



## **WOKINGHAM BOROUGH COUNCIL**

A Meeting of the **COUNCIL** will be held at the Civic Offices,  
Shute End, Wokingham, RG40 1BN on **THURSDAY 22  
SEPTEMBER 2016 AT 7.30 PM**

A handwritten signature in black ink, appearing to read 'Andy Couldrick'.

Andy Couldrick  
Chief Executive  
Published on 14 September 2016

This meeting will be filmed for inclusion on the Council's website.

Please note that other people may film, record, tweet or blog from this meeting. The use of these images or recordings is not under the Council's control.



## **WOKINGHAM BOROUGH COUNCIL**

### **Our Vision**

A great place to live, an even better place to do business

### **Our Priorities**

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

### **The Underpinning Principles**

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

To: The Members of Wokingham Borough Council

ITEM NO.	WARD	SUBJECT	PAGE NO.
35.		<b>APOLOGIES</b> To receive any apologies for absence	
36.		<b>MINUTES OF PREVIOUS MEETING</b> To confirm the Minutes of the Meeting held on 21 July 2016	11 - 34
37.		<b>DECLARATIONS OF INTEREST</b> To receive any declarations of interest	
38.		<b>PUBLIC QUESTION TIME</b> To answer any public questions  A period of 30 minutes will be allowed for members of the public to ask questions submitted under notice.  The Council welcomes questions from members of the public about the work of the Council  Subject to meeting certain timescales, questions can relate to general issues concerned with the work of the Council or an item which is on the Agenda for this meeting. For full details of the procedure for submitting questions please contact the Democratic Services Section on the numbers given below or go to <a href="http://www.wokingham.gov.uk/publicquestions">www.wokingham.gov.uk/publicquestions</a>	
38.1	None Specific	Guy Grandison has asked the Executive Member for Highways and Transport the following question:  <b>Question</b> How much overlap time was there between the end of the Loddon Viaduct works and the start of the A327 scheme?	
39.	None Specific	<b>PRESENTATION BY THE CHIEF CONSTABLE OF THAMES VALLEY POLICE, FRANCIS HABGOOD</b> To receive a presentation from the Chief Constable of Thames Valley Police Francis Habgood.  This is expected to be approximately 20 minutes in duration after which there will be an opportunity for Member questions of no more than 15 minutes in duration.	

- 40. PETITIONS**  
To receive any petitions which Members or members of the public wish to present.
- 41. MAYOR'S ANNOUNCEMENTS**  
To receive any announcements by the Mayor
- 42. None Specific TREASURY MANAGEMENT ANNUAL REPORT 2015-16 35 - 68**  
To consider the Treasury Management Outturn Report for 2015/16; which was approved by Executive on 28 July 2016 and considered by the Audit Committee on 15 June 2016.
- RECOMMENDATION** That:
- 1) it be noted that the report was presented to the Audit Committee on 15 June 2016 and Executive on 28 July 2016;
  - 2) the following be approved:
    - a) the Treasury Management Annual Report for 2015/2016; and
    - b) the actual 2015/2016 prudential indicators within the report.
- 43. None Specific CHANGES TO THE CONSTITUTION 69 - 76**  
To consider a report containing a revised Filming and Recording Protocol and a change to the Scheme of Delegation to Officers as agreed by members of the Constitution Review Working Group.
- RECOMMENDATION:** That the following changes to the Constitution, as recommended by the Constitution Review Working Group, be agreed:
- 1) a revised Chapter 3.6 – Filming and Recording Protocol as set out in Appendix A to the report;
  - 2) designation of the Head of Governance and Improvement Services as the Officer responsible for the discharge of functions of Counting Officer at a Neighbourhood Plan Referendum.
- 44. STATEMENTS BY THE LEADER OF THE COUNCIL, EXECUTIVE MEMBERS, AND DEPUTY EXECUTIVE MEMBERS**  
To receive any statements by the Leader of the Council, Executive Members, and Deputy Executive Members.

In accordance with Procedure Rule 4.2.23 the total time allocated to this item shall not exceed 20 minutes, and no Member shall speak for more than 5 minutes

45.

### **STATEMENT FROM COUNCIL OWNED COMPANIES**

To receive any statements from Directors of Council Owned Companies.

In accordance with Procedure Rule 4.2.24 the total time allocated to this item shall not exceed 10 minutes, and no Director, except with the consent of Council, shall speak for more than 3 minutes.

46.

### **MEMBER QUESTION TIME**

To answer any member questions

A period of 20 minutes will be allowed for Members to ask questions submitted under Notice

Any questions not dealt with within the allotted time will be dealt with in a written reply

46.1 None Specific

Gary Cowan has asked the Leader of the Council the following question:

#### **Question:**

*In an email to me in June you stated that "we have recently published our Strategic Housing Market Assessment (SHMA) Strategic Housing Market Assessment which gives us our (OAN) objectively assessed need up to 2036 of 856 homes to be built per annum.*

Can you please let me know when this was agreed by the Council as Officers have advised me that "this has been agreed by Council Members and Officers who were part of the SHMA Member Reference Group" as I cannot remember this ever being discussed at Council or Executive.

46.2 None Specific

Lindsay Ferris has asked the Executive Member for Highways and Transport the following question:

#### **Question**

With the introduction of Civil Parking Enforcement on the horizon will the Executive member for Highways agree to start working with local members to draw up a schedule and plans for where new parking arrangements will be required across the Borough?

46.3 None Specific

Clive Jones has asked the Executive Member for Children's Services the following question:

**Question**

There have been suggestions in the press that the new Education Secretary Justine Greening is in favour of opening more grammar schools. Does the Conservative administration in Wokingham wish to see a return to grammar schools in the Borough?

46.4 None Specific

Beth Rowland has asked the Executive Member for Children's Services the following question:

**Question:**

The Liberal Democrats welcome the setting up of the new autism unit at St Crispin's, which will not only benefit students but also potentially provide better value for money than placing young people further away. Will you set up a cross-party working group to look at the opportunities for collaboration with other councils on placements for children with special needs to realise economies of scale and better control over quality and cost?

46.5 None Specific

Rachelle Shepherd-DuBey has asked the Executive Member for Planning and Regeneration the following question:

**Question**

In the past two years the Council has bought a number of properties in connection with the regeneration of Wokingham town centre. If the Council were to sell those properties today, how much would they fetch compared to how much the Council paid for them?

46.6 None Specific

Prue Bray has asked the Executive Member for Economic Development and Finance the following question:

**Question**

Now that we have had three months since the EU Referendum vote (at the time of the Council meeting), can the Executive member for Finance advise whether there has been any impact on WBC as a result of the vote?

46.7 Hurst

Tim Holton has asked the Executive Member for the Environment the following question:

**Question**

Does the Executive Member welcome the news that Dinton Pastures has been awarded a TripAdvisor

Certificate of Excellence for the third year running?

46.8 None Specific

Michael Firmager has asked the Executive Member for the Environment the following question:

**Question**

Would the Executive Member explain the arrangements for our residents for continuing easy access to our Household Waste Recycling Centres from 1st July?

47.

**MINUTES OF COMMITTEE MEETINGS AND WARD MATTERS**

A period of 20 minutes will be allowed for Members to ask questions in relation to the latest circulated volume of Minutes of Meetings and Ward Matters

48.

**MOTIONS**

To consider any motions

In accordance with Procedure Rule 4.2.11.2 a maximum period of 30 minutes will be allowed for each Motion to be moved, seconded and debated, including dealing with any amendments. At the expiry of the 30-minute period debate will cease immediately, the mover of the Motion or amendment will have the right of reply before the Motion or amendment is put to the vote

48.1 None Specific

Motion 385 submitted by Ian Pittock

This Council believes in transparency and on this basis resolves it will now publish allowances Members receive from Outside Bodies and other organisations to which they are appointed by WBC. Such allowances will be shown on the same WBC web page alongside those received from this Council.

48.2 None Specific

Motion 386 submitted by Lindsay Ferris

Four years ago WBC ranked 40th in the league table of councils with regard to levels of recycling. Now in 2016 WBC has fallen to 202<sup>nd</sup>. This council's average recycling rate is only 39.4%, and it has been stalled at this level for a number of years. Meanwhile the best performing Councils currently recycle around 67% of their waste. Urgent action is required to improve WBC's recycling rates to avoid the imposition on WBC of significant fines and of additional charges for sending waste to landfill, which would be additional pressures on the budget of a council which is the lowest funded Unitary Authority in the country. It is vital

to ensure that suitable plans are put in place in sufficient time to ensure that WBC can achieve the important recycling target of 50% by 2020.

Whilst it is recognised that a Waste Working Group has been set up within WBC, it has now not met for over three months. Opposition Councillors have the following concerns:

- (i) Lack of significant progress in this area
- (ii) Restricted access to any ideas that have been discussed at the working group, in particular the ruling by the Executive member for Environment that members of the working group can only communicate its discussions to the Leaders of their respective political groups and to no other councillors. We feel this is inappropriate as any programme of action put together will have an impact on **all** Councillors on the Council and that they have a right to provide an input.

In order to inject the required urgency into the consideration of waste collection and disposal, this Council requires that the waste working group resumes regular and timely meetings and that as part of its agenda it examines

- (a) Food Waste which represents approximately 40% of the current total waste within the Blue Bags
- (b) Increasing the types and quantity of plastic to be recycled
- (c) the waste collection and disposal practices of the high performing Councils, including their kerbside recycling of glass
- (d) the implications of the RE3 contract on recycling rates and what actions can be provided whilst still enabling WBC (& its partners) to meet the needs of this long term contract.
- (e) what activities can be changed within RE3 to enable the recycling targets to be met
- (f) identify and find more ways to recycle/reuse Garden Waste
- (g) contributing to an extended countrywide programme to encourage manufacturers and suppliers to provide less packaging.

And that the progress in the deliberations of the working group are reported regularly to Community



and Corporate Services Overview & Scrutiny Committee meetings, using Part II where appropriate to safeguard confidential information.

48.3 None Specific

Motion 387 submitted by Clive Jones

This Council notes that:

- corporate tax evasion and avoidance are having a damaging impact on the world's poorest countries, to such a level that it is costing them far more than they receive in aid.
- this is costing the UK as much as £30bn a year.
- this practice also has a negative effect on small and medium-sized companies who pay more tax proportionately.

This Council further notes

- that the UK Government has taken steps to tackle the issue of tax avoidance and evasion by issuing Procurement Policy Note 03/14 (PPN 03/14). This applies to all central government contracts worth more than £5m.
- the existence of voluntary schemes promoting tax compliance such as the Fair Tax Mark, which can serve as an independent means of verification.
- the 2015 Public Contract Regulations which state (in section 4) that local government can choose to adopt Procurement Policy Note 03/14.

This Council believes that bidders for council contracts should be asked to account for their past tax record, using the higher standards in PPN 03/14 and therefore calls for procurement procedures to be amended to require all companies bidding for contracts worth more than £500,000 to self-certify that they are fully tax-compliant in line with central government practice using the standards in PPN 03/14, applying to contracts of the size specified above.

This Council asks the Executive to publicise this policy and to report on its implementation annually.

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## **MINUTES OF A MEETING OF THE COUNCIL**

**HELD ON 21 JULY 2016 FROM 7.30 PM TO 10.15 PM**

### **Members Present**

Councillors: Bob Pitts (Mayor), Rob Stanton (Deputy Mayor), Mark Ashwell, Alistair Auty, Keith Baker, Parry Batth, Laura Blumenthal, Prue Bray, David Chopping, Gary Cowan, Andy Croy, Richard Dolinski, Lindsay Ferris, Michael Firmager, Mike Haines, Charlotte Haitham Taylor, Emma Hobbs, Tim Holton, Philip Houldsworth, Dianne King, Clive Jones, Norman Jorgensen, Pauline Jorgensen, Abdul Loyes, Charles Margetts, Julian McGhee-Sumner, Ken Miall, Philip Mirfin, Stuart Munro, Anthony Pollock, Malcolm Richards, Angus Ross, Beth Rowland, Rachelle Shepherd-DuBey, Chris Singleton, David Sleight, Chris Smith, Bill Soane, Alison Swaddle, Simon Weeks and Shahid Younis

### **24. MINUTE SILENCE**

Prior to the commencement of the meeting, the Mayor paid tribute to the victims of the Nice attack and led the Council in a minute of silence.

### **25. APOLOGIES**

Apologies for absence were submitted from Chris Bowring, UllaKarin Clark, Kate Haines, Pauline Helliard-Symons, John Jarvis, John Kaiser, Barrie Patman, Ian Pittock, Wayne Smith, Paul Swaddle and Oliver Whittle.

### **26. MINUTES OF PREVIOUS MEETING**

The Minutes of the Meeting held on 19 May 2016 and the Minutes of the Extraordinary Meeting held on 9 June 2016 were confirmed as a correct record and signed by the Chairman.

### **27. DECLARATIONS OF INTEREST**

There were no declarations of interest received.

### **28. UPDATE ON THE THAMES VALLEY BERKSHIRE LOCAL ENTERPRISE PARTNERSHIP (LEP)**

The Council received a presentation from Tim Smith, Chief Executive of the Thames Valley Berkshire Local Enterprise Partnership (LEP).

The presentation gave details of the development of the LEP and its strategic aim to sustain the area's status as the most productive sub-region in the UK. The LEP's activities were underpinned by a Strategic Economic Plan with four programmes covering infrastructure, enterprise and business growth, skills and employment and international links.

The presentation gave examples of the LEP's investment in the Borough in relation to road and rail improvements (including planning for the third Thames Crossing), digital technology, education and the Growing Places Fund.

Following the presentation, Members raised issues relating to the business orientation and leadership of the LEP, the potential funding implications following Brexit and the potential impact of a third runway at Heathrow airport.

**RESOLVED:** That Tim Smith be thanked for the presentation to Council on the work of the Thames Valley Berkshire Local Enterprise Partnership.

## **29. PUBLIC QUESTION TIME**

In accordance with the agreed procedure the Mayor invited members of the public to submit questions to the appropriate Members.

### **29.1 Guy Grandison asked the Executive Member for Highways and Transport the following question:**

Could the Executive Member for Highways give us an update on the Third Thames Bridge Project, specifically the traffic modelling progress being carried out by WBC?

#### **Answer**

Work is proceeding on the completion of a Strategic Outline Business Case (SOBC). The business case development is based on the five case model approach which shows whether a scheme:

- is supported by a robust case for change that fits with wider public policy objectives – the ‘strategic case’
- demonstrates value for money – the ‘economic case’
- is financially affordable – the ‘financial case’
- is commercially viable – the ‘commercial case’
- is achievable – the ‘management case’.

The SOBC focuses on the Strategic Case and the Economic Case. Only an outline of the Financial Case, Commercial Case and Management Case is expected to support the SOBC.

The Economic Case requires the use of a traffic model. For this we are using the updated Wokingham Strategic Transport Model. The work to update the model started in September 2015 and has been proceeding as planned and is on-going. A significant number of traffic surveys were undertaken in September 2015 in and around Wokingham, Reading and Oxfordshire. The current programme shows the transport model is expected to be ready towards the end of the summer. Work is ongoing to produce the Strategic Case. This is programmed to be completed in July 2016.

Environment work to support the business case is also progressing in parallel following a procurement process earlier this year. Based on the current programme we are anticipating completion of the SOBC late Autumn/Winter 2016.

#### **Supplementary Question**

In relation to the Strategic Plan you just mentioned, will it be coming back to this chamber to keep the public informed?

#### **Answer**

Yes, something of that significance, certainly we will be keeping the public informed of events as and when they are relevant and have some substance.

### **29.2 Nicola Greenwood asked the Executive Member for Environment the following question:**

Thank you for accepting Wokingham Bridleway Group's petition for an increase in the % of equestrian access in the Borough, the subsequent meeting and letter following the meeting. Please could I ask if the petition issues comes back to Council and if not please could you explain how the matter now lies?

## **Answer**

There is no formal requirement for the petition to report back to Council about the outcome. However, for clarity I can confirm that we had a successful meeting with yourself as lead petitioner, myself as Executive Member for Environment and two senior officers of the Council and you agreed to share the outcome of our conversations and our subsequent letter with your networks.

