

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD ON 18 FEBRUARY 2016 FROM 7.00 PM TO 7.35 PM**

Committee Members Present

Councillors: Keith Baker (Chairman), Charlotte Haitham Taylor, Pauline Jorgensen, John Kaiser, Philip Mirfin, Anthony Pollock and Angus Ross

Other Councillors Present

Mark Ashwell
Chris Smith
Alison Swaddle
Bob Wyatt

102. APOLOGIES

An apology for absence was submitted by Councillor Julian McGhee-Sumner. Councillor Bob Wyatt attended the meeting on behalf of Councillor McGhee-Sumner. In accordance with legislation Councillor Wyatt could take part in any discussions but was not entitled to vote.

The meeting was also informed that due to severe traffic issues Councillor Jorgensen had advised that she would arrive late for the meeting. Councillor Jorgensen arrived during consideration of Item 105.

103. MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 28 January 2016 were confirmed as a correct record and signed by the Chairman.

104. DECLARATION OF INTEREST

Councillor Anthony Pollock declared a personal interest in Item 104, Council Owned Companies Business, by virtue of the fact that he was an unpaid Non-Executive Director of Optalis. Councillor Pollock remained in the meeting during discussions and voted on the matter.

Councillor Anthony Pollock also declared a personal and prejudicial interest in Item 105 Optalis Contract, by virtue of the fact that he was an unpaid Non-Executive Director of Optalis. Councillor Pollock left the meeting during discussions and did not vote on the matter.

105. PUBLIC QUESTION TIME

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

105.1 Peter Humphreys asked the Executive Member for Regeneration and Communities the following question:

There have been a number of high profile planning disasters involving major projects in the Town, including:

- Wellington House now demolished which was part of a scheme to build a large civic centre complex that was abandoned;
- The proposed IDR including a roundabout surrounding the 16th Century Tudor House also abandoned due to public opposition;

- Having to spend £30m to build social housing to replace the shoddy damp ridden properties the Council built in Eustace Crescent and then subsequently demolished (that word again) as they were insanitary;
- A supermarket built on a greenfield site but later abandoned and left vacant for many years due to its poor location;
- Poor architecture at either end of Peach Street, allowed by the Planning Committee, but now demolished/about to be demolished;
- Hundreds, maybe thousands, recently planted trees about to be uprooted due to lack of joined up thinking in respect of the routes of the NDR and so on.

Would you please list what lessons the Council has learnt from these expensive failures and what guarantees can you give that such disasters won't be repeated with the schemes currently in the pipeline?

Answer

An interesting series of questions here. First I just have a comment from my colleague here, who has been here a lot longer than I have in Wokingham, on your large civic centre complex. He has never been familiar with any large civic centre complex.

Let me pick up the rest. I am very interested in the choice of projects that you mention and your interpretation of them as expensive failures.

Take for example Eustace Crescent which sat within the 1950s Norreys Estate providing housing for 60 years, or Wellington House which was in use as a Council Office for over 40 years. Hardly failed projects.

The regeneration proposals are not isolated one off projects as many of the schemes you refer to; but are the culmination of years of strategic planning and research. Starting 12 years ago in 2004 with the start of the development of the Local Plan, the Core Strategy, the Managing Development Delivery document and the Town Centre Masterplan which set out how the Borough and the Town should change over the coming years. This planning process ensures that what we are building now will meet the needs and demands of both current and future residents.

All of these documents have been the result of extensive consultation with residents, local businesses, developers and, in regards to the Local Plan core documents, have undergone Examination In Public by the Planning Inspectorate prior to their adoption. Alongside this we have continued to consult on our regeneration proposals throughout the process of developing the designs, including major consultation events in 2011, 12, 13, 14 and 15. At each stage we have changed our proposals in response to feedback to ensure we are delivering the right scheme for Wokingham to be a success.

What these projects also demonstrate to me, is the continually changing face of modern life and business, and the need for the built form to respond to this.

That is why the Council has been careful to ensure that our regeneration proposals have been designed as flexibly as possible and can continue to adapt to future requirements.

Commercial spaces have been designed so the footprint can be continually altered to reflect current retail approaches, or even converted to alternative uses in many years to come if needs be.

Residential properties have been designed to meet the Lifetime Homes standard so they can continue to adapt to the life requirements of those living there and will allow them a good standard of living regardless of age and abilities.

