

POLICY COMMITTEE MEETING MINUTES - 14 JANUARY 2019

Present: Councillor Lovelock (Chair);
Councillors Page (Vice-Chair), Brock, Ennis, Hoskin, James, Jones, O'Connell, Pearce, Stevens, Terry, Vickers, Warman and White

Apologies: Councillors Hacker and Skeats

RESOLVED ITEMS

55. 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 56-57 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.

56. READING TRANSPORT LIMITED - SHAREHOLDER REPORT

The Director of Resources submitted a report to the Committee acting as shareholder of Reading Transport Limited (RTL), setting out an annual review report submitted by RTL, to fulfil the reporting obligations set out in the company's Articles of Association. The RTL report and annexes were attached to the report at Appendix 1.

The report noted that the RTL report was seeking the Shareholders agreement to a number of recommendations, including approval of the fleet replacement programme and a proposed acquisition, and for the financial arrangements to support these. The report summarised issues arising from the RTL report, including an assessment of financial stability, acquisitions and company structure, for the Committee to take into account in considering the recommendations from RTL.

The Chief Executive, Chair and Chief Finance & Information Officer of RTL attended the meeting and, at the invitation of the Chair, addressed the Committee.

Resolved -

- (1) That the trading position of the Company in 2017/18 and the assumptions in its 2018/19 budget be noted;
- (2) That the requirements for any loans to the Company to be charged at state aid compliant rates be noted;
- (3) That the following recommendations to the shareholder set out in the Annual Review report from RTL be agreed:
 - a) That the content of the review be noted;

- b) That the updated fleet replacement programme be approved;
 - c) That the provision of lease finance to Reading Buses by means of an extension of the existing Master Lease Agreement, should it be required to facilitate the purchase of vehicles as set out in the report, be approved, and that the Head of Finance be authorised to agree terms with the Company;
 - d) That the completed acquisition of Newbury & District Ltd be noted;
 - e) That the proposed acquisition set out in Section 6 and Annex 2 of the report be approved;
 - f) That the provision of loan finance to Reading Buses to facilitate the proposed acquisition be agreed, and that the Director of Resources be authorised to agree terms with the Company;
 - g) That joint action be agreed to identify a preferred option to mitigate the balance sheet and profit & loss account impacts of the Local Government Pension Scheme and approve further detailed actuarial assessments to implement the preferred solution;
 - h) That the progress being made with developing and implementing the Strategic Action Plan following completion of the joint review project be noted;
- (4) That RTL be requested to provide more regular financial and operational performance reporting and submit their Budget and Business Plan to the Shareholder prior to the start of the company's financial year.

(Exempt information as defined in paragraph 3).

57. EXTENSION OF THE PARKSIDE BUPA CONTRACT AND IMPLEMENTATION OF CARE HOME FRAMEWORK AGREEMENT

The Director of Adult Care and Health Services submitted a report on the extension of a block contract with Bupa for nursing beds and a review of the Framework Agreement contracts with Care Homes.

The report explained that the Council had been in discussion with BUPA over the extension of and the rates, levels of care need and amendments to a block contract for nursing beds. In December 2018 BUPA had given the Council a final deadline to sign the negotiated deal and, in the absence of time to secure Committee approval for the contract, the Chief Executive had authorised the signing and sealing of the contract under the urgency provisions within the delegations register. The report explained the use of this delegated authority as required by the Delegations Register in such circumstances.

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The report explained that in addition a wider review of all commissioned beds locally had been undertaken, which had resulted in the Council setting proposed usual cost-of-care rates. Alongside a new framework contract, these rates would be consulted on with 20 current care home providers, and the report sought authority for officers to award revised contracts to all current providers from 14 February 2019 if the proposed cost of care rates and revised contract were agreed.

Resolved -

- (1) That the use of the Chief Executive's delegated authority to authorise the signing and sealing of the Bupa contract extension, in order to secure best value rates for these urgently needed nursing beds, be noted;
- (2) That the award of the new Framework Agreement for the provision of care home services, supporting over 292 vulnerable people of all needs groups, be endorsed;
- (3) That the Director of Adult Care and Health Services and the Head of Legal Services be authorised to award and execute the new Framework Agreement contracts with current care home providers.

