

COUNCIL MEETING MINUTES - 26 FEBRUARY 2019

Present: Councillor D Edwards (Mayor);

Councillors David Absolom, Debs Absolom, Ayub, Ballsdon, Barnett-Ward, Brock, Eden, K Edwards, Emberson, Ennis, Gavin, Gittings, Grashoff, Hacker, Hopper, Hoskin, James, Jones, Khan, Lovelock, Manghnani, Maskell, McDonald, McEwan, McGonigle, McKenna, O'Connell, Page, Robinson, Rowland, D Singh, R Singh, Skeats, Stanford-Beale, Stevens, Terry, Vickers, Warman, White, J Williams, R Williams and Woodward.

Apologies: Councillors Davies, Kaur and Pearce.

39. MAYOR'S ANNOUNCEMENTS

The Mayor announced that Councillor Ashley Pearce's wife, Karen, had recently given birth to twins, Claudia and Miles. The Council extended its good wishes to the newborn babies and their parents.

Councillor Hopper, at the invitation of the Mayor, made a personal statement at the meeting, which would be his last full Council, as he would be standing down as a Councillor due to his move away from Reading. The Mayor and other Councillors paid tribute to Councillor Hopper for his contribution to the Council and wished him well in his future endeavours.

40. MINUTES

The Minutes of the meeting held on 22 January 2019 were confirmed as a correct record and signed by the Mayor.

41. PETITION

Jennifer Leach and Skye presented a petition in the following terms:

"Declare a Climate Emergency in Reading

- Humans have caused irreversible climate change to Planet Earth; the impact of this is already being felt around the world.
- We were warned last month by the IPCC (Intergovernmental Panel on Climate Change) that we have **twelve years left** to limit this damage. If we do not, our world will most likely face runaway Global Warming and full Climate Breakdown.
- Our current plans and actions are not enough. We must act now, decisively and radically, to reduce our carbon footprint.
- Individuals cannot be expected to make this reduction on their own. Society needs to change its laws, taxation and infrastructure, to make low-carbon living easier and the new norm.
- City Councils around the world are responding by declaring a **Climate Emergency** and committing resources to address this emergency.

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- This petition urges Reading Borough Council to do the same.”

RESPONSE by Councillor Page (Lead Councillor for Strategic Environment, Planning and Transport):

I thank Ms Leach for presenting the petition on this very important issue. Later this evening I will be moving a Climate Emergency resolution, which I hope will receive substantial support and I attach a copy of the text below (see the full text in the resolution of Minute 48 below).

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

| | <u>Questioner</u> | <u>Subject</u> | <u>Answer</u> |
|----|---|--|---------------|
| 1. | Glenn Dennis | Unoccupied Residential Properties | Cllr Ennis |
| 2. | Richard Stainthorp | Station Hill | Cllr Page |
| 3. | Roger Lightfoot to be asked by Peter Burt | Arthur Hill and Central Pools | Cllr Hoskin |
| 4. | Peter Burt | Consultancy Fees | Cllr Lovelock |
| 5. | Peter Burt | Sport and Leisure Service | Cllr Hoskin |
| 6. | Colin Lee | Reading Sport and Leisure | Cllr Hoskin |
| 7. | Colin Lee | Sport and Leisure Contract | Cllr Hoskin |
| 8. | Colin Lee | Rivermead - Externalised Management Contract | Cllr Hoskin |
| 9. | John Hoggett | Fees & Charges | Cllr Lovelock |

As there was insufficient time, pursuant to Standing Order 9(6), written replies to Questions 8 and 9 above would be provided in accordance with Standing Order 11(3).

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

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

| | <u>Questioner</u> | <u>Subject</u> | <u>Answer</u> |
|----|-------------------|----------------------------------|---------------|
| 1. | Cllr White | Reading Council Accounts Blunder | Cllr Lovelock |

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| | | | |
|----|-----------------|--|-------------|
| 2. | Cllr J Williams | Council Spending - Arthur Hill Swimming Pool | Cllr Hoskin |
| 3. | Cllr McGonigle | East Reading MRT Costs | Cllr Page |
| 4. | Cllr J Williams | Sports Forum | Cllr Hoskin |

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

44. CHIEF FINANCE OFFICER'S REPORT ON THE ROBUSTNESS OF THE COUNCIL'S 2019/20 BUDGET

The 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 2019/20 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 2019 and 31 March 2022, were attached to the report for information.

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

Resolved -

That the Chief Finance Officer's report on the robustness of the Council's 2019/20 budget and indicative budgets for the subsequent two financial years 2020/21 and 2021/22 be noted and the opinion contained therein be taken into account in making the decisions set out in Minutes 45-47 below.