We are also investing in making sure everything we build as part of the regeneration is built to a high quality and remains so for years to come. Things like using the right quality materials, the right contractors, and putting the right long term management agreements in place with tenants to ensure this can be achieved.

The Council has already successfully delivered the first phase of the regeneration proposals at Peach Place to such standards and has every confidence they can deliver the remaining phases to meet them as well.

This Council is committed to ensuring regeneration for its town centres.

Supplementary Question

First off just on that point you made about the civic centre. I can find the documentary evidence of that.

I mentioned in this about the supermarket i.e. Tescos which was built on Elms Field and then they subsequently decided it wasn't a viable site and it was left vacant for many years as they retained the lease which wasn't a good piece of documentation on the Council's part when they drafted up the contracts. Subsequent to that Sainsbury's were offered a site on Elms Field and they then pulled out. Lidl was encouraged to go there and they didn't take up the option and indeed when Lidl didn't go to their current site at the Planning Meeting Councillor Deegan, who was sitting in your shoes in those days as head of regeneration etc, he actually said if Lidl go there then the supermarket at Elms Field would not be viable and that would ruin that project and now you are trying to encourage Aldi to go there. Why is that one going to work and if Aldi do not turn up does that mean that the whole scheme is again unviable and going to have to be abandoned and something else come up with?

Supplementary Answer

An interesting combination you have got there – supermarkets, Tescos and I am glad you mentioned what it was as I couldn't for the life of me assume what it was going to be.

Now you have mentioned Tesco yes they did have a lease as I recall, and I wasn't on the Council at that stage so I cannot comment, but I seem to recall that was down to a lease. I think lessons have certainly been learnt over the years since then very much so.

Sainsbury's well that was entirely down to their requirements. As you will probably recall we were not the only place in the country that they pulled out of at the time. They were going through a very rocky patch as many of the supermarket chains were at the time, and still are to some degree, and the size of their store was just not compatible with the market as it had changed and that is why they pulled out; and of many others. In fact I know Tesco also pulled out of some at the same time.

I am not quite sure that your appreciation of where Lidl came to, and your comments, are quite my appreciation of it. I am not sure that your appreciation of whether they were supposed to be going to Elms Field is correct.

You have now mentioned another supermarket chains but I am sorry but I cannot comment on who the supermarket chain will be that are coming to Elms Field as we still have to sign up with any supermarket that is coming and they will only be coming to this town, I can assure you, if they feel there is a future. The company we are negotiating with are looking at a 25 year lease at this stage – so that is the confidence they have in wanting to come to Wokingham.

105.2 Gerald de la Pascua asked the Executive Member for Regeneration and Communities the following question:

WBC Executive decided last week it is better to re-locate the tennis courts in Elms Field at a cost of £320k than to refurbish the existing facility. The report presented at that meeting did not say how much this second option would cost, what is the figure?

Answer

There was no Executive Meeting last week so no decision could have been made as you suggest. The Executive decision on the 28th January however related to agreeing the payment of relevant planning contributions required by planning application 152125 for Elms Field.

Ordinarily as part of the planning application process the Council would enter into a legal agreement with a developer to ensure any required financial contributions are paid at correct points. The Council cannot enter into a legal agreement with itself so an alternative approach to making payments needs to be taken in regards to applications such as this. Under the Council's Constitution this means securing Executive approval to pay contributions of over £5million from the regeneration project to the Local Planning Authority.

The figure of £320,000 for the tennis courts is based upon a strict non-negotiable formula set by Sport England who set the costs of providing a flood-lit tennis court at £80,000 per court.

The proposals for Elms Field include removing the tennis courts from their existing site and providing money for their replacement elsewhere. This decision was made as part of the regeneration design process to create the right scheme for Wokingham town centre, which delivers the right mix of facilities and makes the best use of the land available in balancing development with a large area of open space.

The monies paid by the Elms Field development will contribute to the provision of tennis courts elsewhere within Wokingham and will allow for the delivery of top quality facilities in the right locations to meet residents' needs. The new courts will be significantly better and include lights etc. and its new location will be the subject of a consultation with our residents.

Supplementary Question

I wondered if there was a firm place where these might be and if there is an amount for the pitch and putt and if there are any plans to relocate that or any funds to compensate for that?

Supplementary Answer

Well I have already given you the situation as far as where it is going to be located. There will be a consultation to establish where it is best to be placed and there are no plans on the pitch and putt.