(Exempt information as defined in paragraph 3).

58. MINUTES

The Minutes of the meeting held on 26 November 2018 were agreed as a correct record and signed by the Chair, subject to amendment of Minute 49, regarding the allocation of 15% Community Infrastructure Levy (CIL) Funds, to include in resolution (2) an allocation of £25k for the retention of heritage street lamps, which had been moved and agreed at the meeting.

59. PETITIONS AND QUESTIONS

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

	Questioner	Subject	Reply
1.	Ayo Sokale	Period Poverty	Cllr Hoskin
2.	Ben Longworth	Former Loch Fyne Building	Cllr James
3.	Peter Burt	Closure of Arthur Hill Pool	Cllr Lovelock
4.	Peter Burt	New East Reading Pool	Cllr Hoskin
5.	Glenn Dennis	Universal Credit	Cllr Brock
6.	John Hoggett	Commercial Property Investments	Cllr Brock

Questions on the following matters were submitted by Councillors:

	Questioner	Subject	Reply
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1.	Cllr White	Fossil Fuel Divestment	Cllr Lovelock
2.	Cllr McGonigle	Licensing of Smaller Properties	Cllr Ennis

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

60. LONG TERM EMPTY PREMIUM - COUNCIL TAX

The Director of Resources submitted a report asking the Committee to consider a recommended increase in the Council Tax premium charged on long term empty properties, following the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 which allowed Local Authorities to increase the Premium.

The report noted that the Council currently charged long term empty dwellings at the previous maximum rate of an additional 50% after having been empty for two years. The new regulations allowed local discretion to increase the Premium charge up to 300% in stages, with exemptions that included premises owned by members of the armed forces, annexes, and properties that were genuinely on the market for sale or let. The report proposed implementing the permitted increases in premium, which would help increase the volume of local housing stock by incentivising owners of registered long term empty homes to take steps to bring those homes back into use. There were currently 115 properties which had been unoccupied and unfurnished for more than two years and were already subject to a Premium.

Resolved -

That the premium on long term empty properties be increased as follows:

- 100% premium from 1 April 2019 for those properties empty for 2 years and over;
- 200% premium from 1 April 2020 for those properties empty for 5 years and over;
- 300% premium from 1 April 2021 for those properties empty for 10 years and over.

61. APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME AND THE COUNCIL TAX BASE 2019/20

The Director of Resources submitted a report asking the Committee to recommend to full Council the Council Tax Reduction Scheme and Council Tax Base for the 2019/20 financial year.

The report explained that Section 33 of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 required the Council as the Billing Authority to calculate a Council Tax Base for its area by 31 January each year. The Welfare Reform Act 2012 and Local Government Finance Act 2012 had replaced the Council Tax Benefit scheme with a locally determined Council Tax

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Reduction Scheme (also known as a local Council Tax Support Scheme), which was effectively a type of Council Tax discount. The legislation required the Council to approve the scheme by the end of January preceding the start of the financial year. The recommended scheme for 2019/20 was a continuation of the scheme that had been agreed by Council at its meeting on 23 January 2018 (Minute 28 refers) for the 2018/19 financial year.

The report also set out information on the Council Tax collection rate and the estimated surplus on the Council Tax Collection Fund.

Recommended -

- (1) That a Council Tax collection rate of 99% for 2019-20 be noted;
- (2) That the existing Council Tax Local Reduction Scheme be retained for 2019/20;
- (3) That it be noted that the 2019/20 Council Tax Reduction Scheme allowances would be updated in line with the scheme's regulations;
- (4) That, with the approved increase in Long Term Premium on empty properties (Minute 60 above refers), the Council Tax Base for the financial year 2019/20 be set at 55,884;
- (5) That an estimated surplus on the Council Tax Collection Fund in 2018-19 of £200k, of which the Council's share was £173k, be noted.

