 31A (3) of the Act;
 - (iii) £99,219,077 - Net Revenue Expenditure, being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated in accordance with Section 31A(4) of the Act, as the Council's Council Tax Requirement for the year (Item R);
 - (iv) £1,776.60 - Reading Borough Council Band D Council Tax, being the amount at (iii) above (Item R) divided by the Council's tax base 55,847.73 (Item T) calculated in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year, representing an increase of 4.99% in the Council's own tax;
- (2) the net tax base of 55,847.73 Band D equivalent properties (being the gross tax base adjusted for an assumed collection rate) used for setting the budget requirement for 2021/22 that was agreed by Council on 26 January 2021 be noted; and
 - (i) that the Band D charge for Reading Borough Council be £1,776.60 as shown in section 4.4 of the report; and
 - (ii) that, including the Berkshire Fire & Rescue Service and Thames Valley Police precepts, Council Tax by property valuation band be as set out in section 4.9 of the report.

22. POLLING PLACE IN WHITLEY WARD

Further to Minute 56 of the Council meeting of 26 March 2019, the Returning Officer submitted a report, in accordance with the Electoral Administration Act 2006, which required the Council to undertake a review of its polling districts and polling places every five years to a national timetable. This report related to a recommended change of polling place for Whitley Ward and would have effect for the Borough and Police & Crime Commissioner elections to be held on 6 May 2021. The report also sought delegated authority to the Returning Officer to alter polling places or polling stations outside of the compulsory review period where urgent changes were required.

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The following motion was moved by Councillor Brock and seconded by Councillor Page and CARRIED:

Resolved -

- (1) That with regard to Whitley ward, Geoffrey Field Junior school be designated as the polling place for Whitley ward (polling district SA) in place of the Geoffrey Field Infants School with immediate effect;
- (2) That the Returning Officer, in consultation with the Leader of the Council and the relevant ward members, be given delegated authority to alter polling places or polling stations outside of the compulsory review periods, where changes were required to be made as a matter of urgency.

(The meeting closed at 9.57 pm).