I think you will agree that the meeting was successful and we acknowledged your concerns regarding the new development taking place in the Borough and your wish to ensure that there is continuing access for equestrians to use the public rights of way network. I hope that you could see from the meeting that we do appreciate the popularity of horse riding in our Borough.

During the meeting we noted that whilst it is true that 10% of the Borough's rights of way are bridleways, it is worth noting that a further 24% are restricted byways and byways which can be used by equestrians. The total network accessible to equestrians is actually currently around 34%, and could reach upwards of 40% over the next ten years.

We have high aspirations around improved access and as you know, we are working hard to deliver an enhanced network for equestrian users. (For example we have recently secured a new circular bridleway as part of the mineral restoration plans that are being created at Fleet Hill and Manor Farms in Finchampstead, which will link over the River Blackwater into a bridleway network within Hampshire.)

In addition the Greenways project aspires to create up to 42km of multi-use access for users including horse riders.

I appreciate another issue in linking different rights of way where riders have to use ever busier public roads. We will look to try to make these transition routes safer but this will not always, unfortunately, be possible.

### **29.3 Bill Soane (on behalf of Claire Symes) asked the Executive Member for Highways and Transport the following question:**

I am writing with regard to a safe walking and cycling route to the new Bohunt School, in Wokingham, from The Lilacs in Barkham. My son is due to start at the school this September. This was our first choice school, and as we live under 3 miles away, I believe that free transportation will not be provided by WBC. We were hoping that our son would be able to cycle to school, providing a healthy and independent means of travel.

However, at present, this is not a safe option from The Lilacs. The speed limit on the Bearwood Road only drops to 30 mph at the end of the road, near the roundabout. The WBC factsheet on road speeds states that a child hit by a vehicle driving at 40mph is likely to die! How can I send my child safely off to school on his bike or by foot, when he is at serious risk of death?

There is no safe crossing at the bottom of Bearwood Road, which is a very busy road during rush hour/school commuting times; and there is no safe crossing on the Barkham Road/Barkham end of Langley Common Road. Furthermore, the pavement around the Barkham Manor is dangerously narrow, with a high wall to one side. Traffic regularly speeds around this corner, with little regard for pedestrians.

I urge you to press for a reduced speed limit of 30 mph on the Bearwood Road and to

provide a safe crossing on the Bearwood Road and Barkham Road/Langley Common Road, as well as considering what needs to be done to improve the safety of pedestrians and cyclists travelling past the Barkham Manor.

We were encouraged to consider Bohunt as an option, and were assured that whilst the Arborfield development was in progress, the council would ensure that there were safe routes to Bohunt from Barkham, or alternatively, free transport until this was established.

### **Answer**

As part of the new school the Council is committed to providing walking routes to the school. As with other walked routes to the new school the route from Barkham has been inspected by officers. The inspection identified various works such as clearing vegetation and improving visibility to assist highway users. There are some areas where vegetation has grown over and narrowed the footways due to lack of use over the years. The Council will be looking to clear this vegetation and growth in some sections to restore the route to its original full width.

Regarding your comment associated with Bearwood Road. The inspection identified this issue and we are looking to make improvements to pedestrian movements at this junction to assist with crossing the road. With regards to the crossing of Langley Common Road, the available walking route utilises the subway adjacent to Rickman Close and I would urge you to ensure your son to be aware of this.

Clearly the Council are working to ensure the identified works are completed prior to the opening of the school. We are confident that upon completion of the works walking routes will be provided to the school. There may be some sections where footways are slightly narrower than current design standards that are applied to new infrastructure, but this is no different to the highway network serving existing schools across the Borough and elsewhere.

Walking routes to school specifically considers pedestrians and therefore do not cater for cycle use off carriageway if there is no dedicated cycleway. The Council does not recommend cycling on the footways as cycling causes anxiety and risks to pedestrians, particularly for elderly and disabled people. Should your child wish to cycle then you should ensure the chosen route is suitable and your child is appropriately trained to ride on the highway network. The Council will be conducting "Bikeability Children Cycle Training" in August. Please refer to the Council's website for details of cycle training at: <http://www.wokingham.gov.uk/parking-roads-and-travel/road-safety/cycle-training/>

Regarding your concern over the current speed limit of 40mph. A speed limit review is also being conducted along this route and others. The review will recommend whether a reduction to the current speed limit should be considered. Should a reduction in speed limit be progressed by the Council, this would require both the support of Thames Valley Police who will be responsible for its enforcement, and the formal change to the Traffic Regulation Order, including public notice where objections may be received, prior to the reduced speed limit being introduced along with new signage on the route.

Please be assured that the safety of all road users and particularly the children travelling to the new school is of paramount concern to the Council's Transport Team who are responsible for road safety across the Borough. I will ask Officers to keep you informed as to progress in these matters.

### **30. PETITIONS**

There were no petitions received.

### **31. MAYOR'S ANNOUNCEMENTS**

The Mayor informed Members that, in relation to Mayoral engagements, the month of June had been one of the busiest for the past ten years. The Mayor stated that he had intended to comment on the recent rise in hate crime and challenges to positive race relations but, as there was a Motion on this subject before Council, he had decided not to make a statement. The Mayor did comment on a recent visit to the Mosque in Earley and the prevailing sentiment that it was better to build bridges between communities rather than walls. He felt that this was a thought for everyone to consider.

On a personal note, the Mayor stated that he would be getting married shortly and that he would be the first Borough Mayor to wed during a term of office. Members from across the chamber congratulated the Mayor on his announcement.

### **32. LOCALISM ACT PAY POLICY STATEMENT 2016/17**

The Council considered a report from the Director of Finance and Resources, set out on Agenda pages 63 to 71, which included a Pay Policy Statement for 2016/17. The report reminded Members that the Localism Act 2011 required all local authorities to approve and publish a Pay Policy Statement each year.

The proposed Pay Policy Statement included details of senior management pay and benefit arrangements and the ratio of senior management salaries to other benchmarked salaries across the organisation. The Pay Policy Statement had been recommended for approval by the Personnel Board at its meeting on 5 July 2016.

It was moved by Keith Baker and seconded by Pauline Jorgensen that the recommendation set out in the report be approved.

**RESOLVED:** That the Pay Policy Statement for 2016/17 be approved, for publication on the Council's website, in accordance with the Localism Act 2011.

### **33. ECONOMIC DEVELOPMENT STRATEGY 2016-2021**

The Council considered a report from the Director of Environment, Agenda pages 73 to 82, which set out an Economic Development Strategy for the Borough for the period 2016 to 2021.

The proposed strategy, which had been agreed by the Executive at its meeting on 30 June 2016, set out how the Council aimed to facilitate economic growth locally within the context of the Government's wider agenda for growth and the Thames Valley Berkshire Local Enterprise Partnership Strategic Economic Plan. The Strategy's key objectives were summarised as:

- Creating a place where businesses thrive by offering good quality housing and infrastructure;
- Facilitating business growth through business support and inward investment;
- Ensuring that people have the skills that businesses need and are able to support themselves into employment;
- Encouraging innovation and technology to build a competitive business environment.

An Action Plan was being developed with SMART targets setting out delivery against priorities. The Action Plan would be updated at least annually.

It was moved by Anthony Pollock and seconded by Stuart Munro that the recommendations set out in the report be approved.

**RESOLVED** That:

- 1) the proposed Economic Development Strategy for 2016/21 be approved;
- 2) the Council notes that any investment needed to deliver the strategy (over and above investment delivered through existing budgets) be reported to the Executive for approval.

### **34. STATEMENTS BY THE LEADER OF THE COUNCIL, EXECUTIVE MEMBERS AND DEPUTY EXECUTIVE MEMBERS**

**Keith Baker, Leader of the Council, made the following statement:**

At the Annual Council I made several changes to the Executive. In those changes I appointed two new Executive Members and five new Deputy Executive Members. It is not easy to step into Executive roles although both had previously been Deputies so they were not totally thrown in the deep end. All of them have really got stuck into their areas and I do hope that both Councillors and residents have seen a noticeable improvement. Speaking personally, I am extremely pleased with their performance and I think it bodes extremely well for the future.

I will try not to steal anyone's thunder as you listen to their reports during this agenda item. However, I would like to draw your attention to the collaborative work being undertaken with neighbouring councils for the update to the existing local plan, formerly known as the Core Strategy. In the past, because of different timings the ability to co-operate more fully was always hampered as authorities were all at different stages. This time around Bracknell, West Berkshire, Reading and ourselves are working closely together. This means we can develop all of our plans such that we get a higher level of mutual benefit from each other. We all know that boundaries between Councils are artificial and therefore cross boundary working must inevitably be better. After all, a road or a housing estate doesn't stop at the borders of the Borough. We have a long way to go on the development of our update but it is highly likely we will continue the concept of concentrating on Strategic Development Locations or SDL's but nothing is set in stone.

My participation continues in the Berkshire Leaders' Group and the Local Enterprise Partnership or LEP, where I am the representative of all the Berkshire Leaders. At these meetings significant strategic issues are discussed with the aim of close co-operation amongst us all. We are extremely lucky to have a LEP that has a strong reputation at all levels, up to national government, which often puts us in a good position where funding is involved.

From a personal development perspective, I am extremely pleased that three of our councillors have applied to become members of a variety of working groups or committees of the Local Government Association or LGA. I cannot remember ever having any of our councillors wishing to work at this level, let alone three. If they are successful it will give us a direct insight of the LGA thinking on some key areas. I wish them well in the selection process.



As this is the last Full Council before the August break can I wish everyone a happy holiday. Please recharge your batteries as we have a lot of important matters to progress on your return.

Finally, I wish to send this Council's congratulations to one of our local MPs, Theresa May, who has gone from MP to Prime Minister. I had the great privilege to be her Agent during the General Election of 2010, followed by Cllr Hobbs who was her agent in 2015. Both of us, and a few others in this chamber, know her quite well and agree she is a formidable lady. She is a superb fit for this great office of state and will do a fantastic job for all of the country.

**Charlotte Haitham Taylor, Executive Member for Children's Services, made the following statement:**

This has been another busy month in Children's Services and I have been delighted to be invited to attend the formal opening of Grazeley Parochial Church of England Primary School's new building works this week. This is a fabulous example of how this Borough has invested in a local community and enabled this school to double in size from just 15 pupils per year group to 30 now, which means more children go to school locally at this fantastic school.

In the last couple of terms we should be cognisant of the hard work and dedication of many of our teachers and governors across the Borough. In the inspection of 12 of our schools and in the context of a new and tougher Ofsted framework, 3 have raised a grade to be judged as "Good" and 5 have maintained their "Good" judgements. This is testament to their hard work.

The Council has also been subject to two Ofsted inspections in the last two weeks, one for Adult Education Services and the second for the Youth Offending Service. Everyone has worked hard to showcase their approaches and I will update the Council on the outcomes in due course.

This month I was also pleased to don my hard hat and high-vis jacket and climb up to the very top of the roof of the new secondary school in the south, Bohunt. Future pupils, the new head teacher, parents, officers, project managers, builders and the architects were all there to celebrate the topping out ceremony, a momentous occasion in the history of the project. Everyone should be immensely proud of the work undertaken and it will be a credit to the hard work and commitment of everyone involved.

**Mark Ashwell, Executive Member for Planning and Regeneration, made the following statement:**

Firstly I'd like to officially introduce (although you know him well) my partner in Planning, Regeneration and Communities, Deputy Executive Member Councillor Chris Bowring. Councillor Bowring is absent this evening as he is treading the boards at Wokingham Theatre.

Planning, Regeneration and Communities is a very exciting portfolio and we are already really enjoying the challenge of working on your behalf. We are the A Team, hoping never to become the Plan B Team.

Starting with Regeneration - I can report that last month the Regeneration Team attended the National Planning Awards in London. Here we won the Top Award for Making

Development Viable. The Judges said: "After several failed attempts by developers to regenerate Wokingham town centre, the council took matters into its own hands by buying one site and using two others that it already owned to deliver a masterplan." Judges said the project was "a positive example of a local authority engaging in land acquisition and development to turn around a failing town centre".

This is testament to this Council 'one and all' and our brave stance in taking the control and the responsibility for the regeneration of our principal town. With this in mind I would personally like to thank all my colleagues especially Councillor David Lee and Councillor Philip Mirfin for their foresight, efforts to date and surviving to tell the tale! I would also like to acknowledge our opposition (it's great and healthy to have opposition these days) in reaching this stage of our regeneration and our joint mission to save Elms Field. I would however plead with you to keep it positive please – this by avoiding the Tripe! As we get on and deliver the regeneration of our principal Town, All Together Now:

- We have started in June with the Multi Storey Car Park at Carnival Pool and this will be finished by Spring next year
- We are starting Peach Place in January next year and this will be finished by the end of 2018
- We are starting Elms Field after the May Fair next year and this will be finished by late 2019

...and our Market Place Improvement joint project with Wokingham Town Council will commence Spring next year and be finished in the late summer. So, hold on to your hats as it's going to be a remarkable journey, and believe you me, regeneration is here to stay across the whole Borough. You can get all this information from our website:

[www.regenerationcompany.co.uk](http://www.regenerationcompany.co.uk) or just Google Wokingham Regeneration. This is the place to go for the most up-to-date information at any time.

Our major project in Planning is the Local Plan Update, as Councillor Baker alluded to earlier. This is being led by Councillor Bowring who has vast experience in these matters. Subject to Executive approval next week we will be consulting on all the issues and options. This will commence next month. Please look out for this consultation and spread the word. Councillors will be kept totally informed as the Local Plan Update emerges. I would plead with you to contribute as it is vital to how our Borough will evolve over the next 20 years.

**Anthony Pollock, Executive Member for Economic Development and Finance, made the following statement:**

Council Tax collection, a subject close to my heart. The Council has come first in the Council Tax collection table for the third year in a row. We collected 99.5% of Council Tax in the relevant year. Our neighbouring authority, Reading Borough Council, a Labour run authority came 228<sup>th</sup> out of 363 councils. They achieved a Council Tax collection rate of 96.8%.

The extra 2.7% that this Council collected during the year may not seem to be a large amount. However, it equates to an extra £2.16m, a significant amount of money in our current financial situation. It enables the Council to fund a further £2.16m worth of services for our residents. As for the remaining 0.5% who have not yet paid, I will guarantee to the Council that we will continue to pursue these outstanding Council Tax debts for as long as we need to. We have a habit of doing it for at least seven years, so nobody gets away with it if we can help it. I had to sign off a case a while back where someone had gone to Australia to avoid paying Council Tax. We are on our game and will collect the rest.

**Angus Ross, Executive Member for Environment, made the following statement:**

Firstly, last weekend nearly 400 youngsters got free tennis coaching in a scheme run with the Lawn Tennis Association (LTA). Our thanks go to all those in our Sports Development Team, the LTA and our leisure contractor 1Life for putting this on and for organising such good weather. On the Saturday we were hosts to the Davis Cup, not the tennis which was in Serbia where we won and are now in the Semi Finals against Argentina, but the cup itself. Those who saw it were amazed by the size of the base showing winners since 1900. Thank you Mr Mayor for your time last Saturday and for being quizzed with me live by the BBC Radio Berkshire reporter! May your wedding cake be as large as the Davis Cup trophy!

Second, this weekend sees the first Marvellous Festival at Dinton, previously held at Wellington Country Park, the other side of Riseley. We look forward to record numbers coming to enjoy the music, the site and the event. Whilst we appreciate it may cause some disturbance to residents living close by, the income from this event will assist in the management of our Country Parks - we are so lucky to have these large open spaces.

Third, we have held one weekend of consultation on possible options for the future of Bulmershe Leisure Centre - rebuild or refurbish. We have planned a further open day in Woodley Town Centre precinct on 6th August as well as meetings with user groups and the local schools. The findings will be fed into the recommendation which will come forward in the autumn. Members, please look out for the consultation and contribute on the Council website.

Fourth, a ground breaking new layout of a MUGA, or Multi Use Games Area, is now open in Finchampstead behind the FBC Centre. This is an exciting new concept of an open area with many applications for youth of all ages. An official opening will be on 25th August at 1pm but meanwhile it is now in full use for the school holidays. The extreme heat earlier this week could not have come at a worse time for the setting of the asphalt but we are keeping a close watch and a little less hot weather will enable the material to set firm. Can I put on record my thanks to the officer team and the many local groups, Councillors, parish council, FBC, PCSO and local youth groups who helped us in the formative times for this project, funded by S106 and from Finchampstead Parish Council. I am delighted that the Deputy Mayor will be coming along to open it.