62. RESPONSE TO THE WILLOWS/DISCHARGE TO ASSESS CONSULTATION AND FUTURE PROPOSAL

The Director of Adult Care and Health Services submitted a report on a consultation with stakeholders in relation to the ongoing use of The Willows (both the Residential Home element and the Discharge to Assess (D2A) service). The following documents were attached to the report:

- Appendix 1 - Willows/Discharge to Assess Consultation Report
- Appendix 2 - Equality Impact Assessment - Discharge To Assess/Charles Clore Court
- Appendix 3 - Equality Impact Assessment - Willows

The report explained that the consultation had proposed moving the Discharge to Assess beds from The Willows site to Charles Clore Court (an Extra Care provision), and closing The Willows as a residential care home for people with dementia. The proposals had been driven by NHS Improvement guidance which stated that bed-based services were a perverse incentive to the Home First ethos for a Discharge To Assess service, as they tended to be used by the hospital system as a quick and 'safe' discharge option particularly at times of higher pressure. The proposed relocation of the Discharge to Assess service from a residential setting to an extra care setting also supported the

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national requirement (under the Better Care Fund) to implement the “High Impact Change Model” for reducing delayed transfers of care from hospital settings.

The report summarised the main themes emerging from the consultation and the associated Adult Social Care management responses, which were set out in detail at Appendix 1 attached to the report. The report also set out the staffing implications of the proposals. Potential options for use of The Willows site in the future would be considered in a review of internal services which was being carried out by the Transformation Team in Adult Social Care.

Resolved -

- (1) That the consultation themes and associated management response be noted;**
- (2) That the relocation of the Discharge to Assess service to Charles Clore Court be approved;**
- (3) That the temporary closure of the Willows site be approved and the potential staffing implications noted.**

63. CIVIL ENFORCEMENT (PARKING) CONTRACT EXTENSION

The Director of Environment and Neighbourhood Services seeking approval to extend the Civil Enforcement Contract awarded to NSL Ltd in 2014 by one year, as per the terms of the original contract.

The report noted that the Parking Enforcement contract had been awarded to NSL Ltd in 2014 for an initial period of five years, with an option to extend the term of this contract by a period or periods of not less than one year. The contract had commenced on 1 November 2014, with a nine-month termination or extension notice period, any notice therefore had to be served to the contractor no later than 1 February 2019. NSL provided a wide range of services under the contract and had performed well against the Key Performance Indicators; a review of the contract had been carried out and concluded that the services provided good value to the Council.

The report explained that a wider review of enforcement, particularly of environmental offences, was underway. A pilot scheme had been running since April 2017 to enforce mooring within the Borough, with the possibility of a wider pilot to enforce environmental offences. Any pilot would inform a future decision on all enforcement activities, and it was therefore recommended that the current NSL contact be extended by one year, to allow the Council to review the best options available for all of its enforcement activities.

Resolved -

That a one year extension to the current contract with NSL until 31 October 2020 be approved.

64. BRIGHTER FUTURES FOR CHILDREN - APPOINTMENT OF EXTERNAL AUDITORS

The Director of Resources submitted a report seeking approval from the Committee, in its capacity as sole member for Brighter Futures for Children Limited (BFfC), for the appointment of UHY Hacker Young as external auditors for BFfC.

The report explained that BFfC had conducted a procurement process for an audit firm, and that following careful evaluation of the written bids and presentations, UHY Hacker Young had been selected as the preferred bidder and recommended to the BFfC Board. The Council's Chief Auditor had been a member of the selection panel and confirmed that the selection process had been completed correctly and in a compliant manner. The BFfC Board had approved the recommended appointment of UHY Hacker Young at their meeting on 18 December 2018.

The report noted that the appointment of external auditors was a "Reserved Matter" within the Articles of Association agreed between the Company and Council, and therefore sought the Committee's formal approval of the appointment of UHY Hacker Young as the Company's external auditors.

Resolved -

That the appointment of UHY Hacker Young as BFfC's external auditors for a three year term, commencing as soon as possible and covering the 2018/19, 2019/20, 2020/21 financial statements, be approved.

(The meeting started at 6.30 pm and closed at 8.04 pm)