45. 2019/20 BUDGET & MEDIUM TERM FINANCIAL STRATEGY TO 2021/22

The Director of Resources submitted a report asking the Committee to recommend to Council, on 26 February 2019, the draft 2019/20 Budget and Medium Term Financial Strategy (MTFS) and associated spending plans for the three years 2019/20 to 2021/22. The report covered all aspects of the Council's spend: General Fund revenue expenditure funded by the Council tax payer; Government grant and other sources of income; Housing Revenue Account (HRA) expenditure, funded by Council tenants' rents; and the Council's Capital Programmes (General Fund and HRA) funded by grants and contributions, capital receipts, revenue and prudential borrowing. The proposed Medium Term Financial Strategy had been informed by and supported delivery of the Council's Corporate Plan priorities and sought to ensure that the Council was "fit for the future" with sound finances that allowed the Council's future funding challenges and spending pressures to be met.

The report stated that the MTFS 2019 - 2022 provided for a balanced budget position across the three years, as well as making a net contribution to reserves over the three years of £2.4m by using part of the benefit from the business rate pilot, which would

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enable reserves to move back towards a more resilient level. The Strategy provided for a robust financial position, which relied on significant service transformation to drive increased efficiency savings and income generation in order that service reductions could be minimised. In particular it assumed:

- a) Revenue Support Grant from Government had effectively reduced to zero in 2019/20 due to the Business Rates pilot and would remain at zero following the Business Rates reset;
- b) Council Tax increases of 2.99% in 2019/20 and 1.99% in both 2020/21 and 2021/22;
- c) The benefit of Business rate growth forecast in 2019/20 had been discounted in 2020/21 because the impact of the planned business rate reset was as yet unknown;
- d) £27.5m of efficiencies and increased income across the period;
- e) A contingency provision over the three years (£4.4m 2019/20; £4.1m 2020/21; and £3.4m 2021/22) to mitigate possible slippage or non-achievement of higher risk savings and budget pressures over the period;
- f) Facilitates capital investment of £464m over the period 2019/20 to 2021/22 of which £249m would be for invest to save purposes;
- g) £6.4m of transformation funding (over the period 2019/20 to 2021/22) to support delivery of efficiency savings assumed within the MTFS; and
- h) Service reductions of £2.6m.

On 1 December 2018, the Council had incorporated a Local Authority Company, Brighter Futures for Children, to provide services previously delivered directly by the Council. The cost of providing those services, as well as funding for transformational change (an additional £2.1m in 2019/20) had been included in the Medium Term Financial Strategy.

The report had appended:

- Appendix 1 Summary of General Fund Budget 2019-20 to 2021-22;
- Appendix 2 General Fund Revenue Budget by Service 2019-20 to 2021-22;
- Appendix 3 Detailed General Fund Budgets 2019-20 to 2021-22;
- Appendix 4 Housing Revenue Account Budget 2019-20 to 2021-22;
- Appendix 5 General Fund and HRA Capital Programme 2019-20 to 2021-22;
- Appendix 6 Flexible Capital Receipts Strategy;
- Appendix 7 Fees and Charges (a correction to four lines in the list of fees and charges for April 2019 was circulated at the meeting for clarification);
- Appendix 8 Dedicated Schools Grant 2019/20;
- Appendix 9 Equality Impact Assessment

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

Resolved -

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That the proposed 2019-20 General Fund and Housing Revenue Account budgets, draft Capital Programme and Medium Term Financial Strategy as set out in Appendices 1-9 be approved, noting the following:

- (a) the Council's General Fund Budget Requirement of £139.5m for 2019/20;
- (b) the proposed service savings and efficiencies of £10.5m together with additional income of £4.4m in 2019/20 required to achieved a balanced budget for that year;
- (c) the proposed growth in 2019/20 service budgets of £12.5m;
- (d) the overall savings proposed within the MTFS of £30.1m (of which changes to income, fees and charges is £6.2m) and three-year growth changes to service budgets of £30.9m;
- (e) the increase in the Band D Council Tax for the Council of 2.99% or £47.24 per annum representing a Band D Council Tax of £1,627.23 per annum as set out in paragraph 15.1;
- (f) the Housing Revenue Account budget for 2019/20 of £42.7m as set out in Appendix 4 and a reduction of 1.00% (£/wk) in social dwelling rents from April 2019 giving a revised weekly average social rent of £99.39 as set out in paragraph 19.3;
- (g) the General Fund and Housing Revenue Account Capital Programmes as set out in Appendix 5;
- (h) the Strategy for the use of flexible capital receipts to deliver future transformation and ongoing savings as set out in Appendix 6;
- (i) the changes to Fees and Charges outlined in Appendix 7 of the report (and the minor corrections circulated at the meeting);
- (j) the allocation of the £76.4m dedicated schools grant as set out in Appendix 8;
- (k) the Equality Impact Assessment requirements as set out in Appendix 9.