Finally, together with our re3 waste disposal partners in Reading and Bracknell Forest, we have introduced control of access to our Tips, or Recycling Centres at Smallmead and Longshot Lane to protect our investment. This was because of West Berkshire's decision to withdraw funding for the use made by their residents of Smallmead. 15 percent of users of that site were from West Berkshire. The Permit Scheme has been successfully introduced and the staff of re3 and our contractor FCC have done a sterling job to set this up and to manage the first few days when many came unaware, despite extensive announcements, that proof of residency in one of the three Boroughs was required.

**Pauline Jorgensen, Executive Member for Resident Services, made the following statement:**

Following Executive approval for the Library Strategy we move towards the implementation phase for extended hours and self-service facilities. We plan to tender for self-service infrastructure and kiosks in September and aim to implement the new service together with enhanced opening hours in the spring. This will mean that Woodley Library will become the first of our libraries to open every day. It will also extend the opening hours

in Wokingham, Lower Earley and Finchampstead. This is a good result for all our library users. It is good to see libraries continuing to increase in popularity.

We continue to work with interested parties in Twyford, including the Parish Council and Polehampton Charity, to progress the community hub project. Discussions continue between the Architect and planning officers.

Libraries also continue to look for opportunities to extend our service by increasing footfall, developing sponsorship opportunities and generating revenue. Finally, the Roald Dahl themed Big Friendly Read, Summer Reading Scheme starts this week - there are lots of events on this theme happening in all our libraries for children in the Borough.

To turn to IT, the service is busy working on changes to our infrastructure to support the 21st Century Council project. Nevertheless they continue to work on committed savings in the IT cost base which amount to £500k this year. I am pleased to report that we are on schedule to deliver on our commitment.

The Customer Service Team continue to run "meet your Council" sessions where Council Officers responsible for our customer service get to talk to and hear from our customers direct across the Borough. The last was at ASDA Lower Earley. I was pleased to be able to help man the stall and would like to personally thank the staff for the work they voluntarily put in to the event. The overwhelming theme was grass cutting and it was great, in particular, that we had the Head of the Cleaner and Greener service out listening to residents and answering questions first hand.

Finally, I would like to mention that we had a review of air quality management and we identified some air quality management areas. Letters to impacted residents will be going out shortly.

**Malcolm Richards, Executive Member for Highways and Transport, made the following statement:**

This report outlines the main events to note for the Highways and Transport Portfolio for the current period.

Firstly, Civil Parking Enforcement (CPE). WBC is currently applying to the Government for permission to handle its own parking enforcement. On-street parking enforcement is normally performed by the police service, but resources and government-preferred policy is that local authorities should now do this themselves. The submission of the application is a time-consuming and detailed process and we have identified September 2016 as the time when we will seek approval from the Council Executive to advance to the next stage. If our application is eventually approved by the government (DfT) there will be much local preparation to do, and we would then hope to commence live CPE running in 2017.

Secondly, park and ride locations. We currently have two park and ride locations in operation around the Borough, one at MereOak (just south of the M4 near Junction 11) and the other at Winnersh Triangle rail station. Both of them are popular and well used. We have this month just identified a third location, by the Thames Valley Business Park (TVP), at the top end of the A329M. This park and ride facility is jointly funded by a grant from the Local Enterprise Partnership (LEP) and by business donations. This latest route will carry passengers between TVP and central Reading by bus, and could therefore reduce the need for up to 30-40 cars, each carrying one passenger. This is a good example of transport sustainability and service.

Thirdly, Loddon Viaduct. This concrete viaduct forms part of the A329M road structure and, as with all road structures, requires regular maintenance and repair. After about 40 years of use it was due for a major overhaul and that activity is now in progress. Having started the preparation last week, it will continue on to full upgrade that is due to complete in early September. Considerable forward planning and public communications were produced that helped to keep residents and motorists fully informed. The end result will ensure a longer life for the structure, enhanced safety and reduced costs for maintenance – so a good and safe deal for all.

Finally, we are continuing the major work of managing the development of new roads as well as the maintenance and improvement of existing roads. This work never stops. Part of my new portfolio will include the enhancement of clear and timely communication advising of forthcoming action and changes. A well informed public is better prepared to cope with change.

### **35. STATEMENTS FROM COUNCIL OWNED COMPANIES**

#### **Anthony Pollock, Non-Executive Director, Optalis:**

Optalis continues to prosper. We celebrated our 5<sup>th</sup> birthday on 6<sup>th</sup> June and I am looking forward shortly to signing our next five year contract with Wokingham Borough Council. I would particularly like to pay tribute to our current Managing Director, Mette le Jacobsen, who has been with the company since it started, first as Operations Director and, in the last year, as managing Director.

As an accountant, I prefer numbers and am a little suspicious of the feely stuff around the public sector and business. But I have been really impressed with the way that Mette has picked up the company's Vision Statement and turned it into reality for the staff. We have recently appointed Andrew Crammond as our new Director of Quality and Delivery, which is Operations to the layman, and Alan Rawlings as Finance Director, which is self-explanatory. I am very pleased with these appointments and am confident that they will contribute significantly to the development of the business in the future.

We recently set up a Star Awards system whereby staff can nominate other members of staff for an award and we recently held an awards event at Easthampstead Park. Simon Weeks stood in for me and presented the awards. It was a very successful day and the staff really appreciated it.

#### **Gary Cowan, Non-Executive Director, Loddon Homes:**

I am very pleased to confirm that the submission made to the Homes and Communities Agency (HCA) for Loddon Homes Ltd (LHL) to become the first Council owned for profit registered housing provider has proved successful. This is a notable achievement and full credit has to go to the Board of Wokingham Housing Ltd (WHL) for having the initiative to start this process and maintain the tenacity to proceed despite the changing market conditions.

The submission transferred to the Board of Loddon Homes as that company structure was put in place and the new Board, which I chair, has seen the complicated application through to completion. Congratulations to the staff of LHL and WHL and thanks to our consultant, Dave Williams, our specialist solicitors and all those unsung helpers amongst the staff of Wokingham Borough Council who assisted in developing a series of interlocking and complicated internal procedures to meet the stringent demands of the HCA.

It is worth reiterating the length of time this has taken to achieve, nearly 18 months in total, encompassing a change in the application criteria, reorganisation in Whitehall and, finally, the new Housing Act. The extent of the achievement cannot be underestimated. Even though uncertainties continue as we await the Housing and Planning Act outcome, the Loddon Board is focussing on developing good governance and policies and working closely with WHL on development sites that will sit within Loddon Homes.

Finally, a copy of the certificate has been forwarded to Democratic Services which, I hope, can be included in the next set of minutes.

**David Chopping, Non-Executive Director, Wokingham Housing Ltd:**

To bring everyone up to date on the progress of WHL, we are the development arm of the Housing companies as opposed to the holding and management company, Loddon Homes Ltd.

Phoenix Avenue continues to progress. Whilst we were disappointed to be advised that the programme is technically three to four weeks behind schedule, it should be explained that this is due to a change in an important structural component, the sort of thing that can happen with the type of contract that we have set. However, this should save time later in the construction period. They are using new span floor beams, terribly exciting to those of us who understand these things. They are larger lumps of concrete as opposed to lots of smaller lumps. Any time loss will be caught up by the end of September which means that there should be no delay in delivery of the first phase of the development, due in March 2017. We have asked for a chart to verify everything, but I understand that they have caught up half a week already and we have to go along with what they are saying.

Fosters Extra Care Scheme is progressing well, with on-site activity being very obvious to local residents and passing traffic. The claim for 50% of the HCA grant, £1.49m, has been paid to the Council. This is to support the initial start on site costs. The grant received is currently in the Council's bank account, but now that Loddon Homes has been accredited as a "for profit" provider with the HCA, it is intended to transfer the grant and relevant grant conditions to Loddon Homes, providing that everyone says yes and somebody writes a cheque. The work to do this is currently ongoing.

Signage to promote WHL and the Council's work in providing homes for local people has been fixed to both the Phoenix Avenue and Fosters site hoardings and is utilising the branding produced for WHL earlier in the year. This is providing the Council and WHL with a good local presence and promoting what the Council is now achieving with its housing companies. Those who regularly inspect our websites will have the opportunity to see the time lapse photography as and when it is up and running. The system is up and running but we are waiting until there is something more exciting to show you, a video which will take you through the actual construction.

Previously, we have reported the frustrations of the right Council approvals not necessarily being in place to progress the letting of contracts on our small sites in Barratt, Anson and Grovelands. However, despite the holdup, the issue has proved very useful in focussing minds on clarifying the processes to ensure that there is a smooth process to follow from site identification to letting a contract, combined with clarity around the WBC commissioning process and lines of responsibility for approvals. WHL is now confident that our current pipelines will be able to progress without similar issues occurring. We expect that the contract for Anson Walk and Grovelands will be let in the next few weeks and that,

thereafter, you will see a steady flow of small sites being approved and contracts let during the autumn and New Year to deliver a steady supply of additional affordable homes for borough residents.

### **36. MEMBER QUESTION TIME**

In accordance with the agreed procedure the Mayor invited Members to submit questions to the appropriate Executive Member or Committee Chairman, etc.

#### **36.1 Charles Margetts asked the Deputy Executive Member for Highways and Transport the following question:**

I travel regularly between Wokingham and Waterloo and the train service seems to be inordinately slow. Can the Deputy Executive Member please tell me what representations Wokingham Borough Council has made to seek shorter journey times?

#### **Answer**

Our Public Transport Plan adopted in January 2012 has an aspirational journey time of no more than 59 minutes representing a 15% reduction on the current 68 minute timing. We have consistently lobbied for this improvement and played a full part in the various stakeholder meetings held by Network Rail to develop the Wessex Route Study. It is Network Rail that is responsible for strategic planning to estimate demand and then prepare plans to cope with that demand and does this through the Long Term Planning Process that looks forward to 2043. The Wessex Route Study was published as a draft for consultation, to which we responded, with the final report being issued in August last year. Although it recommended doubling the frequency of the services to Wokingham with 2 trains per hour termed as fasts, they only offered a 4 minute reduction on current times with the same stopping pattern which seemed to confirm the degree of padding in the current timetable. The route study also contained a table of average journey times with Wokingham being rock bottom on 32 mph, the next slowest being Portsmouth with 44 mph, an average speed about which we can only dream.

Following a decision by the Department for Transport not to proceed with a Direct Award Franchise to South West Trains, the Department issued a consultation on a replacement South Western Franchise and all 54 then Councillors were invited to comment and a number did including Prue and the Deputy Mayor. We then submitted an 8 page response to the consultation with our principal target being our 59 minute timing. There are 2 bidders for the new franchise, the incumbent Stagecoach Group and a joint bid led by First Group, the owning company of GWR. Members of both bid teams have visited Shute End for briefings. The Invitation to Tender, which calls for ambitious and innovative bids, was issued in June with bids to be returned in early September with the new franchise due to start on 25<sup>th</sup> June next year. The bidders have a train service specification to meet and the ITT indicates that we will get major timetable changes in December 2018, when the frequency will be increased to 4 trains per hour with some likely journey time reductions, and again in December 2020 when further reductions should be achieved. Therefore I am hopeful that we will finally get the journey time improvements that we seek.

#### **Supplementary Question**

The train from Waterloo seems to slow down some distance from Wokingham and crawls the last mile or so. Any idea why?

#### **Answer**

The answer is that Network Rail has imposed a Temporary Speed Restriction of 30 mph from about the Star Lane Level Crossing to Wokingham Junction, a distance of about one

mile. That is bad news in view of our wish to see journey time reductions. A Temporary Speed Restriction is simply one that is not permanent so it could be with us for some time. The reason for the speed restriction is the user worked crossing that gives access to the Knoll Farm, also known as Smith's Farm, which is just inside Julian's Westcott Ward. The farm is on the south side of the railway and the crossing provides the access from Gypsy Lane. While the crossing has presumably existed for over 100 years, the speed restriction was imposed recently following an accident elsewhere at a user worked crossing where a car was hit by a train. The Rail Accident Investigation Branch report made recommendations on sighting distances for such crossings, and the Knoll Farm crossing is on a double track 3<sup>rd</sup> rail electrified railway on a curve with restricted sighting distances for both car and train drivers. Hence the 30 mph restriction being imposed.

Network Rail is actively seeking a solution for this crossing. I am dealing with Network Rail on this and will have meetings with them in the next few weeks with the aim of getting this restriction removed.

**36.2 Alistair Auty asked the Executive Member for Children's Services the following question.**

Could the Executive Member please update the Council on the situation with Emmbrook Infant and Junior School?

**Answer**

The situation has moved from one of change and some uncertainty, with no teaching staff from September, to now one which is looking forward positively. The school has just recruited an experienced teacher of the deaf who has been appointed for this September. Dialogue with parents and professional stakeholders has established a shared understanding and interest in the future of this provision.

Annual reviews for the four pupils due to stay on in the Hearing Impairment Unit provision at Emmbrook led to two of the children then being placed elsewhere, with agreement from their parents, to meet their needs from this September onwards. The new teacher of the deaf will work with the two remaining pupils, plus one new arrival, and another pupil on an outreach basis who will move to his local school.

We will continue to explore options for a closer relationship with the Berkshire Sensory Consortium, so the future of the Emmbrook provision will be looked at in that wider context.

**Supplementary Question**

Whilst this further work is continuing, does that mean that the paper scheduled to go to the Executive on 28 July will still go forward, or does that now not need to happen?

**Answer**

No, indeed the paper will not go to the Executive on 28 July. It has been a changeable position, as described in my original answer. Further, very recent discussions with stakeholders, in particular the school and parents has identified potential partnership solutions requiring more exploration and, in particular, more time. Consideration will be given to these and we will explore the operational implications in due course. I would particularly like to thank the parents who have taken part in the consultation so far and would like to put my thanks formally on the record.



**36.3 Tim Holton asked the Executive Member for Environment the following question.**

Could the Executive Member explain the basis for the Council's current approach to grass-cutting in the Borough?

**Answer**

A number of things have informed the Council's approach to grass cutting across the borough:

- Firstly, the 2014 grass cutting consultation;
- Wokingham Borough Council's Biodiversity Action Plan;
- Regional and national policies and strategies that we do our best to follow.

The new approach seeks to develop an appropriate cutting regime throughout the area, enabling us to cut some areas like sports pitches, play areas, residential verges, and cemeteries to a higher standard than the past whilst allowing areas of grassland and wild flowers to establish on large verges, parklands and some sections of open space.

To achieve this we have procured an outcome based partnership contract with ISS Facilities Services – Landscaping, thereby moving away from the previous rigid and prescribed contract which allowed grass cutting in all areas to be carried out eight times a year irrespective of whether this was too little or too often. This new and modern outcome based contract will deliver higher standards of biodiversity and horticulture than before, and is complemented by an assured contract term of 10.5 years which enables, and gives confidence, for ISS to invest in Wokingham's green space.

This new partnership with ISS allows a far more flexible service which allows for experimentation with grass cutting, among other grounds maintenance services, which will become fine-tuned each year in consultation with Members, residents and stakeholders. It is because of this new approach that we are now able to be far more outward looking and focused on improving standards.

**Supplementary Question**

In light of that answer, please can you explain what steps the Council is taking to address the concerns raised by residents that the grass in their area has not been cut to a standard that they would like?

**Answer**

First of all, I have to say that it has become very evident that residents have very polarised views about how they see their local grass being maintained. We have, in every case, initiated local discussions, often involving yourselves as local Councillors, and the Officers to try to reach a consensus and not bow to the loudest views only. I believe that we have largely reached that position by our Officers' efforts. It is not what any one resident requires but the consensus.

**36.4 Kate Haines had asked the Executive Member for Children's Services the following question but due to her inability to attend the meeting the following written answer was provided:**

Does the Executive Member agree that the Multi-Agency Safeguarding Hub will lead to more effective pooling of knowledge between the Council, the NHS, the Police and the Probation Service, in order to ensure the safety of our children?

**Answer**

The multi-agency safeguarding hub (also known as MASH) was launched in Wokingham Children Services on the 11 April 2016.

