

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

EXECUTIVE

MINUTES OF THE MEETING HELD ON THURSDAY, 23 NOVEMBER 2017

Councillors Present: Dominic Boeck, Anthony Chadley, Keith Chopping, Jeanette Clifford, Hilary Cole, Marcus Franks, James Fredrickson, Graham Jones and Rick Jones

Also Present: John Ashworth (Corporate Director - Environment), Iain Bell (Revenues and Benefits Manager), Nick Carter (Chief Executive), Melanie Ellis (Chief Accountant), Paul James (Culture Manager), Peta Stoddart-Crompton (Public Relations Officer), Rachael Wardell (Corporate Director - Communities), Councillor Graham Bridgman, Stephen Chard (Principal Policy Officer), Councillor Lee Dillon, Councillor Alan Macro and Gabrielle Mancini (Group Executive - Conservatives)

Apologies for inability to attend the meeting: Councillor Lynne Doherty

PART I

45. Minutes

Councillor Graham Jones introduced the meeting by reflecting on the sad loss of two of West Berkshire Council's former Councillors.

Former Councillor and Honorary Alderman Geoff Findlay passed away on 10 November 2017. Geoff had served as Ward Member for Cold Ash and as an Executive Member.

Former Councillor Kathleen French passed away on 17 November 2017, Kathleen had served as the Ward Member for Chieveley.

Councillor Graham Jones added that the service of these two former Councillors would be further recognised at the Council meeting on 7 December 2017.

A one minute silence was then observed.

The Minutes of the meeting held on 19 October 2017 and the special meeting also held on 19 October 2017 were approved as true and correct records and signed by the Leader.

46. Declarations of Interest

There were no declarations of interest received.

47. Public Questions

A full transcription of the public and Member question and answer sessions are available from the following link: [Transcription of Q&As](#).

(a) Question submitted by Mr Peter Logan to the Portfolio Holder for Corporate Services

A question standing in the name of Mr Peter Logan on the subject of the number of families who could be affected by the roll-out of Universal Credit in December 2017 was answered by the Portfolio Holder for Corporate Services.

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(b) **Question submitted by Mrs Martha Vickers to the Portfolio Holder for Community Resilience and Partnerships**

A question standing in the name of Mrs Martha Vickers seeking an assurance that the Council was not planning further cuts to its grant to the Citizen's Advice Bureau, particularly in view of the forthcoming introduction of Universal Credit, was answered by the Portfolio Holder for Community Resilience and Partnerships.

(c) **Question submitted by Mr Andy Moore to the Portfolio Holder for Corporate Services**

A question standing in the name of Mr Andy Moore on the subject of what allowances the Council was preparing to make if Universal Credit recipients were unable to make payments (e.g. of Council Tax) on time was answered by the Portfolio Holder for Corporate Services.

48. **Petitions**

There were no petitions presented to the Executive.

49. **Financial Performance Report 2017/18 - Quarter Two (EX3304)**

The Executive considered a report (Agenda Item 6) which informed Members of the latest financial performance of the Council for 2017/18.

Councillor Anthony Chadley introduced the report. The Quarter Two revenue forecast was an overspend of £603k against a net revenue budget of £117.4m, which was 0.5% of the net budget. The main driver of the forecast overspend was a £603k overspend in Adult Social Care (ASC). This was a result of increased complexity in client needs and inflationary pressures.

It was proposed that, in order to help combat some of the inflationary pressures, £392k be released from the ASC Risk Reserve. Councillor Chadley explained that it was considered timely to take this action at this point in the financial year in order to minimise the in year impact.

Councillor Lee Dillon referred to paragraph 5.3 of the summary report, this stated that '£392k has been released from the ASC Risk Reserve'. Councillor Dillon therefore queried whether this decision had been pre-empted or whether the wording of the report was incorrect. He noted that in previous financial years, Risk Reserve funds had only been released at the end of the financial year once pressures were known in full and this was a changed tactic. Councillor Dillon noted that this proposal was to meet inflationary pressures, but he was of the view that these should have been forecast.

Councillor Alan Macro queried how much money would be left in the fund after the £392k was released.