A recorded vote having been demanded on the motion set out above and the two subsequent motions set out in Minutes 46 (Council Tax Setting) and 47 (Treasury Management Strategy), the voting was as follows:

For the motion: 28 Councillors David Absolom, Debs Absolom, Ayub, Barnett-Ward, Brock, Eden, D Edwards, K Edwards, Emberson, Ennis, Gavin, Gittings, Hacker, Hoskin, James, Jones, Khan, Lovelock, Maskell, McEwan, McKenna, O'Connell, Page, Rowland, D Singh, Terry, R Williams and Woodward.

Against the motion: 15 Councillors Ballsdon, Grashoff, Hopper, Manghnani, McDonald, McGonigle, Robinson, R Singh, Skeats, Stanford-Beale, Stevens, Vickers, Warman, White and J Williams.

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46. COUNCIL TAX SETTING

The Director of Resources submitted a report seeking approval of the calculations for determining the Council Tax requirement for the year 2019/20, 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 Thames Valley Police and Royal Berkshire Fire & Rescue Service.

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

Resolved -

- (1) That the following amounts that had been calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 be agreed:
 - (i) £396,276,100 being the estimated aggregate expenditure of the Council in accordance with section 31A (2) of the Act;
 - (ii) £305,339,705 being the estimated aggregate income of the Council for the items set out in section 31A (3) of the Act;
 - (iii) £90,936,395 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) £1,627.23 being the amount at (iii) above (Item R) divided by the Council's tax base (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 2.99% in the Council's own tax;
- (2) That that the net tax base of 55,884 Band D equivalent properties (being the gross tax base adjusted for an assumed collection rate) used for setting the budget requirement for 2019/20 that was agreed by Full Council on 22 January 2019 be noted; and
 - (i) that the Band D charge for Reading Borough Council as calculated in (1)(iv) above be allocated to Band D equivalent dwellings 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 4.7 of the report.

47. TREASURY MANAGEMENT STRATEGY

The 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

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attached to the report at Appendix A, setting out the parameters for the Council's planned Treasury activity during 2019/20, which the Council's Treasury Team would manage on a day-to-day basis. The TMSS reflected the Council's Capital Programme 2019/20 to 2021/22 with non-treasury investments being registered in the Council's Commercial Investment Strategy. The report also had appended the Treasury Management Policy 2019/20 (Appendix B); Minimum Revenue Provision (MRP) Policy 2018/19 & 2019/20 (Appendix C); and existing investment and debt portfolio position (Appendix D).

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

Resolved -

- (1) That the Treasury Management Strategy Statement for 2019/20, as set out in Appendix A, be approved;
- (2) That the Treasury Management Policy for 2019/20, as set out in Appendix B, be approved;
- (3) That the Minimum Revenue Provision (MRP) Policy for 2018/19 and 2019/20, as set out in Appendix C, be approved; and
- (4) That the existing investment and debt portfolio position, as set out in Appendix D, be noted.

48. CLIMATE EMERGENCY - TOWARDS A ZERO CARBON READING

Pursuant to Notice, the motion set out in the resolution was moved by Councillor Page and seconded by Councillor Eden and CARRIED:

In accordance with Standing Order 14(10)(a), Councillor Page received the consent of the Council to alter the motion he had submitted in writing, in the following way:

At the end of the first paragraph add the following words:

“As such, this Council commits to playing as full a role as possible - leading by example as well as by exhortation - in achieving a carbon neutral Reading by 2030.”

After the eighth paragraph add the following new paragraph:

“Council also requests officers to ensure that forthcoming revisions to the Local Transport Plan and Climate Change Strategy (and any other relevant policy statements) reflect the urgency of this resolution.”

At the end of the new tenth paragraph add the following words:

- “amending local authority procurement powers to require the delivery of carbon neutral environmental strategies by private sector suppliers.”

Revise the penultimate paragraph to include the following words: “accept its moral and ethical responsibilities” and the paragraph being reworded to read as follows:

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“The Council calls on the Government to accept its moral and ethical responsibilities and give Reading as soon as possible the additional powers and funding needed to ensure that Reading is carbon neutral by 2030.”

Replace the final paragraph with the following words:

“The Council therefore instructs the Chief Executive to write to our local MPs, and to the Prime Minister and to relevant Government departments (DEFRA, MHCLG, DfT, and Treasury) setting out the above requirements and the need for new legislation and financial support to deliver this radical agenda.”