105.3 Mike O'Riley had asked the Executive Member for Regeneration and Communities the following question and due to his inability to attend the meeting a written answer was provided as set out below:

With the slowdown in the global economy, the increasing debt ratio in the UK economy and the risk of a more gloomy economic outlook what plans are WBC making with respect to regeneration funding to significantly reduce Council and ratepayer exposure to speculative commercial property developments?

Answer

Throughout the regeneration process the approach to funding and delivering the scheme has been an important factor in decision making.

Providing value for money is at the heart of all of the Council's major projects and careful consideration has been given to the risks of investing money against the range of benefits which will be delivered for the town, its residents, workers, visitors and businesses

Benefits such as an improved variety and choice of shops and leisure facilities, improved public spaces and a fantastic town park with a bigger and better play area and services for the community events which make Wokingham a great place to live.

All of these are being delivered through the regeneration and at no cost to the tax payer.

We are confident that the proposals offer a safe investment for the Council and that any costs incurred through building are more than covered by the value of the completed assets, whether that be through selling on the investment to generate a profit, or retaining the scheme to generate ongoing income. The designs have been continually assessed and market tested to ensure this is the case.

Further confidence can be given through the pre-letting of the scheme where we sign agreements with operators to let key units once built. We are in the process of finalising agreements with Premier Inn for the hotel and with two other excellent operators for the foodstore and cinema. Once these have all been signed we will already have guaranteed over 60% of the expected income. This is more than enough income to service any borrowing debt for funding the scheme.

Alongside this we are already being contacted by other businesses interested in taking up units across the regeneration schemes and are confident we will continue to pre-let other units in the scheme at the appropriate times.

I would add, that we have no intention of building anything until we have secured a reasonable number of pre lets; I would also point out that the designs proposed are sufficiently flexible to accommodate any significant changes in retail and the wider commercial demand

We spent over two years working closely with interested private developers to identify the right partner to aid us in regenerating Wokingham, finally selecting Wilson Bowden and

David Wilson Homes for their extensive experience in delivering excellent regeneration schemes across the country. David Wilson Homes going on to become a Joint Venture partner in the scheme who will be putting their own money into this development. Not something they would consider doing if they did not have confidence in the Council and the regeneration proposals we are delivering for the town centre.

In your question you refer to this as speculation but I would disagree.

This is the council investing in their local town, its residents, visitors and in its businesses.

This is the Council making sure Wokingham has the facilities to remain one of the best places in the country to live.

To me this is the Council stepping up and taking responsibility for making sure their towns have a long term sustainable future for years to come. Something that council's across the country should aspire to.

106. MEMBER QUESTION TIME

There were no Member questions received.

107. HOUSING REVENUE ACCOUNT BUDGET 2016/19

The Executive considered a report setting out the Housing Revenue Account Budget for 2016/17.

The Executive Member for Planning and Highways went through the recommendations in the report and highlighted that in accordance with the Welfare Reform and Work Bill 2015 council house dwelling rents would be reduced by 1% effective from 1 April 2016, which was subject to confirmation of the statutory starting date.

Councillor Baker commented that although it was laudable to reduce the rents by 1% every year for the next four years there would be a financial impact on the Council and this reduction added extra pressure on Council budgets.

RECOMMENDATION: That Council be recommended to approve:

- 1) The Housing Revenue Account Budget;
- 2) Council house dwelling rents be reduced by 1% effective from 1 April 2016 in line with the Welfare Reform and Work Bill 2015, (subject to confirmation of the statutory starting date);
- 3) Garage rents be increased by 1.1% effective from 1 April 2016 in line with Council fees and charges;
- 4) It be noted that a review of the Shared Equity Rents in 2011 had determined that rents had been kept artificially low in previous years and not increased in line with the terms of the leases. Therefore rents for shared equity properties have been gradually increased above inflation for four years to bring the rents in line by 1 April 2016. The increase for 2016/17 and future years will be based on RPI, and is estimated to be approximately 1% in 2016/17;
- 5) Tenant Service Charges are set in line with estimated costs;

- 6) The Housing Major Repairs (capital) programme for 2016/17 as set out in Appendix C.

108. CAPITAL PROGRAMME AND STRATEGY 2016/19

The Executive considered a report setting out the proposed Capital Programme and Strategy for 2016/19.