It was part of a pan-Berkshire project to establish MASHs across Children's Services and statutory partners (which means Police, Health, Education, Probation and voluntary organisations) involved in the safeguarding of children and the assessment of needs and services.

MASH is a tried and tested process enabling the timely sharing of information. It is a model and design supported by the review of child protection arrangements undertaken by Professor Eileen Munro on behalf of the Department of Education in 2010 and it is a recommended approach by the statutory regulator Ofsted.

The design and implementation of MASH in Wokingham has taken the best aspects and learning from other MASH across the country.

MASH is managed under an information sharing protocol which gives timely and extensive access to information held by statutory partners. It allows for collaborative decision making between agencies with all professionals sharing their understanding of uncertainty and risks.

Feedback from partners and review of the MASH process so far has been positive and the implementation of the model is assessed as effective in identifying and managing risk in a timely manner and directing children to the right help at the right time.

So, in conclusion, I believe that the MASH is enabling effective information sharing which underpins and supports effective decision making for children who need support and/or safeguarding by social workers and other partners.

**36.5 Bill Soane asked the Executive Member for Environment the following question:**

Could the Executive Member explain the benefit to residents of the introduction of permits to use recycling centres?

**Answer**

The introduction of permits has been prompted by West Berkshire Council giving notice that it intends to stop paying the re3 Councils for waste delivered to re3 recycling centres by West Berkshire residents. This Council and the other two Councils in the partnership (Reading and West Berkshire) believe it is unfair to ask re3 area council taxpayers to fund waste management services for residents in other local authorities and so a system of permits has been introduced from the 1<sup>st</sup> July. Every household in the re3 area has been sent a permit which should be displayed in the car windscreen.

Early indications from the team at Smallmead and Longshot Lane indicate that the introduction has gone smoothly with most residents understanding the need for the change. We will continue to reinforce the message of why we needed to restrict access and that permits were able to be produced and distributed in the limited period between when West Berkshire gave notice and when their payment ceased on the 30<sup>th</sup> June 2016.

**Supplementary Question**

Is the permit scheme the best long term option for controlling access to our recycling

centres?

**Answer**

Not necessarily. We obviously had to find a very quick solution to the situation that we find ourselves in. Personally, I would like to see if we can get some sort of smart card scheme with each of the three Boroughs, maybe a different one for each Borough, which would be a multi-use one but would show everybody that needs to see it that you are resident in our Borough and, in the case of the recycling centres, would enable you to access it that way. It is something that the re3 Board and the Officers are working on.

**36.6 David Chopping asked the Executive Member for Children's Services the following question:**

Can the Executive Member for education please update the residents of the Maiden Erlegh Ward on the second stage of the expansion of our primary schools to meet the ever increasing demand resulting from being one of the best Education authorities in the south of England?

**Answer**

Two schemes were agreed by Executive on 28 January 2016 to increase primary capacity in Earley. The first, at Loddon Primary School is progressing well and additional places were offered for September 2016, which is very positive. The second, at Aldryngton Primary School is in development. The transport and design consultants are addressing two significant challenges. Firstly, parking for additional staff (six spaces) and credible measures to manage school run traffic are required. Secondly the new school buildings and additional car parking required present a challenge in terms of retaining the necessary amount of formal and informal play space.

At Aldryngton, traffic congestion is a local issue, with two schools on the site and the main access road through a small shopping parade. Transport consultants have completed their initial assessment and are currently working on solutions to the issues that have been identified. This work will feed into the design feasibility work. Once this is complete officers will take stock, determining if not only viable traffic solutions do exist but also if there will be sufficient play areas. In the interests of the local community and future generations of children it is vital that satisfactory proposals emerge before the scheme progresses.

**Supplementary Question**

I had intended to ask when the plans were likely to be finalised, but in light of the answer I would like to ask: a local school is supposed to service the local community, not the other way round. Bearing in mind that only children living 0.22 miles, that's less than a quarter of a mile, are gaining entrance this year, surely there is no need for major traffic alterations as, apart from the teachers' cars you have mentioned, everyone should be able to walk there?

**Answer**

In an ideal world, every parent and student in this scenario, particularly at a primary school, would indeed choose to walk. But, as we all know, this does not happen, unfortunately. Indeed, when we surveyed parents, back when we wrote the original primary school strategy, parents said that they all wanted to have a local school and walk or cycle to it. In reality, this is not what happens. A vast majority of our parents choose to get in the car and drive to the local primary school, even if it is just a short walk, even 0.22 miles down the road.

As we know from the Chief Executive of the LEP here this evening, this is a very vibrant area and people will get in their car and do the school run on the way to work. Unfortunately, without changing the habits of every single parent in our community, I do not think that this is going to happen. So, regrettably, unless we reverse this trend on a permanent basis, I do not think that we will see a reduction in parking spaces in the future. If we did I would be enormously grateful and we would have much more money in the Capital pot to do many other projects around the Borough. So, perhaps some local work on persuading parents to start walking a bit more to school?

**36.7 Lindsay Ferris asked the Executive Member for Environment the following question:**

What is the overall cost to the Council of the decision by West Berkshire Council to cease paying for its residents to use the RE3 recycling centres and the subsequent introduction of a permit system for residents of Wokingham, Bracknell and Reading?

**Answer**

Had the changes not been introduced, the total loss of income to the re3 councils as a result of the West Berkshire decision would have been £500,000. However, we estimate that the full year ongoing savings to re3 residents are likely to be around £835,000. (We have calculated this from the average cost per visit and estimated actual use by non-re3 residents).

Set up costs of the new system in the first year are estimated at £340,000 shared across the three re3 councils. It is important to note that those costs cover both the issuing of 182,000 permits and letters, staff costs and engineered traffic management changes at the sites. If the scheme is successful the net savings for remaining part of the financial year will be £395,000.

**Supplementary Question**

I have some specific issues on how we deal with residents. How would we deal with multiple car occupancy, people moving within and around the borough and new people moving into the borough?

**Answer**

At the moment there have not been any problems that have arisen in that way. Clearly, when people move into the Borough, at the same time as getting all the other things that we give them, this will be notified to them and, again, if people move. As part of multiple use, again it is something that we have to monitor and deal with as and when the problem arises.

**36.8 Prue Bray asked the Executive Member for Resident Services the following question:**

In an attempt to address its financial challenges, the Council has begun work on remodelling itself. We understand that the business case for the 21st Century Council project will come to the Executive in the autumn. For this remodelling to succeed, there will need to be a shift in the way the Council interacts with the public, so that the public can more easily get their queries answered satisfactorily and the work load on staff is reduced. This presents both threats and opportunities. If this is got right, there is a genuine chance to improve the responsiveness of the Council to its residents. What steps does the administration intend to take to involve the public and others in contributing ideas to the changes to its customer-facing functions so that the outcome is as good as it can be?

**Answer**

It is true to say that we have an opportunity to transform the way the Council interacts with our residents to make it easier and simpler for residents to find the information they need, access services they require and track progress on issues on the way to being resolved. This will enable people to track progress of their own requests and queries online, to reduce the risk of email requests being missed and save the cost and inconvenience of having to contact the Council to get an update.

As we develop our plans we will, of course, want to capture the views, experiences and ideas of our residents to help us to get the changes right. We will do this through a variety of ways, using existing communication channels such as our website and asking customers who ring us. We will also use our social media presence to engage people. We will hold public events, set out our aspirations and goals and ask our residents to help us achieve them, enabling us to save money and improve the experience people have in dealing with the Council.

The Leader and Chief Executive have already offered to meet every Town and Parish Council to discuss the change programme. Many meetings have already been scheduled and we are talking also to our partners in other agencies about the changes and any ideas they have as to how we should go forward.

**Supplementary Question**

My concern is at the margins of society with the most vulnerable who are least likely to cope. Can you explain what you are doing to make sure that they can keep access to their services?

**Answer**

There is no intention of taking access away from people who cannot gain access through electronic means. We know, for instance, in the libraries, that we have people that want to come and visit libraries locally. There is no intention to take the ability to access Council services direct, face to face, away from the public.

What we are trying to do is make the people who can, access services electronically; make it easier for them and make it their preferred method and actually make it more reliable so they move from less efficient and costly methods into using electronic means. So, hopefully, we will manage to square the circle and reduce the amount of people who require expensive services at the same time as protecting those who need more expensive routes.

**36.9 Gary Cowan had asked the Executive Member for Highways and Transport the following question but due to time constraints the written answer below was provided:**

At the Arborfield Garrison Public Forum held at Henry Street Garden Centre on June the 29th Officers gave a presentation on safe walking routes to Bohunt School which some residents of both Arborfield and Barkham have serious concerns with. As the Executive Member responsible do you approve of the plan as presented and therefore accept responsibility for its implementation and have you seen and approved any risk assessment attached to this plan?

**Answer**

At Arborfield Garrison Public Forum on 29 June 2016, officers advised of available walking routes from Arborfield Village and Barkham to the proposed Bohunt School. An earlier

inspection of the walking routes identified works required to improve the condition and suitability of the existing routes, and the details of these works were presented at the forum.

Attendees of the forum were also advised that speed limit reviews will also be conducted on the routes. These speed limit reviews will recommend whether a reduction in a speed limit should be considered on parts of the routes. Should a reduction in speed limits be progressed by the Council these would require both the support of Thames Valley Police who would enforce the new speed limit, and the formal change to the Traffic Regulation Order being a formal process where objections may be received by the Council, prior to the reduced speed limit being introduced and signed on site.

Regarding my role and responsibility regarding this project. As Executive Member for Highways, officers are keeping me informed of progress, and involving me in key issues as the project evolves. I am working with officers and their consultants who are appropriately experienced and trained in civil and road safety engineering, therefore capable of assessing and mitigating risks as necessary, and will ensure the school is served by appropriate walking routes to school.

**36.10 Clive Jones had asked the Executive Member for Health and Wellbeing the following question but due to time constraints the written answer below was provided:**

The Government is conducting a dangerous experiment by cutting funding for pharmacies which will see up to 3000 close, thereby reducing people's access to medicines and healthcare advice, and putting extra pressure on GPs and hospitals.

The proposals put at risk a part of the health system that holds the key to solving many of its problems. Patients would be the biggest losers. There are particular concerns about the risks to the most vulnerable people and the most deprived communities, where local pharmacies are often (literally) a lifeline.

What action will you take to minimise the negative impact on Wokingham Borough residents of this government cut to pharmacy funding?

**Answer**

The Department of Health (DH) has recently consulted on the future of community pharmacy. The DH believes that there are too many pharmacies and cites clusters of pharmacies on high streets as an example. It is believed they would like to see a reduction of about 3000 pharmacies in England out of a total of 11,674 pharmacies, a 26% reduction. The DH put these proposals out to consultation during spring 2016, ending 24 May. Changes to the funding and number of pharmacies has not therefore been finalised as the DH will seek to review the findings of its consultation.

Healthwatch Wokingham Borough held two consultation events recently to ascertain the views of the public and patients; pharmacies; GPs and other stakeholders. WBC's Public Health team contributed to both, highlighting the crucial role community pharmacies play in delivering public health services such as the NHS Health Check and Stop Smoking services, as well as being a valued partner in supporting patients to manage their health conditions and prevent further demands on health and care services. Healthwatch have sent their reports of the two meetings to the DH as consultation responses.

Wokingham has 23 pharmacies plus 3 dispensing practices – this equates to 17

community pharmacies per 100,000 residents which is below the national average of 20 per 100,000 residents. Public Health provides a Pharmaceutical Needs Assessment (PNA) for the Health and Wellbeing Board to agree every three years – with the current assessment concluding in April 2018. The current assessment notes the increase in population being driven by new house building in the Borough, and notes that the existing capacity and distribution of pharmacy provision in the Borough is able to meet the needs until 2018. When the next iteration of the PNA is undertaken, this may have changed. A reduction in capacity from the current level of provision may also mean that the capacity and distribution of pharmacies would not meet the population needs.

Ultimately, the DH may publish proposals to reduce funding to (and the numbers of) community pharmacies. These proposals would then need to be tested as part of the next PNA process (which includes wide public consultation) and the recommendations of the PNA would need to be agreed by the Wokingham Borough Health and Wellbeing Board.

### **37. MINUTES OF COMMITTEE MEETINGS AND WARD MATTERS**

#### **37.1 Lindsay Ferris asked the Executive Member for Resident Services the following question:**

It has been brought to my attention that, during the recent Henley Regatta period, a number of taxis from Wokingham and Reading, located at Twyford station, refused to take local Twyford people to their destination, preferring instead to only take people to Henley. In addition, I have had concerns raised about some of the charges made for such journeys to the Henley area. What can be done to ensure that such actions do not occur again?

#### **Answer**

I am not aware of that. If you have a conversation with me or send an email afterwards, I will be happy to look into it with the licensing authorities.

#### **37.2 Gary Cowan asked the Executive Member for Highways and Transport the following question:**

At the Arborfield Garrison public forum, held on June 29<sup>th</sup>, Officers gave a presentation on safe walking routes to Bohunt School. As the Executive Member responsible, do you approve of the plan and have you seen and approved any risk assessment attached to this plan?

#### **Answer**

At the Arborfield Garrison public forum, on 29<sup>th</sup> June this year, Officers advised on available walking routes from Arborfield Village and Barkham to the proposed Bohunt School. An earlier inspection of the walking routes identified works required to improve the condition and suitability of the existing routes. Details of those works were presented at the forum.

Attendees at the forum were also advised that speed limit reviews will also be conducted on the routes. These speed limit reviews will recommend that a reduction in the speed limit should be considered on parts of the routes. Should a reduction in speed limits be progressed by the Council these would require both the support of Thames valley Police, who would enforce the new speed limit, and a formal change to the Traffic Regulation Orders, being a formal process where objections may be received by the Council prior to the reduced limit for the site being introduced and signed.

Regarding my role and responsibility regarding the project, as Executive Member for Highways, Officers are keeping me informed on progress and involving me in key issues as the project evolves. I am working with Officers and their consultants who are appropriately experienced and trained in civil and road safety engineering, and are, therefore, capable of assessing and mitigating risk as necessary and will ensure that the school is served by appropriate walking routes.

**37.3 Prue Bray asked the Executive Member for Highways and Transport the following question:**

At last July's Council meeting I asked a question of the previous Executive Member for Highways about the poor quality resurfacing of the footway along Reading Road in Winnersh, carried out when the cycleway was put in. The answer I got was that there had been a meeting with the construction company and they were going to be asked to come back and re-do the path. A year on, what parts of the footway have been re-done?

**Answer**

I do not have the answer to that question at the moment. I will have to get back to you.

**37.4 Clive Jones asked the Executive Member for Highways and Transport the following question:**

Since the new Sainsburys store opened in Maiden Place Shopping Centre the volume of traffic has increased. This leads to problems sometimes for parents crossing the road with their children. A number of residents have asked for a zebra crossing to be installed to help them cross the road safely. Would you support this idea and ensure that a crossing is put in as soon as possible?

**Answer**

Again, I will make sure that this request is passed on to the appropriate Officers for decision and we will keep you informed.

**37.5 Rachelle Shepherd-Dubey asked the Executive Member for Highways and Transport the following question:**

Can you guarantee that the temporary opening of the Kings Street Lane intersection of the Winnersh Relief Road will be closed in May 2017 and not reopened again until the Council built part of the relief road is opened?

**Answer**

I do not have a crystal ball or the answer to that question at the moment, so I will have to get back to you.

**37.6 Beth Rowland asked the Executive Member for Environment the following question:**

I would like to address Councillor Ross about the Bulmershe consultation and how disappointed I am with it. Lots of my residents do not know about it. When I am talking to them and saying that you can find it on the website, I could not and they cannot, although I do understand from Prue that she came across it today. Perhaps it needs to be signposted in an even better place. I appreciate that you are going to Woodley Precinct for some weekends. However, only a small percentage of residents go into the precinct on a Saturday. You will be catching some but there are a large amount that you will not be catching. I wonder if you are doing anything to get opinions from those people? You said about talking to schools. My school uses it for swimming and, as far as I am aware, you have not been in touch with Southlake.