The following amendment was moved by Councillor Ballsdon and seconded by Councillor Hopper and LOST:

‘After the sixth paragraph, which concludes with the words “.....to act quickly” insert the following additional paragraphs:

“This Council welcomes the improvements the Government has made since 2010, including banning plastic microbeads in personal care and cosmetic products; cut plastic bag use by 86%; doubling maximum litter fines to £150; cutting harmful emissions of nitrogen oxides by 27% and put in place a £3.5 billion plan to improve air quality and further reduce emissions.

This Council supports the Government banning plastic straws, stirrers and cotton buds and also ending the confusion over recycling.”’

Resolved -

Reading Borough Council (RBC) believes the world is now clearly in the midst of a climate emergency and that more concerted and urgent action is needed at local, national and international level to protect our planet for future generations. As such, this Council commits to playing as full a role as possible - leading by example as well as by exhortation - in achieving a carbon neutral Reading by 2030.

RBC has a long standing commitment to action on climate change. A signatory of the Nottingham Declaration on Climate Change in 2006, the Council was one of the first authorities to produce a detailed Climate Action Plan.

We note that CO₂ emissions in the Borough have fallen by 41% since 2005, which is greater than all but 19 of the 405 authorities in Great Britain, and that Reading Borough Council has reduced its own emissions by 53% since 2008.

Reading is urban in nature and the majority of emissions are from the use of fossil fuels and energy to run buildings and transport. Methane is also harmful to the climate. In Reading, these emissions are primarily from food, human waste and landfill. Gases from the latter two are captured and used to generate energy.

Despite good progress at local level, new evidence continues to emerge about the scale of the likely impacts of climate change. We are now aware through the launch of the Special Report of the Intergovernmental Panel on Climate

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Change in October 2018 that, in order to reduce the risks of severe climate change, all countries must act much more quickly.

This Council was proud to host the Model Climate Conference in December 2018 in this Chamber attended by students from local secondary schools, which coincided with the Katowice Climate Conference (COP24), and resulted in all the participating students stressing the urgency of climate action and pressing the Council, Government and others to act quickly.

RBC notes that we have already set out a number of ambitious policies and actions which will help to pave the way for the delivery of a Zero Carbon future such as:

- 'Zero Carbon Standards' within its draft Local Plan,
- The RBC Carbon Plan
- The forthcoming consultation on options, such as a Clean Air Zone, for improving local air quality and reducing congestion prior to publishing our draft Fourth Local Transport Plan
- The Reading Climate Change Partnership and Strategy - Reading Means Business on Climate Change
- The Launch of Reading Community Energy Society

This Council therefore instructs officers to report to the SEPT and Policy Committees on further potential measures that could accelerate the timescale for reducing carbon dioxide emissions to zero by 2030, but recognises that this date can only be achieved with substantial policy changes from national government.

Council also requests officers to ensure that forthcoming revisions to the Local Transport Plan and Climate Change Strategy (and any other relevant policy statements) reflect the urgency of this resolution.

The Council also calls on the Government to follow the recommendations of the Committee on Climate Change and radically improve the policy framework including, for example:

- detailed and practical proposals for retrofitting private and public housing stock, where the Green Deal failed.
- upgrade social housing energy efficiency to higher standards
- more support for renewable electricity and heat (and not taxing them unfairly)
- more support for establishing renewably powered heat networks
- more support for the smart technologies and storage and connecting to local power grids.
- more support for electric vehicle infrastructure and ownership, whilst incentivising the scrappage of older polluting vehicles
- more national investment in cycling and walking policies, and the expansion of public transport and car clubs using the latest zero carbon technology
- working with local businesses to improve their energy efficiency
- putting solar arrays on most of the suitable roof space and erecting more large wind turbines

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- developing local energy storage facilities
- establishing national recycling standards on industry and supermarkets whilst supporting the roll-out of food waste collection and its use for the generation of clean local energy
- building a town centre district energy system which harnesses heat from local rivers or watercourses
- establishing the widespread use of ground-source heat pumps and potentially air source heat pumps
- amending local authority procurement powers to require the delivery of carbon neutral environmental strategies by private sector suppliers

The Council calls on the Government to accept its moral and ethical responsibilities and give Reading as soon as possible the additional powers and funding needed to ensure that Reading is carbon neutral by 2030.

The Council therefore instructs the Chief Executive to write to our local MPs, and to the Prime Minister and to relevant Government departments (DEFRA, MHCLG, DfT, and Treasury) setting out the above requirements and the need for new legislation and financial support to deliver this radical agenda.

(The meeting closed at 8.50pm).