The Executive Member for Economic Development and Finance proposed the following amendment to recommendation 1):

The following wording to be added to the end of the recommendation:
“subject to the 2017/19 and 2018/19 capital programme budgets for car park entry/exit barriers being reduced to zero pending further review.”

This amendment was agreed by the Executive.

The Executive Member for Environment commented that with regard to the schemes within his portfolio it should be noted that this was a programme and not an allocation of funds. Equally any of these items would be subject to very robust challenge. It was not an amount to be spent up to and the timing of these projects was a best estimate of when the Council could proceed with any of them.

RECOMMENDATION That:

- 1) Council be recommended to approve the Capital Programme and Strategy 2016/19 subject to the 2017/18 and 2018/19 Capital Programme budgets for car park entry/exit barriers being reduced to zero pending further review;
- 2) the allocation of the remaining un-ringfenced Large Scale Sites Grant from the HCA towards the delivery of 15/16 Strategic Development Locations (SDLs); to contribute to the generation in 2015/16 of a capital reserve of £2m be approved. This will be used to fund the 2016/17 programme;
- 3) the schemes which are listed in Appendix C be approved. These are funded by developer contributions (s106) and Community Infrastructure Levy (CIL) to the extent of £12m and that this funding can be increased if further developer contributions become available. The total budget for these schemes is £38m in the 2016/19 Capital Programme.

109. TREASURY MANAGEMENT STRATEGY 2016/19

The Executive considered a report setting out the proposed Treasury Management Strategy for 2016/17.

The Executive Member for Economic Development and Finance highlighted the importance of the Strategy, because of its links to the Capital Programme and how it would be financed and its links with the Council's investment strategy. The link was particularly important at the beginning of the financial year when, because of early payment of council tax, the Council had significant amounts of money on deposit which needed to be wisely invested in order to obtain the best return.

RECOMMENDATION: That Council be recommended to approve the following:

- 1) the Capital Prudential indicators, 2016/17- 2018/19;

- 2) the Borrowing Strategy 2016/17;
- 3) the Annual Investment Strategy 2016/17;
- 4) the Treasury Indicators: limits to borrowing activity 2016/17;
- 5) flexible use of Capital Receipts; and
- 6) note a review of counterparties and the consideration of risk versus return is being reviewed and will be reported back to Executive in the year for consideration.

110. MEDIUM TERM FINANCIAL PLAN 2016/19 - REVENUE BUDGET SUBMISSION 2016/17

The Executive considered a report setting out the Medium Term Financial Plan for 2016/19; including the Revenue Budget Submission for 2016/17. It was noted that the Medium Term Financial Plan covered both the revenue and capital budgets required to deliver the priorities of the Council over the next three years.

RECOMMENDATION: That Council be recommended to approve the Medium Term Financial Plan (MTFP) 2016/19, including the budget submission for 2016/17.

111. TREASURY MANAGEMENT MID-YEAR REPORT 2015/16

The Executive considered the Treasury Management Mid-Year Report for 2015-16 which highlights the Council's treasury position as at 30 September 2015, sets out the treasury decisions taken so far during 2015/16 and shows that the Council has complied with the Strategy and the prudential indicators that were set prior to the financial year.

RECOMMENDATION That:

- 1) the mid-year Treasury Management report for 2015/16 be noted;
- 2) the actual 2015/16 prudential indicators within the report be noted; and
- 3) the report be recommended to Council for approval.

112. SCHOOL ADMISSION ARRANGEMENTS 2017/2018

The Executive considered a report relating to the proposed School Admission Arrangements for 2017/18 which will apply to all state funded schools within the Borough (including free schools and academies but not special schools) and includes the admission arrangements for community and voluntary controlled schools. It was noted that although the Council had no legal requirement to co-ordinate in-year admissions all schools in the Borough, except one, chose to be part of the in-year admission scheme.

The Executive Member for Children's Services highlighted the changes being proposed to the current admission arrangements which included:

- Clarity around families and not just children with medical and social needs;
- Changes to residency requirements i.e. parents who own more than one home;
- Wording relating to crown servants;
- Management of waiting lists;
- Increasing the designated area of Nine Mile Ride Primary School to bring it in line with a small area of the Borough that was not previously included;

- Prioritising 2-year olds who were already in nursery or getting free funding into the admissions policy; and
- A new timetable for co-ordinated schemes.

It was further noted that all the proposed changes had been consulted upon and no comments had been received during the consultation period.