## Answer

I think that there are about eight questions there. The consultation in the Woodley Precinct was remarkably successful with an extensive number of people wanting to come and talk with us, also at the Bulmershe leisure centre the following day. As I said earlier, we are holding another session on Saturday 6 August. The Bulmershe School has definitely been contacted and I will make sure that the others are contacted. Of course, the consultation came towards the end of term when schools were not keen on diverting from the end of term. I will make sure, if necessary, that this will be done at the start of next term. The consultation does continue. It has been on the website. I will follow up and see if it is, in any way, hiding itself. I trust it is not but I will look into that.

## 38. MOTIONS

### 38.1 Motion 383 submitted by Lindsay Ferris

The Council considered the following Notice of Motion, submitted by Lindsay Ferris and seconded by Prue Bray:

“Over the past few weeks, Wokingham Borough Councillors have received numerous communications from residents showing how dissatisfied they are with the new grass-cutting contract that came into force in April 2016.

This Council supports the aims of the new contract to provide flexibility and improve biodiversity, but regrets that the implementation of the contract has been far from satisfactory, and that too little guidance was given on what was an appropriate level of grass-cutting in each area. This Council calls on the Executive Member for Environment to provide in writing for publication on the Council website and to issue to the media:

- An apology for the poor implementation of the contract;
- An explanation as to why the contract was allowed to be implemented badly;
- A clear outline of a way forward that will solve the problems.”

The following amendment, proposed by Angus Ross and seconded by Parry Batth, was accepted by Lindsay Ferris, the mover of the original motion:

“Over the past few weeks Wokingham Borough councillors have received numerous communications from residents showing how dissatisfied they are with the new grass-cutting contract that came into force in April 2016.

This Council supports the aims of the new contract to provide flexibility and improve biodiversity, but regrets that the implementation of the contract has been far from satisfactory, and that **there were misunderstandings over** what was an appropriate level of grass-cutting in each area. This Council calls on the Executive Member for Environment to provide in writing for publication on the Council website and to issue to the media:

- an apology for the **initial** poor implementation of the contract;
- an explanation **of the factors which led to the unsatisfactory start of the contract;**
- a clear outline of **the actions to date and** a way forward that will solve the problems”.

Following debate, upon being put to the meeting, the Motion as previously amended, was

declared by the Mayor to be carried.

**RESOLVED:** That over the past few weeks Wokingham Borough councillors have received numerous communications from residents showing how dissatisfied they are with the new grass-cutting contract that came into force in April 2016. This Council supports the aims of the new contract to provide flexibility and improve bio-diversity, but regrets that the implementation of the contract has been far from satisfactory, and that there were misunderstandings over what was an appropriate level of grass-cutting in each area. This Council calls on the Executive Member for Environment to provide in writing for publication on the Council website and to issue to the media:

- an apology for the initial poor implementation of the contract;
- an explanation of the factors which led to the unsatisfactory start of the contract;
- a clear outline of the actions to date and a way forward that will solve the problems.

### **38.2 Motion 384 submitted by Keith Baker**

The Council considered the following Notice of Motion, submitted by Keith Baker and seconded by Prue Bray:

“We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our Council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We will work to ensure that local bodies and programmes have the support and resources they need to fight and prevent racism and xenophobia.

We reassure all people living in this area that they are valued members of our community.”

Following debate, upon being put to the meeting, the Motion was declared by the Mayor to be carried.

**RESOLVED:** That we are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our Council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable. We will work to ensure that local bodies and programmes have the support and resources they need to fight and prevent racism and xenophobia. We reassure all people living in this area that they are valued members of our community.

<b>TITLE</b>	<b>Treasury Management Annual Report 2015-16</b>
<b>FOR CONSIDERATION BY</b>	Council on 22 September 2016
<b>WARD</b>	None specific
<b>DIRECTOR</b>	Graham Ebers, Director of Finance and Resources
<b>LEAD MEMBER</b>	Anthony Pollock, Executive Member for Economic Development Finance

**OUTCOME / BENEFITS TO THE COMMUNITY**

Effective and safe use of our resources to deliver service improvements and service continuity through capital investments.

**RECOMMENDATION**

Council is asked to:

- 1) note that this report was presented to the Audit Committee on 15 June 2016 and Executive on 28 July 2016;
- 2) approve:
  - a) the Treasury Management Annual Report for 2015/2016; and
  - b) the actual 2015/2016 prudential indicators within the report.

**SUMMARY OF REPORT**

Treasury Management is the management of the Council's investments, lending and cash flows, its banking, money market and borrowing transactions together with the effective control of the risks associated with those activities.

## Background

The production of an annual 'Treasury Management Report' is a requirement of the Council's reporting procedures. This report covers the actual treasury activity which took place as well as the actual Prudential Indicators for 2015/16.

The report therefore highlights the Council's treasury position as at 31 March 2016, sets out the treasury management decisions taken during the year and reports progress against the strategy and prudential indicators which were set in February 2015. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are found in Appendix B. Other prudential and treasury indicators are to be found in the main body of this report (Appendix A).

### Summary

As at 31st March 2016 the Non- HRA external debt was £47.2m

The HRA External Debt as at 31st March 2016 was £85.0m

The HRA has an internal loan of £8.9m from the Council.

In terms of external borrowing:

- PWLB Loans – No new loans were taken out in 2015/16;
- Market Loans (Lobo) – No new loans were taken out in 2015/16
- Local Enterprise partnership – £630,000 of interest free new loans were taken out in the year.

In 2015/16 the statutory borrowing limit (the authorised limit), was not breached during the year.

Although the financial year 2015/16 was a challenging investment environment with low investment returns and continuing heightened levels of counterparty risk the in-house team were able to achieve an average rate of return of 1.15% on investments (including internal loans) compared to the fund managers average rate of 0.6%.

Because of the unfavourable gap between investment returns and borrowing costs, during the year the council took the opportunity to use internal funds for capital expenditure.

## Analysis of Issues

Prudential and Treasury Indicators		2015/16 Actual £'000
<b>Capital expenditure</b>		
	Non-HRA	42,237
	HRA	4,557
	<b>Total</b>	<b>46,794</b>
<b>Capital Financing Requirement:</b>		
	Non-HRA	118,582
	HRA	92,964
	<b>Total</b>	<b>211,546</b>
<b>External debt</b>		
	Non-HRA	47,214
	HRA	85,018
	<b>Total</b>	<b>132,232</b>
<b>Return on Investments</b>		
	Fund Managers	130
	In house	243
	Wokingham Housing Limited	399
	Housing Revenue Account	84
	Age concern	3
	<b>Total</b>	<b>859</b>

The Director of Finance and Resources confirms that as at 31<sup>st</sup> March 2016 there have been no breaches of the treasury strategy during 2015-16.

### List of Appendices:

Full Annual Treasury Management Report for 2015/16 is shown in Appendix A.

Councils Prudential and Treasury Indicators are shown in Appendix B

Councils Current Loan Portfolio Appendix C –including HRA

Councils Counter Party Limits at the 31st March 2016 are shown in Appendix D

Councils Current Investments at the 31st March 2016 are shown in Appendix E

Glossary of Terms is shown in Appendix F.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
2015-16	£46.8m Expenditure £0.9m Return on Investments	Yes	Capital Revenue
Next Financial	N/A		
Following Financial Year (Year 3)	N/A		

<b>Other financial information relevant to the Recommendation/Decision</b>
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None
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<b>Cross-Council Implications</b>
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Budgets and strategies are clearly monitored and do not impact on other Council services and priorities
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<b>List of Background Papers</b>
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None
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<b>Date</b> 6 September 2016	<b>Version No.</b> 4

# **WOKINGHAM BOROUGH COUNCIL**



# **WOKINGHAM BOROUGH COUNCIL**

## **Treasury Management Strategy Annual Treasury Management Report 2015-16**

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## **1) Introduction and Background**

The Council is required by regulations issued under the Local Government Act 2003, to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015/16. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2015/16 the Executive has received the following reports:

- The annual treasury strategy at its meeting on the 19th February 2015.
- A mid-year treasury update report at its meeting on the 28th January 2016.
- This report provides the annual review following the end of the year describing the activity compared to the strategy.

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore, important in that respect as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

The Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit Committee before they were reported to the full Council.

### **This report summarises the following:-**

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity;
- Detailed investment activity

## 2) The Council's Capital Expenditure and Financing 2015/16

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need or:
- Funded by borrowing (Internal or External).

The actual capital expenditure forms one of the required prudential indicators. The tables below show the actual capital expenditure.

**Table 2.1**

General Fund	2014/15 Actual £'000	2015/16 Budget £'000	2015/16 Actual £'000
Capital expenditure	38,774	102,341	42,237
Financed in year	(28,218)	(54,670)	(20,650)
Unfinanced Capital Expenditure	10,556	47,671	21,587

Note: The variance between actual and budget was due, in the main, to slippage in the additional places for schools programme, Wokingham Housing Limited and several large transport infrastructure schemes.

**Table 2.2**

HRA	2014/15 Actual £'000	2015/16 Budget £'000	2015/16 Actual £'000
Capital expenditure	6,561	8,969	4,557
Financed in year	(6,561)	(8,969)	(4,557)
Unfinanced Capital Expenditure	0	0	0

Note: The variance between actual and budget was due to a decrease in the programme due to capacity issues.

### 3) **The Council's Overall Borrowing Need**

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2015/16 unfinanced capital expenditure (see tables 2.1 and 2.2 on the previous page), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLb] or the money markets) or utilising temporary cash resources within the Council.

The Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- The application of additional capital financing resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's 2015/16 MRP Policy (as required by Communities and Local Government (CLG) Guidance) was approved as part of the Treasury Management Strategy Report for 2015/16 on 19th February 2015.

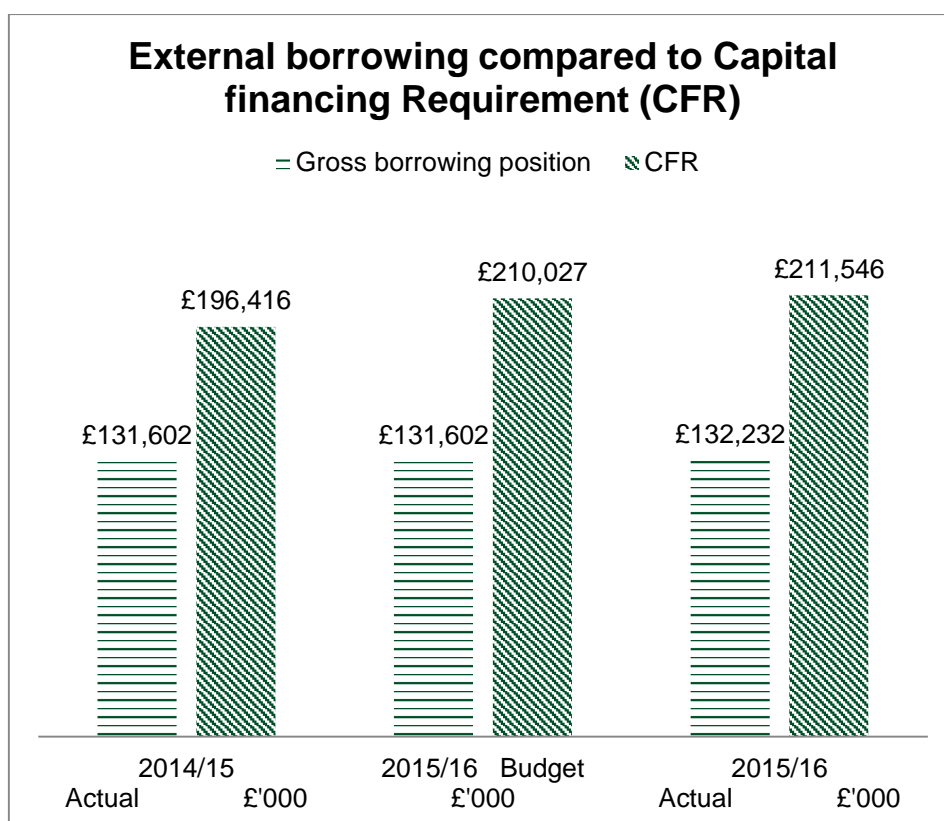
The Council's CFR for the year is shown below and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. However, no borrowing is actually required against these schemes as a borrowing facility is included in the contract.

<b>CFR: General Fund</b>	<b>2014/15 Actual £'000</b>	<b>2015/16 Budget £'000</b>	<b>2015/16 Actual £'000</b>
<b>Opening balance</b>	<b>95,255</b>	<b>102,795</b>	<b>101,948</b>
<b>Add unfinanced capital expenditure (as above)</b>	<b>9,964</b>	<b>16,881</b>	<b>20,152</b>
<b>Less MRP/VRP</b>	<b>(3,024)</b>	<b>(3,310)</b>	<b>(3,024)</b>
<b>Less PFI &amp; finance lease repayments</b>	<b>(247)</b>	<b>(215)</b>	<b>(264)</b>
<b>Closing balance</b>	<b>101,948</b>	<b>116,151</b>	<b>118,812</b>

<b>CFR : HRA</b>	<b>2014/15 Actual £'000</b>	<b>2015/16 Budget £'000</b>	<b>2015/16 Actual £'000</b>
<b>Opening balance</b>	<b>93,876</b>	<b>93,876</b>	<b>93,876</b>
<b>Add unfinanced capital expenditure (as above)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Repayment of Loan Principal</b>	<b>0</b>	<b>0</b>	<b>912</b>
<b>Closing balance</b>	<b>93,876</b>	<b>93,876</b>	<b>92,964</b>

Borrowing activity is constrained by prudential indicators for net borrowing and the CFR and by the authorised limit.

In order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (plus the estimates of any additional capital financing requirement for the current and next two financial years). This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The bar chart below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.



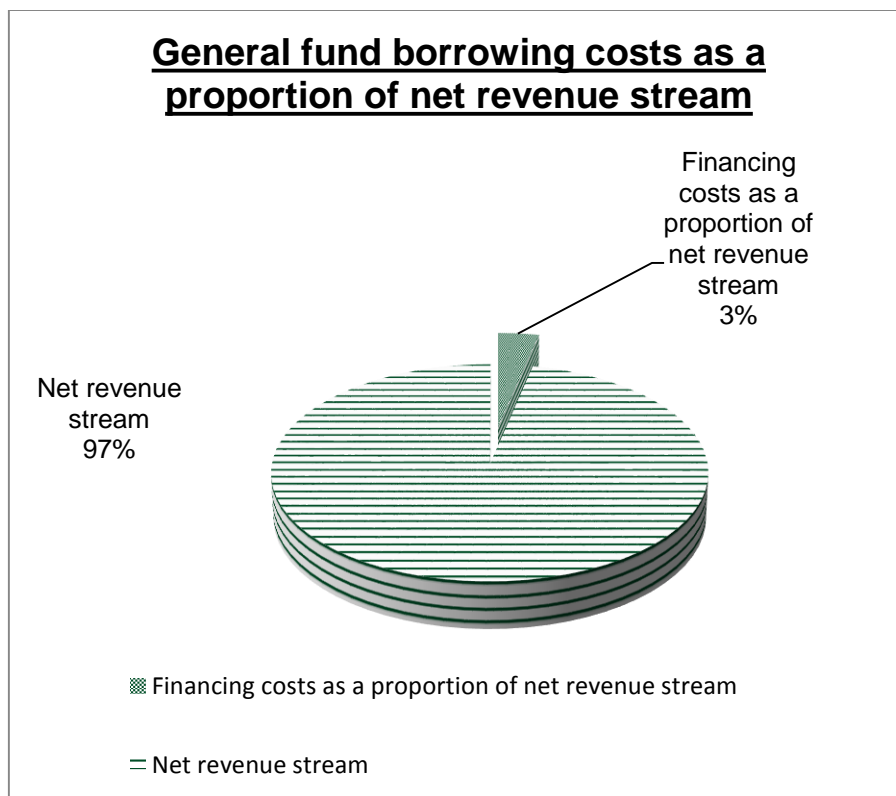
The authorised limit is the “affordable borrowing limit” required by section 3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level.