Councillor Rick Jones explained that as previously reported, considerable pressures were being felt in Adult Social Care. Inflationary cost increases which were in excess of the level originally forecast, national living wage increases from providers and a greater level of complexity of clients' needs were particular pressures.

In terms of the ASC Risk Reserve, Councillor Rick Jones firstly explained that it was increased as part of the 2017/18 budget build. It was considered timely to release funds from the Risk Reserve to meet the inflationary pressures as the cost involved was not expected to change. This would also enable future financial reports to present the most clear and accurate financial position for the year.

Councillor Rick Jones added that approximately £700k of the Risk Reserve would remain, both post the proposed use of the £392k and if it was used to fund the entire

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forecast overspend. Therefore, clearly the current Quarter Two forecast overspend could still be met from this Risk Reserve if necessary.

Turning to Public Protection and Culture, Councillor Dillon noted that the service was forecasting an overspend of £128k due in part to a payment from Kennet School for Kennet Leisure Centre of £43k that was still in dispute. This had been the case for some years and Councillor Dillon queried what progress had been made.

Councillor Hilary Cole noted that Councillor Dillon had asked this question when the Quarter One report was discussed. As explained at that time, discussions on this matter had continued to be protracted and complex, and therefore remained unresolved to date.

Councillor Dillon referred to the point made in the report that 26.4% of the 2017/18 Capital Programme was committed as at the end of Quarter Two. He questioned why this was not higher at this stage of the financial year and whether there were any particular projects that were not expected to be funded within 2017/18.

In response to this query, Councillor Chadley referred Members to section 11 of the report which provided an update on capital expenditure across the Council. He acknowledged that there was some slippage, but this was to be expected in some cases/for some projects. Councillor Chadley reported that no projects had been cancelled. Councillor Chadley added that updates would continue to be provided on an ongoing basis.

RESOLVED that:

- The latest financial performance of the Council be noted.
- £392k be released from the Adult Social Care Risk Reserve to help the service combat some of the inflationary pressures it is facing.

Other options considered: n/a – factual report for information.

50. Transferring the freehold of the Corn Exchange premises to the Corn Exchange (Newbury) Trust (EX3372)

The Executive considered a report (Agenda Item 7) concerning the proposed transfer of the freehold of the Corn Exchange premises to the Corn Exchange (Newbury) Trust (CET) in order to strengthen the sustainability of the CET in the long term.

Councillor Dominic Boeck introduced the report. The Corn Exchange, which was built in 1862, was a well loved building enjoyed by residents of Newbury and surrounding areas. In 1993 it opened as an arts centre and on 1 June 2000 the Council transferred the operation of the building to the CET who leased the building for 99 years. The CET paid no rent.

A five year Service Level Agreement (SLA) was in place with the CET and this was due to expire on 31 March 2019. By that date, the Council would have invested a total of £1.25m over the period of the SLA, despite the reductions to the grant paid in recent years as a result of the reducing Revenue Support Grant. However, no contributions were planned by the Council from April 2019.

Councillor Boeck had been involved in discussions between Officers and the CET to explore how best to enable the CET to continue to operate. The potential to transfer the freehold had been discussed and this had been formally requested by the CET, hence this report and its recommendations. Subject to the approval of the recommendations and a positive outcome from the six week period of public engagement, the freehold would be transferred. This would include the fabric of the building remaining with the Council, but the responsibility for building maintenance/repairs sitting with the CET.

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Councillor Boeck proposed acceptance of the recommendations. Approval of this approach would help to sustain the CET and the use of the Corn Exchange to the benefit of West Berkshire residents.

Councillor Hilary Cole seconded the proposal. This work commenced when she was the Portfolio Holder for Culture and she was pleased to see that the efforts of all involved had reached this proposed positive conclusion under the stewardship of Councillor Boeck. Councillor Cole continued by commenting that this constituted a win-win for the two parties, the CET would have greater control of the operation of the Corn Exchange and the Council's responsibilities and costs would be reduced.

Councillor Graham Jones added his endorsement to the proposed approach.

Councillor Keith Chopping explained that while the grants paid to the Corn Exchange had reduced in recent years as described, the Corn Exchange had been the recipient of substantial grants from the Council over a number of years. He too welcomed the recommendations and wished every success to the CET for the future.