RECOMMENDATION: That the 2017/2018 admission arrangements for community and controlled schools and co-ordinated admission schemes, as set out in the annexes to the report, be agreed.

113. PROPOSED COMMUNITY ASSET TRANSFER - LEASE OF EAST PARK FARM DRIVE LEISURE FACILITY TO CHARVIL PARISH COUNCIL

The Executive considered a report setting out proposals for the transfer of the lease of East Park Farm Drive Leisure Facility to Charvil Parish Council which would enable the Borough Council to maintain ownership of the land and protect and preserve the public open space; whilst at the same time empowering local people through the Parish Council to deliver the management of local facilities.

Councillor Mark Ashwell, Deputy Executive Member for Regeneration and Communities informed the meeting that Charvil Parish Council had expressed an interest to take responsibility for the future management of East Park Drive Leisure Facility and Park by way of a long lease and shared income basis in lieu of a standard rent. The proposed agreement would see a phased transfer of the current WBC budget for the Park to Charvil Parish Council over the next four years with a reduction of 20% each year. This would make the venue self-sufficient within a five year timeframe.

The long term lease would also enable Charvil Parish Council to improve the facility and develop an increased and more diverse usage. In addition the financial security received from WBC would reduce the risk whilst they make the property sustainable and self-financing. It was noted that the Council would retain the asset for the long-term via a two year break clause.

Members were pleased with the proposal and felt that it was a positive example of working together with the community.

RECOMMENDATION: That the transfer of East Park Farm Drive sports and leisure facilities under a Lease for 30 years to Charvil Parish Council (CPC) as highlighted within the red boundary in Appendix 1 and on the terms set out in Appendix 2 be approved.

114. ACQUISITION OF PROPERTY (28 MYLNE SQUARE)

The Executive considered a report relating to the acquisition of property at 28 Mylne Square in order to provide much needed additional affordable rented housing for the Borough.

The Executive Member for Planning and Highways explained that the property had been funded from the Housing Revenue Account and retained Right to Buy receipts which if this money had not been spent in line with the contract with the Department of Communities and Local Government would have had to be repaid at 4% above base rate.

RECOMMENDATION: That the retrospective acquisition of 28 Mylne Square as set out in this report; funded from retained Right to Buy receipts and the Housing Revenue Account be agreed.

115. ACQUISITION OF PROPERTY (20 BILLING AVENUE)

The Executive considered a report relating to the acquisition of a property at 20 Billing Avenue which would provide additional affordable housing in the Borough.

As with the previous agenda item Councillor Kaiser explained that the property had been funded from the Housing Revenue Account and Right to Buy receipts which would also have had to be repaid if they had not been spent in line with the contract signed in 2012 with the Department of Communities and Local Government.

RECOMMENDATION: That the retrospective acquisition of 20 Billing Avenue as set out in this report; to be funded from retained Right to Buy receipts and the Housing Revenue Account be agreed.

116. COUNCIL OWNED COMPANIES' BUSINESS

(Councillor Anthony Pollock declared a personal interest in this item)

The Executive considered a report relating to the activities of the Council Owned Companies including the budget monitoring position to 31 December 2015 and the operational update to 31 January 2016.

The Leader of Council clarified that the Wokingham Housing Business Plan was actually presented at the previous meeting but was inadvertently left out of the recommendations and therefore was not approved at that meeting. Councillor Baker highlighted the business development section of the report which had grown as the reputation of Optalis had increased.

Councillor Pollock paid tribute to the work being carried out by the Holding Company which was a good demonstration of working together to gain new business.

RECOMMENDATION That:

- 1) the budget monitoring position for the month ending 31 December 2015 be noted;
- 2) the operational update for the period to 31 January 2016 be noted;
- 3) the Wokingham Housing Remit Document be approved;
- 4) the Optalis Remit Document be approved;
- 5) the Wokingham Housing Business Plan (as previously presented to the Executive at the January 2016 meeting) be approved;
- 6) the Optalis Business Plan (as set out in the Part 2 document) be approved.

117. OPTALIS CONTRACT

(Councillor Anthony Pollock declared a personal and prejudicial interest in this item)

The Executive considered a report seeking authority to issue a second contract to Optalis to provide adult social care services on behalf of the Council.

RECOMMENDATION: That a new contract be issued to Optalis from 1 July 2016 for a period of up to five years.