The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

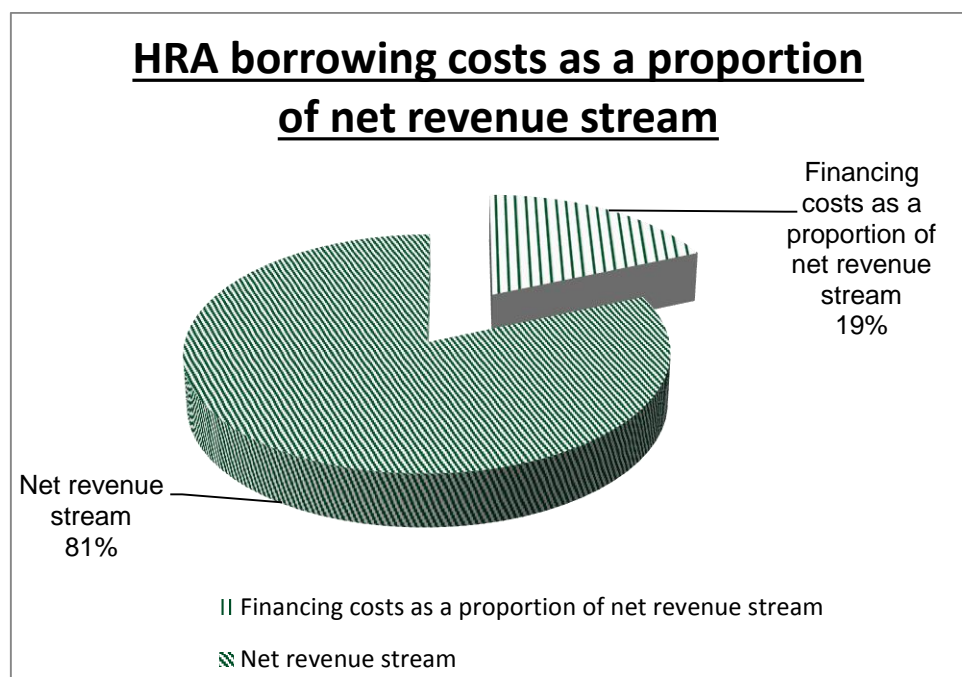
The table below demonstrates that during 2015/16 the Council has maintained gross borrowing within its authorised limit and operational boundary.

	2015/16 £'000	2015/16 Actual £'000	Variance £'000
Authorised limit	223,000	132,232	90,768
Operational boundary	200,000	132,232	67,768

**Actual financing costs as a proportion of net revenue stream** - this indicator identifies the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream (see tables below).



The graph above demonstrates that 3% of the councils revenue budget is set aside to service debt financing costs (i.e. external interest on loans)



The graph on the previous page demonstrates that 19% of the HRA revenue budget is set aside to service debt financing costs (i.e. external interest on loans).

#### 4) Treasury Position as at 31st March 2016

The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2015/16 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

General fund	31 March 2015 Principal £'000	Rate/ Return %	31 March 2016 Principal £'000	Rate/ Return %
<b>Fixed rate funding:</b>	<b>23,151</b>		<b>23,781</b>	
-PWLB	23,031	4.49%	23,031	4.49%
-Market	0		0	
-Local Enterprise Partnership (interest free)	120		750	
<b>Variable rate funding:</b>	<b>23,433</b>		<b>23,433</b>	
-PWLB	0		0	
-Market	23,433	4.27%	23,433	4.27%
<b>Total debt</b>	<b>46,584</b>		<b>47,214</b>	

HRA	31 March 2015 Principal £'000	Rate/ Return %	31 March 2016 Principal £'000	Rate/ Return %
<b>Fixed rate funding:</b>	<b>84,451</b>		<b>84,451</b>	
-PWLB	84,451	2.85%	84,451	2.85%
-Market	0		0	
<b>Variable rate funding:</b>	<b>567</b>		<b>567</b>	
-PWLB	0		0	
-Market	567	4.28%	567	4.28%
<b>Total debt</b>	<b>85,018</b>		<b>85,018</b>	

Average return on Investments (Cumulative)	1st Qtr %	2nd Qtr %	3rd Qtr %	4th Qtr %
Aberdeen Asset Management	0.16	0.33	0.55	0.74
Royal London Asset Management	0.06	0.17	0.33	0.49
In-house*	0.29	0.58	0.86	1.15
<b>Total (Weighted Average)</b>	<b>0.24%</b>	<b>0.49%</b>	<b>0.74%</b>	<b>1.01%</b>

\*This includes internal loans to the HRA and WBC companies (see appendix B)

### Portfolio Valuation as at 31 March 2016

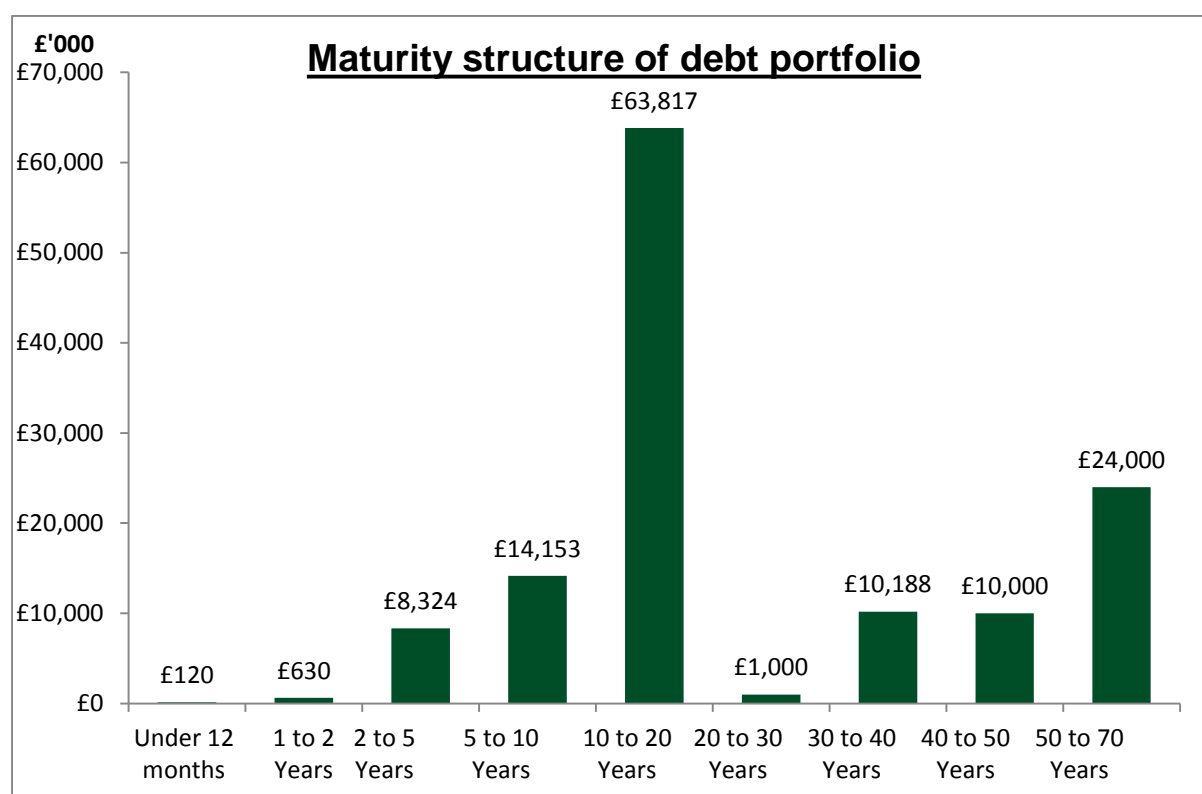
Portfolio Valuation as at 31 March 2016 (completed by Capita Asset Services)	Nominal / Principal £'000	Fair Value £'000
<b>Investments</b>		
Fixed Term Deposits	30,000	30,085
<b>Total</b>	<b>30,000</b>	<b>30,085</b>
<b>External Debt</b>		
LOBO loan - Fixed rate	24,000	32,485
PWLB loan - Maturity	107,482	119,040
Local Enterprise Partnership loan	750	750
<b>Total</b>	<b>132,232</b>	<b>152,275</b>

\* Fair value is a rational and unbiased estimate of the potential market price of goods/services.

The purpose of the valuation is to evaluate quantitatively the authority's financial position and performance with regard to each class of financial instrument, and also to indicate the extent of the authority's risk exposure arising as a result of these transactions.



The maturity structure of the debt portfolio was as follows:



The maturity structure of the investment portfolio was as follows:

	2014/15 Actual £'000	2015/16 Budget £'000	2015/16 Actual £'000
<b>Investments</b>			
Longer than 1 year	0	10,000	0
Under 1 year	59,735	40,000	51,544
<b>Total</b>	<b>59,735</b>	<b>50,000</b>	<b>51,544</b>

The exposure to fixed and variable rates was as follows:

	2014/15 Actual £'000	2015/16 Budget £'000	2015/16 Actual £'000
<b>Interest rate exposures: Debt</b>			
Upper limit on fixed rate exposures - Net Position	107,602	180,000	107,482
Upper limit on variable rate exposures - net position	24,000	40,000	24,000

Note: The variance between actual and budget was due, in the main, to the Town centre slippage (Anticipated loan not required of £14.5m) and Slippage in Wokingham Housing Limited (Anticipated loan not required of £17.1m)

	2014/15 Actual £'000	2015/16 Budget £'000	2015/16 Actual £'000
<b>Interest rate exposures: Investment</b>			
Upper limit on fixed rate exposures - Net Position	(48,867)	(80,000)	(39,114)
Upper limit on variable rate exposures - net position	(9,546)	(40,000)	(12,430)

Note: The actuals fluctuate during the year depending on the cash flow available for investment.

### 5) The Treasury Strategy for 2015/16

The expectation for interest rates within the strategy for 2015/16 anticipated a low but rising Bank Rate (starting in quarter 1 of 2016) and gradual rises in medium and longer term fixed borrowing rates during 2015/16. Variable or short-term rates were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach whereby investments would continue to be dominated by low counterparty risk considerations resulting in relatively low returns compared to borrowing rates.

In this scenario, the treasury strategy was to postpone external borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk. This is demonstrated by an increase in internal borrowing of 4.95% since 2014/15. Internal borrowing as at 31<sup>st</sup> March 2016 stands at 33% of the CFR. (See appendix B)

Although this has increased our internal borrowing, this has generated a larger saving on external borrowing interest costs.

As mentioned above the internal borrowing is evaluated thought out the year to help in calculating when it would be financially beneficial to take out external loans.

### 6) The Economy and Interest Rates

Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3, 2015 but soon moving back to quarter 1, 2016. However, by the end of the year, market expectations had moved back radically to quarter 2, 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.

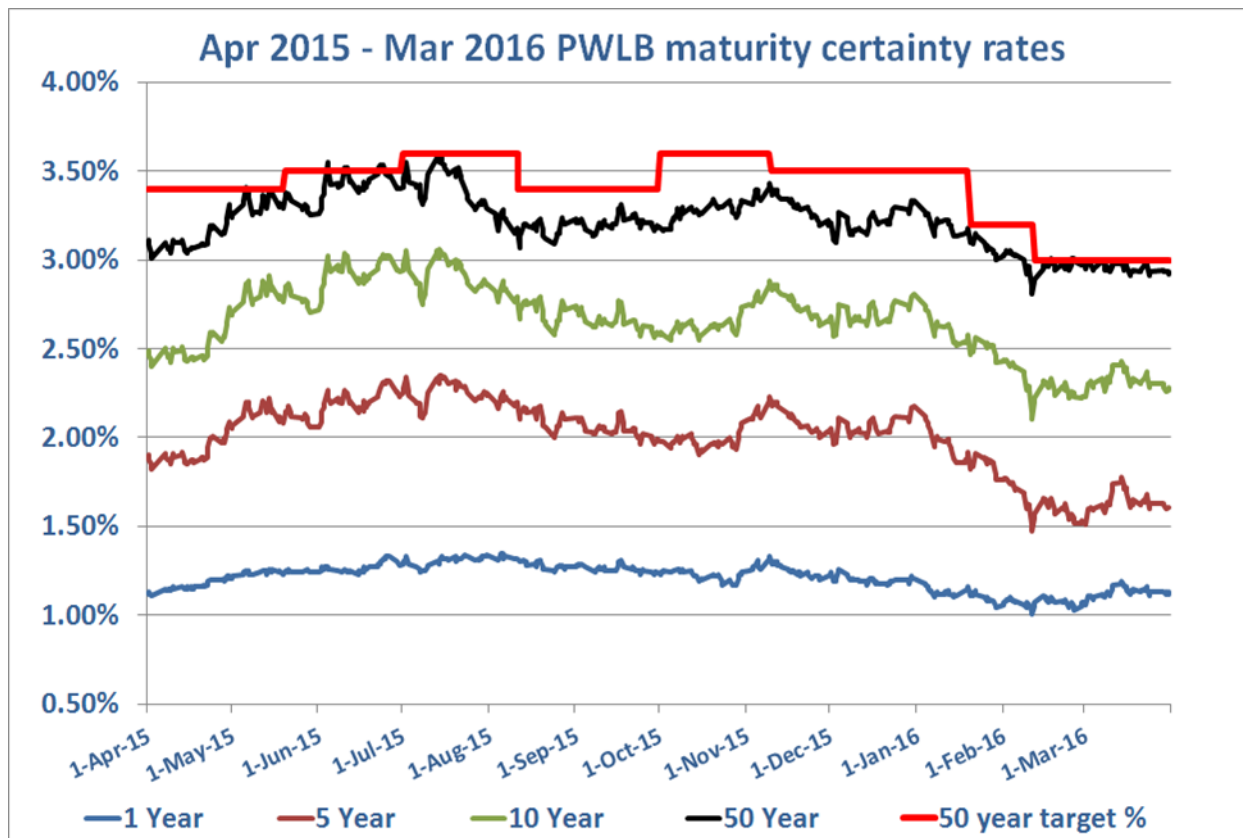
Economic growth (GDP) in the UK surged strongly during both 2013/14 and 2014/15 to make the UK the top performing advanced economy in 2014. However, UK growth in 2015 has been disappointing, falling steadily from an annual rate of 2.9% in quarter 1, 2015 to 2.1% in quarter 4. The Funding for Lending scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which resulted in money market investment rates falling materially. These rates continued at very low levels during 2015/16.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.

The UK elected a majority Conservative Government in May 2015, removing one potential concern but introducing another due to promise of a referendum on the UK remaining part of the EU on the 23<sup>rd</sup> June 2016. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

## 7) Borrowing Rates in 2015/16

The graph for PWLB certainty maturity rates is shown below, for a selection of maturity periods, the high and low points in rates, the average rates spreads and individual rates at the start and the end of the financial year.



## 8) Borrowing Outturn for 2015/16

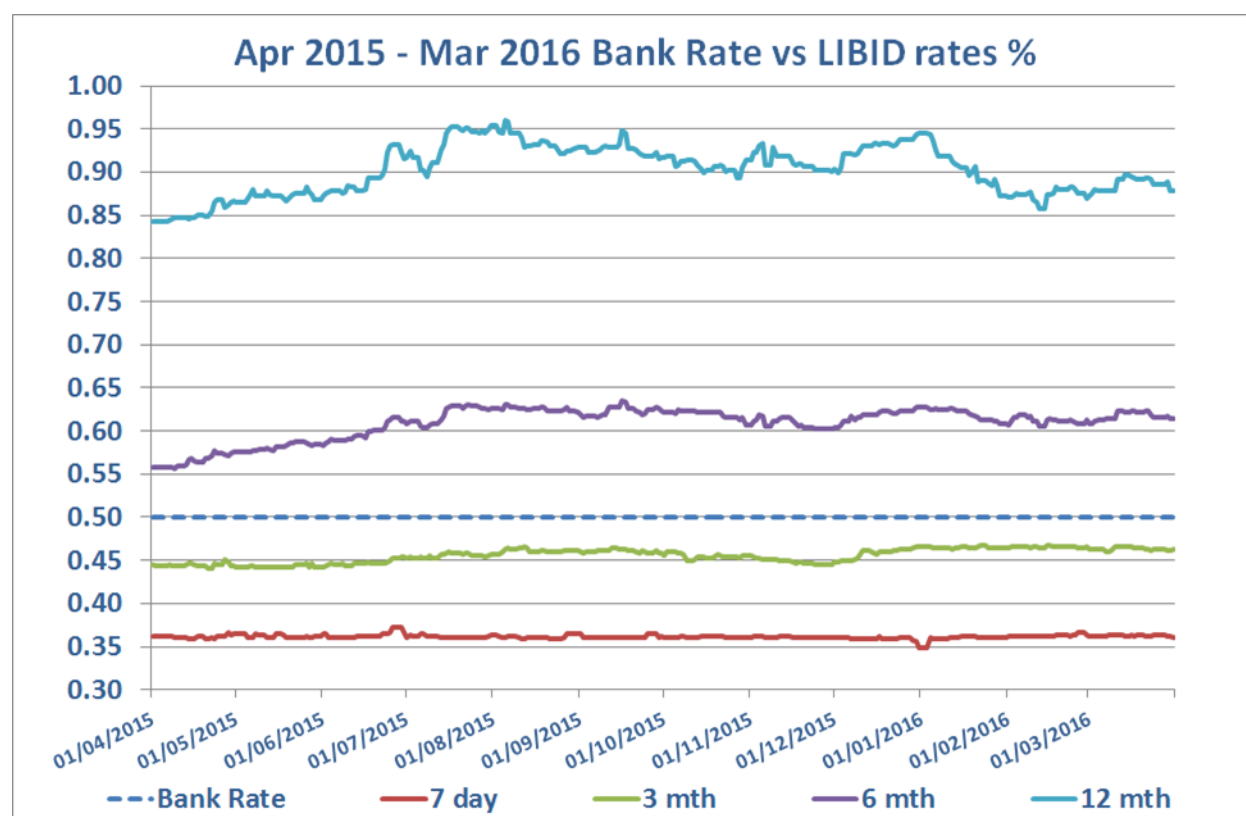
### Borrowing

During 2015/16 no new PWLB and market Loans have been taken out. £630,000 of Local Enterprise partnership interest free loans were taken out.