Councillor James Fredrickson queried proposed changes to the governance arrangements for the Corn Exchange between the Council and the CET. Councillor Boeck explained that the transfer of the freehold was subject to a number of covenants. These included the inability for the CET to sell the building without the consent of the Council and continued use of the building for education and cultural purposes. The details of the transfer were still to be finalised, but the CET had indicated continued education/cultural use.

Councillor Alan Macro noted that public engagement of six weeks was planned over January and February 2018, but he queried what action would be taken if a particularly negative impact was highlighted from the consultation and whether the decision could be reversed if this proved to be the case. Councillor Macro felt that it would have been preferable to consult prior to proposing a way forward.

Councillor Boeck stated that the outcome of the consultation would be awaited and should a particularly negative response be forthcoming then plans could be reconsidered. He did however feel that any concerns in relation to the transfer of the freehold could be addressed within final plans.

In terms of the timing of the consultation, Councillor Boeck explained that this was influenced by time pressures. The CET was seeking an early resolution to enable them to proceed with obtaining Arts Council funds before the current deadline for this closed. The proposals were considered to represent the most expedient way forward.

Councillor Macro queried whether it was prudent to transfer the freehold of the building for a sum below its market value. He did however note from the report that this could be acceptable subject to certain conditions, including if the difference between the market value and the consideration did not exceed £2m. Councillor Macro also asked whether the building had been valued.

Councillor Boeck explained that a sum in the region of £2k to £3k would be spent to obtain a commercial valuation of the building. Councillor Macro queried if consent for the transfer for the sum indicated in the report would need to be obtained from the Secretary of State if the value was higher than anticipated. Councillor Boeck gave the view that this was unlikely to prove necessary.

RESOLVED that

- The Head of Public Protection and Culture shall, in consultation with the Head of Finance and Property and Head of Legal Services, transfer the freehold of the Corn Exchange building to the CET for the sum of £5 subject to satisfaction of statutory

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provision in relation to disposal, and negotiation and completion of appropriate legal documentation.

- The Head of Public Protection and Culture agree with the CET a list of any outstanding minor works that it is necessary for the Council to carry out under the terms of the current lease with reference to the 2015 condition survey.
- A six week period of public engagement be conducted in January/February 2018 to assess whether the proposal has any negative impacts for the public and the arts in West Berkshire.

Other options considered:

- Continue with the current 99 year lease with the CET under which the Council is responsible for major capital maintenance costs throughout the term of the lease.
- Disposal of the asset at a commercial value. This could only be achieved if there was no leaseholder in possession of the premises and change of use was to be granted.

51. Members' Questions

A full transcription of the public and Member question and answer sessions are available from the following link: [Transcription of Q&As](#).

(a) Question to be answered by the Portfolio Holder for Corporate Services submitted by Councillor Lee Dillon

A question standing in the name of Councillor Lee Dillon on the subject of whether the Council had requested that the Department for Work and Pensions delay the roll out of Universal Credit for West Berkshire residents until after Christmas, when considering a reported six week delay in payments, was answered by the Portfolio Holder for Corporate Services.

(b) Question to be answered by the Portfolio Holder for Culture and Environment submitted by Councillor Lee Dillon

A question standing in the name of Councillor Lee Dillon on the subject of whether the Council would receive any funds from the disposal of the Reading Prison site as part of the old Berkshire County Council arrangements, was answered by the Portfolio Holder for Culture and Environment.

(c) Question to be answered by the Portfolio Holder for Planning, Housing and Leisure submitted by Councillor Alan Macro

A question standing in the name of Councillor Alan Macro on the subject of what effect the recent refusal of the planning applications for the Sandford site would have on the Council's housing land supply targets, was answered by the Portfolio Holder for Planning, Housing and Leisure.

(d) Question to be answered by the Portfolio Holder for Culture and Environment submitted by Councillor Alan Macro

A question standing in the name of Councillor Alan Macro on the subject of the amount of compost produced from recycled green waste that had been sold to commercial organisations over the last year and the level of income made from this source, was answered by the Portfolio Holder for Culture and Environment.

(The meeting commenced at 5.00pm and closed at 5.32pm)

CHAIRMAN

Date of Signature