**Repayments** – No repayments were actioned in 2015/16

### 9) Investment Rates in 2015

The Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for six years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2016 but then moved back to around quarter 3 2017 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme.



### 10) Investment Outturn for 2015/16

The Council's investment policy is governed by CLG guidance, which was implemented in the annual investment strategy approved by the Council on 19th February 2015. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

### **Interest received from Investments held by the Council**

	<b>2015-16 Budget As per the TMSS £'000</b>	<b>2015/16 Actual £'000</b>	<b>%</b>
<b>Interest on investments</b>			
<b>RLAM</b>		<b>60</b>	<b>7.0%</b>
<b>Aberdeen Asset Management *</b>		<b>70</b>	<b>8.2%</b>
<b>In House **</b>		<b>729</b>	<b>84.8%</b>
<b>Total</b>	<b>726</b>	<b>859</b>	<b>100%</b>

Note:\* Aberdeen asset Management formerly known as Scottish Widows Investment Partnership (SWIP)

Note \*\* includes internal loans to Wokingham Housing Limited and HRA

### **11) Performance Measurement**

One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities. Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide. The Council's performance indicators were set out in the Annual Treasury Management Strategy.

**Prudential and treasury indicators as at 31<sup>st</sup> March 2016**  
**(Not previously reported Appendix A)**

	2015/16 Budget £'000	Quarter 1 15/16 Year end forecast £'000	Quarter 2 15/16 Year end forecast £'000	Quarter 3 15/16 Year end forecast £'000	Quarter 4 15/16 Year end Actual £'000
<b>Upper limit -Debt Only</b>					
On fixed rate exposures	180,000	107,482	107,482	107,482	107,482
On variable rate exposures	40,000	24,000	24,000	24,000	24,000

	2015/16 Budget £'000	Quarter 1 15/16 Year end forecast £'000	Quarter 2 15/16 Year end forecast £'000	Quarter 3 15/16 Year end forecast £'000	Quarter 4 15/16 Year end Actual £'000
<b>Upper limit -Investments only</b>					
On fixed rate exposures	(80,000)	(51,075)	(48,073)	(59,099)	(39,114)
On variable rate exposures	(40,000)	(12,363)	(18,178)	(12,480)	(12,430)

	2015/16 Budget %	Quarter 1 15/16 Year end forecast %	Quarter 2 15/16 Year end forecast %	Quarter 3 15/16 Year end forecast %	Quarter 4 15/16 Year end Actual %
<b>Ratio of financing costs to net revenue stream (Non HRA)</b>					
	4.5	3.5	3.5	3.4	3.3

The percentage of the revenue budget set aside each year to service debt financing costs.

This is calculated as follows: Financing cost Divide by Net revenue stream

As per budget 2015/16: £6,793 / £127,711 = 4.5%

	2015/16 Budget %	Quarter 1 15/16 Year end forecast %	Quarter 2 15/16 Year end forecast %	Quarter 3 15/16 Year end forecast %	Quarter 4 15/16 Year end Actual %
<b>Ratio of financing costs to net revenue stream (HRA)</b>	<b>18.2</b>	<b>18.0</b>	<b>18.5</b>	<b>18.3</b>	<b>18.5</b>

The percentage of the revenue budget set aside each year to service debt financing costs.

This is calculated as follows: Financing cost Divide by Total income received

As per budget 2015/16: £2,851 / £15,702 = 18.2%

	2015/16 Budget %	Quarter 1 15/16 Year end forecast %	Quarter 2 15/16 Year end forecast %	Quarter 3 15/16 Year end forecast %	Quarter 4 15/16 Year end Actual %
<b>Incremental impact of capital investment decisions</b>					
<b>Addition or (Reduction) to Council Tax</b>	<b>30.98</b>	<b>30.85</b>	<b>29.06</b>	<b>29.32</b>	<b>30.91</b>

This is the incremental impact on council tax (D equivalent) of the recommended capital investment plans and funding proposals.

	2015/16 Budget %	Quarter 1 15/16 Year end forecast %	Quarter 2 15/16 Year end forecast %	Quarter 3 15/16 Year end forecast %	Quarter 4 15/16 Year end Actual %
<b>Ave rate of interest on debt (Longterm)</b>					
<b>Non HRA</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>
<b>HRA including GF internal loan</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>
<b>Total</b>					



	2015/16 Budget £'000	Quarter 1 15/16 Actual £'000	Quarter 2 15/16 Actual £'000	Quarter 3 15/16 Actual £'000	Quarter 4 15/16 Actual £'000
Short term borrowing limit	20,000	2,000	0	0	1,000

	2015/16 Budget £'000	Quarter 1 15/16 Year end forecast £'000	Quarter 2 15/16 Year end forecast £'000	Quarter 3 15/16 Year end forecast £'000	Quarter 4 15/16 Year end Actual £'000
<b>Internal Borrowing</b>					
CFR* (year-end position)	210,196	217,791	205,198	210,512	211,546
Less External Borrowing	(149,602)	(140,737)	(140,737)	(140,737)	(132,232)
Less Other long term liabilities	(10,000)	(10,000)	(10,000)	(10,000)	(8,712)
<b>Internal Borrowing</b>	<b>50,594</b>	<b>67,054</b>	<b>54,461</b>	<b>59,775</b>	<b>70,602</b>
Annual change in CFR	(5,499)	11,240	(1,353)	3,961	14,764
% of internal borrowing to CFR	24.1%	30.8%	26.5%	28.4%	33.4%

	2015/16 Budget £'000	Quarter 1 15/16 Actual £'000	Quarter 2 15/16 Actual £'000	Quarter 3 15/16 Actual £'000	Quarter 4 15/16 Actual £'000
<b>Internal investments: (Principal)</b>					
HRA Internal loan from the General fund	8,874	8,874	8,874	8,874	8,874
Wokingham Housing	3,000	713	968	2,425	2,766
Age Concern	150	150	150	150	150
<b>Total</b>	<b>12,024</b>	<b>9,737</b>	<b>9,992</b>	<b>11,449</b>	<b>11,790</b>

	Rate %	2015/16 £'000
<b>Internal investments: (Interest received)</b>		
HRA Internal loan from General fund	4.50	82
Wokingham Housing	6.00	83
Age Concern	1.99	3
<b>Total</b>		<b>168</b>

	Loan Amount £'000	Interest Rate %	Term Days
<b>Short Term Loans</b>			
Gwynedd Council	1,000	0.50	1

## General Fund Loan portfolio

Type of loan	Reference no.	Counterparty	Start Date	Maturity Date	Principal £'000	Interest Rate
<b>General Fund</b>						
loan - Maturity	485805	PWLB		01 August 2022	976	4.88%
loan - Maturity	488876	PWLB	16 July 2004	01 February 2034	2,343	4.95%
loan - Maturity	491320	PWLB	15 February 2006	01 August 2051	2,929	3.85%
loan - Maturity	491456	PWLB	26 April 2006	30 September 2046	1,431	4.35%
loan - Maturity	491474	PWLB	28 April 2006	01 August 2052	5,587	4.40%
loan - Maturity	493309	PWLB	24 May 2007	31 March 2054	9,764	4.60%
LOBO loan - Fixed	3b	Barclays	24 February 2007	24 February 2077	4,882	4.35%
LOBO loan - Fixed	2c	Barclays	11 January 2007	11 January 2077	4,882	4.60%
LOBO loan - Fixed	1c	KA Finaz AG	06 February 2006	06 February 2066	4,882	4.88%
LOBO loan - Fixed	4	Barclays	16 February 2006	16 February 2066	1,953	3.68%
LOBO loan - Fixed	5	Barclays	19 October 2006	19 October 2076	4,882	3.73%
LOBO loan - Fixed	6	Barclays	19 October 2006	19 October 2076	1,953	3.77%
Local Enterprise Board			03 January 2014	01 December 2016	120	0.00%
Local Enterprise Board			10 December 2015	01 December 2017	380	0.00%
Local Enterprise Board			10 December 2015	01 December 2017	250	0.00%
					<b>47,214</b>	

## Housing Revenue Fund Loan portfolio

Type of loan	Reference no.	Counterparty	Start Date	Maturity Date	Original Principal	Interest Rate
Housing Revenue Account (HRA)						
Loan - Maturity	485805	PWLB		01 August 2022	24	4.88%
Loan - Maturity	488876	PWLB	16 July 2004	01 February 2034	57	4.95%
Loan - Maturity	491320	PWLB	15 February 2006	01 August 2051	71	3.85%
Loan - Maturity	491456	PWLB	26 April 2006	30 September 2046	35	4.35%
Loan - Maturity	491474	PWLB	28 April 2006	01 August 2052	135	4.40%
Loan - Maturity	493309	PWLB	24 May 2007	31 March 2054	236	4.60%
Loan - Maturity	501033	PWLB	28 March 2012	28 March 2018	1,750	150.00%
Loan - Maturity	501034	PWLB	28 March 2012	28 March 2021	3,482	221.00%
Loan - Maturity	501035	PWLB	28 March 2012	28 March 2032	8,516	330.00%
Loan - Maturity	501036	PWLB	28 March 2012	28 March 2020	1,988	199.00%
Loan - Maturity	501037	PWLB	28 March 2012	28 March 2031	7,231	326.00%
Loan - Maturity	501038	PWLB	28 March 2012	28 March 2022	4,199	240.00%
Loan - Maturity	501039	PWLB	28 March 2012	28 March 2029	6,378	315.00%
Loan - Maturity	501040	PWLB	28 March 2012	28 March 2027	5,415	301.00%
Loan - Maturity	501041	PWLB	28 March 2012	28 March 2017	3,476	124.00%
Loan - Maturity	501043	PWLB	28 March 2012	28 March 2033	9,276	334.00%
Loan - Maturity	501044	PWLB	28 March 2012	28 March 2034	1,000	337.00%
Loan - Maturity	501045	PWLB	28 March 2012	28 March 2025	3,744	282.00%
Loan - Maturity	501046	PWLB	28 March 2012	28 March 2028	5,981	308.00%
Loan - Maturity	501047	PWLB	28 March 2012	28 March 2030	6,789	321.00%
Loan - Maturity	501048	PWLB	28 March 2012	28 March 2026	3,971	292.00%
Loan - Maturity	501049	PWLB	28 March 2012	28 March 2024	4,116	270.00%
Loan - Maturity	501050	PWLB	28 March 2012	28 March 2023	3,484	256.00%
Loan - Maturity	501051	PWLB	28 March 2012	28 March 2019	3,098	176.00%
LOBO loan - Fixed	3b	Barclays	24 February 2007	24 February 2077	118	4.35%
LOBO loan - Fixed	2c	Barclays	11 January 2007	11 January 2077	118	4.60%
LOBO loan - Fixed	1c	KA Finaz AG	06 February 2006	06 February 2066	118	4.88%
LOBO loan - Fixed	4	Barclays	16 February 2006	16 February 2066	47	3.68%
LOBO loan - Fixed	5	Barclays	19 October 2006	19 October 2076	118	3.73%
LOBO loan - Fixed	6	Barclays	19 October 2006	19 October 2076	47	3.77%
85,018						
Total					131,602	

**COUNTERPARTY LIMITS**  
**31/03/2016**  
**MAXIMUM OF £5m per Group (DMO- £20m)**

	Cou ntry	Fitch Long Term Ratin g *	Individual Limit per LCD £'000	Max Duration Months	Current Investment £'000	Available Balance £'0000
<b>Public Bodies</b>						
Woking Borough Council	UK	AAA	5,000	12	0	5,000
Blackpool Borough Council	UK	AAA	5,000	12	3,000	2,000
Barnsley Borough Council	UK	AAA	5,000	12	2,000	3,000
London Borough of Enfield	UK	AAA	5,000	12	5,000	0
Wakefield Council	UK	AAA	5,000	12	0	5,000
Salford City Council	UK	AAA	5,000	12	3,000	2,000
Dundee	UK	AAA	5,000	12	0	5,000
Middlesbrough Borough Council	UK	AAA	5,000	12	0	5,000
Stirling Council	UK	AAA	5,000	12	0	5,000
Royal Borough of Kensington	UK	AAA	5,000	12	0	5,000
Rhondda Taff Council	UK	AAA	5,000	12	0	5,000
Monmouthshire Council	UK	AAA	5,000	12	0	5,000
Greater Manchester Combined Authority	UK	AAA	5,000	12	0	5,000
Manchester City Council	UK	AAA	5,000	12	0	5,000
Lincolnshire County Council	UK	AAA	5,000	12	0	5,000
Conwy County Borough Council	UK	AAA	5,000	125	3,000	2,000
West Dunbartonshire	UK	AAA	5,000	12	0	5,000
Birmingham City Council	UK	AAA	5,000	12	3,000	2,000
Lancashire County Council	UK	AAA	5,000	12	5,000	0
West Lothian Council	UK	AAA	5,000	12	3,000	2,000
Newcastle City Council	UK	AAA	5,000	12	0	5,000
Leeds CC	UK	AAA	5,000	12	0	5,000
Debt Management Office (DMO)	UK	AAA	20,000	3	0	20,000
Fife Council	Uk	AAA	5,000	12	0	5,000
South Lanarkshire Council	UK	AAA	5,000	12	0	5,000
Eastleigh Borough Council	UK	AAA	5,000	12	3,000	2,000
Dudley MC	UK	AAA	5,000	12	0	5,000
<b>Money Market Funds</b>					<b>30,000</b>	
Invesco Global MMF (was AIM)	UK	AAA	5,000	36	0	5,000
Deutsche Bank Sterling Fund (was Henderson)	Irel and	AAA	5,000	36	0	5,000
Goldman Sachs	UK	AAA	5,000	36	0	5,000
Goldman Sachs - Govt	UK	AAA	5,000	36	0	5,000

BANKING GROUPS						
Lloyds Banking Group						
Lloyds Banking Group	UK	AA+	3,000	6	0	3,000
HSBC Group						
HSBC Bank plc	UK	AA+	3,000	6	0	3,000
INDIVIDUAL BANKS						
1000 Ontario, Province of	Canada	AA-	3,000	12	0	3,000
Landwirtschaftliche Rentenbank	Germany	AAA	5,000	12	0	5,000
Kfw	Germany	AAA	5,000	12	0	5,000
European Investment Bank	Europe	AAA	5,000	12	0	5,000
Clearstream Banking	Luxembourg	AA	3,000	12	0	3,000
Development Bank of Singapore (DBS LTD)	Singapore	AA-	3,000	12	0	3,000
Oversea Chinese Banking Corp	Singapore	AA-	3,000	12	0	3,000
United Overseas Bank LTD	Singapore	AA-	3,000	12	0	3,000
Barclays Bank	UK	A	3,000	6	0	3,000
Close Brothers	UK	A	3,000	6	0	3,000
Santander UK PLC	UK	A	3,000	6	0	3,000
Sumitomo Mitsu Corporation	UK	AA+	3,000	6	0	3,000
Australia and New Zealand Banking Group	Australia	AAA	3,000	12	0	3,000
Commonwealth bank of Australia	Australia	AAA	3,000	12	0	3,000
National Australia Bank Limited	Australia	AAA	3,000	12	0	3,000
Westpac Banking Corporation	Australia	AAA	3,000	12	0	3,000
Banque et Caisse d'Epargne de l'Etat	Luxembourg	AAA	3,000	12	0	3,000
Nordea Bank AB	Sweden	AAA	3,000	12	0	3,000
Svenska Handelsbanken	Sweden	AAA	3,000	12	0	3,000
Building Societies						
Nationwide Building Society	UK	AA+	2,000	6	0	2,000
Coventry Building Society	UK	AA+	2,000	6	0	2,000
Leeds Building Society	UK	AA+	2,000	6	0	2,000
TOTAL INVESTMENTS					30,000	
* GB = Government Backed						
** Barclays Investment 3+ months - dealt before change in max duration						

The figures in the table on the previous pages are Principal values only, the amounts in the body of the report include accrued interest accounted for on the authority's balance sheet at year end.

Investments held by the external fund managers follow the criteria set out in the treasury management strategy over counterparty selection.

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## Investment portfolio

### CURRENT INVESTMENTS 31/03/2016

Institution	Amount £'000	Rate	Maturity Date	Trade Date	Broker
Conwy County Borough Council	3,000	0.55%	30 November 2016	15 January 2016	Tradition
Birmingham CC	3,000	0.50%	22 November 2016	22 January 2016	Tradition
Barnsley BC	2,000	0.55%	3 November 2016	3 December 2015	Sterling
Salford CC	1,000	0.50%	24 August 2016	8 September 2015	Tradition
London Borough of Enfield	2,000	0.50%	18 August 2016	8 September 2015	Tradition
London Borough of Enfield	3,000	0.50%	19 July 2016	11 August 2015	Tradition
Eastleigh BC	3,000	0.45%	7 July 2016	7 October 2015	Tradition
Salford CC	2,000	0.50%	21 June 2016	8 July 2015	Tradition
Lancashire CC	5,000	0.53%	9 June 2016	21 July 2015	Tradition
West Lothian Council	3,000	0.50%	19 May 2016	1 June 2015	Tradition
Blackpool BC	3,000	0.40%	3 May 2016	30 November 2015	Sterling
<b>Total</b>	<b>30,000</b>				

Forward Deals					
Fife Council	5,000	0.60%	17 March 2017	19 April 2016	Tradition
West Dunbartonshire	5,000	0.55%		3 May 2016	Tradition
<b>Grand Total</b>	<b>40,000</b>				

Investments By Broker	Amount	No of deals			
RBS Gov't Back MMF		0			
RBS MMF		0			
Invesco		0			
Goldman Sachs	0	0			
Goldman Sachs Govt	0	0			
Deutsche Bank (Henderson)	0	0			
Sterling Brokers	5,000	2			
Tradition	35,000	11			
DMO		0			
Tullett Prebon		0			
<b>Total</b>	<b>40,000</b>	<b>13</b>			

	Mkt Value £'000	Interest Received £'000	Cumulative rate %
<b>Fund Managers @ 31/03/16</b>			
Royal London Asset Management (Rlam)	11,925	60	0.5%
Aberdeen Asset Management *	9,619	70	0.7%
	<b>21,544</b>	<b>130</b>	

**Note:**\* Aberdeen asset Management formerly known as Scottish Widows Investment Partnership (SWIP).

	2015/16 Budget £'000	Quarter 1 15/16 Actual £'000	Quarter 2 15/16 Actual £'000	Quarter 3 15/16 Actual £'000	Quarter 4 15/16 Actual £'000
<b>Internal investments: (Principle)</b>					
HRA Internal loan from the General fund	8,874	8,874	8,874	8,874	8,874
Wokingham Housing	3,000	713	968	2,425	2,766
Age Concern	150	150	150	150	150
<b>Total</b>	<b>12,024</b>	<b>9,737</b>	<b>9,992</b>	<b>11,449</b>	<b>11,790</b>

	Rate %	2015/16 £'000
<b>Internal investments: (Interest received)</b>		
HRA Internal loan from The General fund	4.5	399
Wokingham Housing	6	84
Age Concern	1.99	3
		<b>486</b>

## **Glossary of terms**

**Authorised Limit** – Represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desirable, could be afforded in the short term, but is not sustainable in the longer term.

**Boundary Limit** – Is an estimate of the authorised limit but reflects an estimate of the most likely, prudent, but not worst case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash movements.

**CFR** - Capital Financing Requirement- reflects the Council's underlying need to borrow for a capital purpose. It shows the total estimated capital expenditure that has not been resourced from capital or revenue sources. This requirement will eventually be met by revenue resources through the Minimum Revenue Provision mechanism.

**CIPFA Prudential Code** - is a professional code of practice to support local authorities in taking capital investment decisions. Local authorities determine their own programmes for capital investment in fixed assets that are central to the delivery of quality local public services in accordance with the Prudential Code.

**Communities and Local Government (CLG)** - Is a ministerial department, supported by 12 agencies and public bodies. They are working to move decision-making power from central government to local councils. This helps put communities in charge of planning, increases accountability and helps citizens to see how their money is being spent.

**Consumer price index (CPI)** - measures changes in the price level of a market basket of consumer goods and services purchased by households.

**ECB** - European Central Bank.

**Fair value** - Is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no other motive in their negotiations other than to secure a fair price

**FED** - The Federal Reserve System (also known as the Federal Reserve, and informally as the Fed) is the central banking system of the United States.

**Financing Cost to Net Revenue Stream**-The percentage of the revenue budget set aside each year to service debt financing costs.

**FLS** - Funding for Lending Scheme (FLS) was launched by the Bank and HM Treasury on 13 July 2012. The FLS is designed to incentivise banks and building societies to boost their lending to the UK real economy.

**Gilt** - is a UK Government liability in sterling, issued by HM Treasury and listed on the London Stock exchange.

**Gross domestic product (GDP)** - is the market value of all officially recognized final goods and services produced within a country in a given period of time (usually the fiscal year).

**Local Authority Lender Option Borrower Option (LOBO)** - The underlying loan facility is typically very long-term - for example 40 to 60 years - and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates, such as every 5 years.

**Local enterprise partnerships** - Are partnerships between local authorities and businesses. They decide what the priorities should be for investment in roads, buildings and facilities in the area.

**London Interbank Bid Rate** - the rate at which banks will bid to take deposits in Eurocurrency from each other. The deposits are for terms from overnight up to five years.

**MPC** - Monetary Policy Committee Interest rates are set by the Bank's Monetary Policy Committee. The MPC sets an interest rate it judges will enable the inflation target to be achieved.

**MRP** - Minimum Revenue Provision - Is a provision the council has set-aside from revenue to repay loans arising from capital expenditure financed by Borrowing.

**Private Finance Initiative (PFI)** - This is funding public infrastructure projects with private capital.

**PWLB** - Public Works Loan Board - is a statutory body operating within the Debt Management Office, an Executive Agency of HM Treasury.

**PWLB certainty rate** - A reduced interest rate from PWLB to principal local authorities, which provided required information to government on their plans for long-term borrowing and associated capital spending.

**Quantitative easing (QE)** - A government monetary policy occasionally used to increase the money supply by buying government securities or other securities from the market. Quantitative easing increases the money supply by flooding financial institutions with capital, in an effort to promote increased lending and liquidity.

**Voluntary Revenue Provision (VRP)** - This is a discretionary provision to reduce the unfinanced capital expenditure (Borrowing) by additional loan repayments.

<b>TITLE</b>	<b>Changes to the Constitution</b>
<b>FOR CONSIDERATION BY</b>	Council on 22 September 2016
<b>WARD</b>	None Specific
<b>LEAD OFFICER</b>	Andrew Moulton, Head of Governance and Improvement Services

**OUTCOME / BENEFITS TO THE COMMUNITY**

Reviewing the Council's Constitution on a regular basis ensures that it is relevant and fit for purpose.

**RECOMMENDATION**

That Council agree the following changes to the Constitution as recommended by the Constitution Review Working Group:

- 1) a revised Chapter 3.6 – Filming and Recording Protocol as set out in Appendix A to the report;
- 2) designation of the Head of Governance and Improvement Services as the Officer responsible for the discharge of functions of Counting Officer at a Neighbourhood Plan Referendum.

**SUMMARY OF REPORT**

Chapter 1.1.4 of the Council's Constitution states that the Monitoring Officer will monitor and review the operation of the Constitution to ensure that its aims and principles are given full effect.

The report contains a revised Filming and Recording Protocol and a change to the Scheme of Delegation to Officers as agreed by members of the Constitution Review Working Group.

## **Background**

### **Chapter 3.6 – Filming and Recording Protocol**

1. A recent Ombudsman decision states that the Council's Filming and Recording Protocol relating to informal Council meetings i.e. neighbourhood forums, budget engagement sessions etc fails to accurately reflect relevant regulations and statutory guidance. As a result there is a need to widen the Constitutional version of the Filming and Recording Protocol to include all public meetings arranged by the Council. The opportunity has also been taken to ensure that the Protocol conforms to all relevant regulations and statutory guidance.

A copy of the revised Filming and Recording Protocol is set out in Appendix A.

### **Chapter 11.3 – Scheme of Delegation to Officers**

#### **2. Rule 11.3.3.2 Other Legislation**

The Executive is due to consider an item relating to the Shinfield Neighbourhood Plan at its meeting on 29 September 2016. If the Plan is approved the next stage would be to hold a referendum of the electorate in Shinfield North and South wards. The referendum is due to be held later this year.

Under the Representation of the People Act 1983 Andrew Moulton, Head of Governance and Improvement Services, is designated as the Council's Returning Officer for all Borough, Town/Parish Council elections and any other relevant elections or referendums under that Act.

A neighbourhood plan referendum falls under a different set of regulations (Neighbourhood Planning (Referendums) Regulations 2012 and as this will be the first neighbourhood plan referendum that has been held in the Wokingham Borough there is a need to formally designate the Head of Governance and Improvement Services as the Counting Officer for Neighbourhood Plan Referenda.

It is therefore proposed to add the following designation to Rule 11.3.3.2:

#### **Neighbourhood Planning (Referendums) Regulations 2012**

The Officer responsible for the discharge of functions  
of Counting Officer at a Neighbourhood Plan  
Referendum

**Head of Governance  
and Improvement  
Services**

#### **FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0		
Next Financial Year (Year 2)	£0		
Following Financial Year (Year 3)	£0		

<b>Other financial information relevant to the Recommendation/Decision</b>
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There are no financial implications arising from this report.
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<b>Cross-Council Implications</b>
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None
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<b>List of Background Papers</b>
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The Council's Constitution Representation of the People Act 1983 Neighbourhood Planning (Referendums) Regulations 2012
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<b>Contact</b> Anne Hunter	<b>Service</b> Governance and Improvement Services
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<b>Date</b> 13 September 2016	<b>Version No.</b> 1
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## CHAPTER 3.6 – FILMING AND RECORDING PROTOCOL

### 3.6.1 Introduction

Wokingham Borough Council is committed to openness and transparency in how it takes decisions on behalf of local residents.

In accordance with the Openness of Local Government Bodies Regulations 2014 members of the press and public will be permitted to take photographs or audio / visually record any meeting arranged by the Council and open to the public. ~~public meeting of the Council, its Committees or Sub-Committees, or Executive meetings.~~

The purpose of this protocol is to provide guidance to those taking photographs or audio / visual recording at such meetings.

The press and public will also be permitted to use social media eg tweeting and blogging to report the proceedings of all such meetings that are open to the public. No restrictions will be placed on anyone at the meeting using Twitter, blogs, Facebook provided that the Chairman does not consider their actions are disrupting the proceedings of the meeting.

For the purposes of this Protocol “Chairman” means the chair of the meeting, if one has been appointed, or the responsible Wokingham Borough Council Member/Officer.

### 3.6.2 Exemptions

Although the Council welcomes the photographing and audio / visual recording of any of its meetings that are open to the public ~~Council, its Committees or Sub-Committees and Executive meetings~~ the proceedings of that meeting must not be disrupted by the use of media tools and must not inhibit community involvement in the proceedings.

Photography and audio / visual recording will not be permitted at any meeting where the public have been excluded as permitted by law i.e. when confidential or exempt information is due to be discussed.

### 3.6.3 Obligations

In order not to disrupt proceedings any member of the press / media or the public wishing to photograph and/or audio / visually record a meeting must adhere to the following:

- a) Any photography or audio / visual recording must take place from a fixed position in the meeting room approved by the Chairman;
- b) The use of flash photography or additional lighting will only be permitted for a limited period during the meeting at a point in the proceedings agreed with the Chairman;
- c) If the Chairman feels the photography / audio / visual recording is disrupting the meeting in any way or any pre-meeting agreement has been breached the operator of the equipment will be required to stop;
- d) Oral reporting or commentary is not permitted during a meeting;

- e) Any request made by the Chairman in respecting ~~at~~ the public's- member of the public's right to privacy should be complied with;
- f) People seated in the public gallery/seating area should not be photographed / filmed / recorded;
- g) Use must not be made of an image if consent is refused;
- h) Photographs / audio / visual recordings should not be edited in a way that could lead to misinterpretation of the proceedings. This includes refraining from editing the views being recorded in a way that may ridicule or show lack of respect.

### **3.6.4 Rights of Attendees at Meetings**

If a request has been received to take photographs or audio / visually record a particular meeting, notices to this effect will be displayed in the relevant meeting room. The Chairman will also make an announcement that the meeting will be photographed / recorded or filmed.

The Council will, on occasions, audio record meetings for minuting purposes only. The relevant Chairman will not make an announcement to this effect and these recordings will not be supplied to anyone outside the Council.

The Council wishes to respect the privacy of members of the public who are attending their meetings. Therefore if you are taking photographs or audio / visually recording a meeting you are asked not to film those people seated in the public gallery / seating area. If you ask a question, present a petition or make a representation, then you are likely to be filmed and you will be deemed to have given your consent to this.

If you do not wish to be photographed / filmed or recorded please inform the Democratic Services Officer in attendance at the meeting or the Chairman of the relevant Committee.

### **3.6.5 Prior to the Meeting**

We kindly ask anyone wishing to use large equipment to take photographs or audio / visually record meetings, to contact Democratic Services in advance of the meeting at: [democratic.services@wokingham.gov.uk](mailto:democratic.services@wokingham.gov.uk). This is in order that we can assist in finding an appropriate location, which does not impede access to / from the meeting room or block the view of any attendee, and provide any "reasonable facilities".

Taking into account the venue and expected public attendance / participation the Chairman of the relevant committee will rule on whether facilities requested are "reasonable".

### **3.6.6 At the Meeting**

~~Large E~~quipment must be set up before the meeting starts. The use of flash photography or additional lighting will only be permitted for a limited period during the meeting at a point in the proceedings agreed with the Chairman. This will be communicated to all relevant parties.

If the Chairman feels the photography / audio / visual recording is disrupting the meeting in any way or any pre-meeting agreement has been breached the operator of the equipment will be required to stop.

Disruptive behaviour is any action or activity which disrupts the conduct of meetings or impedes other members of the public from being able to see, hear or film etc the proceedings. Examples of types of disruptive behaviour are:

- Moving to areas outside the area designated for the public without the consent of the Chairman;
- Excessive noise in recording or setting up or re-siting equipment during the debate/discussion;
- Intrusive lighting and use of flash photography; and
- Asking for people to repeat statements for the purposes of recording.

If someone refuses to stop when requested to do so the Chairman will ask the person to leave the meeting. If the person refuses to leave then the Chairman may adjourn the meeting or make other appropriate arrangements for the meeting to continue without disruption.

If during the meeting a motion is passed to exclude the press and public, because confidential or exempt information is likely to be disclosed, then all rights to record the meeting are removed.

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