



# WOKINGHAM BOROUGH COUNCIL

A Meeting of the **EXECUTIVE** will be held in David Hicks 1 - Civic Offices, Shute End, Wokingham RG40 1BN, on **THURSDAY 26 SEPTEMBER 2019 AT 7.30 PM**

A handwritten signature in black ink, appearing to read 'Susan Parsonage', written in a cursive style.

Susan Parsonage  
Chief Executive  
Published on 18 September 2019

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# **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

## MEMBERSHIP OF THE EXECUTIVE

John Halsall	Leader of the Council
John Kaiser	Deputy Leader and Executive Member for Finance and Housing
Parry Bath	Environment and Leisure
UllaKarin Clark	Children's Services
Charlotte Haitham Taylor	Regeneration
Pauline Jorgensen	Highways and Transport
Charles Margetts	Health, Wellbeing and Adult Services
Stuart Munro	Business and Economic Development
Gregor Murray	Climate Emergency
Wayne Smith	Planning and Enforcement

ITEM NO.	WARD	SUBJECT	PAGE NO.
33.		<b>APOLOGIES</b> To receive any apologies for absence	
34.		<b>MINUTES OF PREVIOUS MEETING</b> To confirm the Minutes of the Executive Meeting held on 25 July 2019	9 - 20
35.		<b>DECLARATION OF INTEREST</b> To receive any declarations of interest	
36.		<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 Executive  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>	
36.1	None Specific	Philip Meadowcroft has asked the Leader of the Council the following question:  <b>Question</b> The Lingard Report, (which WBC has decided not to place on its website, but is available to anyone who contacts WBC), was ordered by the previous Leader of the Council following the Court of Appeal Criminal Division's decision to uphold the decision of Reading	

Crown Court to halt the HHS breach of enforcement trial. In the opinion of the Reading Crown Court Judge, particular WBC Councillors and officials had committed abuse of power in the course of bringing the case to Reading Crown Court rendering the case against HHS “unfair and unjust”. The trial accordingly collapsed.

In her summing up at the Court of Appeal Criminal Division hearing into WBC’s appeal against the decision of Reading Crown Court, Lady Justice Hallett declared:

“[The Reading Crown Court] Judge’s finding that WBC had induced Mr Scott to act to his detriment and then taken advantage of the situation, in our view, must stand.”

This finding of fact had been established at Reading and confirmed by the Court of Appeal. Only a successful appeal by WBC to the Supreme Court could overturn the Reading Crown Court and the Court of Appeal. Such an appeal has not been made by WBC.

The terms of reference for the Lingard investigation were to assess whether, in the light of the two courts’ decisions, particular Councillors, including the current Leader and Deputy Leader, and particular Officials were guilty of maladministration. Additionally, Mr Lingard was invited by WBC to review various issues including the judgements of Reading Crown Court and the Court of Appeal.

The Lingard Report has openly, disrespectfully, and unlawfully challenged and rejected the opinions of both the Crown Court and the Court of Appeal. Lingard has declared that the courts were wrong to find that WBC unjustly and unfairly induced Mr Scott to withdraw a crucial appeal. Lingard has said that the courts had based their conclusions on “supposition and a lack of clear evidence”. It is simply not permissible for Lingard to challenge and discredit the courts’ rulings. As a result, the Lingard report has discredited itself and lacks any merit.

Lingard has turned out to be a re-run of the evidence presented at Reading Crown Court and the disrespect and contempt shown by Lingard towards the courts is, in my view, absolutely unacceptable and the Report and, indeed, Mr Lingard, may now be subject to legal intervention and possible withdrawal. The Lingard Report has thus been a waste of WBC residents’ council tax.

On top of this, Mr Lingard has disclosed that he was briefed by WBC last year to investigate concerns by Reading Crown Court about a shortage of evidence supplied by WBC in the early stages of WBC's prosecution of HHS. I have been advised – and surprised - that last year's report by Mr Lingard is not available because it never existed. In short, Mr Lingard's independence - fundamental to the integrity and credibility of his investigation - has been materially compromised.

The present report contains over 300 redactions ostensibly to protect the identification of the individuals involved. The redactions are absurd and pointless because the Officials are identifiable by their job titles and their personal identities are shown on the WBC website. The Councillors are equally easily identifiable. But, far more significantly, 11 complete paragraphs of evidence mainly from two Councillors, Mr Halsall and Mr Kaiser, have been deleted from the original Report delivered to WBC in July. Either they, or WBC, or both are determined that the whole truth should not be made known.

Whilst these 11 redactions remain in place, the Lingard Report is worthless because everybody else - be they members of this Council, the officials and staff who run WBC, and the residents of the Borough – are prevented from knowing what Mr Halsall and Mr Kaiser clearly regard as something which must be kept secret.

Having put the issue into its appropriate context, here is my question:

Bearing in mind:

- Mr Lingard's disclosure of his investigation last year leads inevitably to conclude his independence has been compromised, and,
- The 300-plus redactions and 11 redacted paragraphs, will the Leader of the Council accept the only possible conclusion that the Lingard Report should be scrapped and be replaced by a properly independent and law-respecting investigation into maladministration and misconduct in WBC's handling of its prosecution of HHS?

37.

**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

37.1 None Specific

Chris Smith has asked the Executive Member for Finance and Housing the following question:

**Question**

Can the Executive Member provide an update on the annual audit?

37.2 None Specific

Gary Cowan has asked the Executive Member for Planning and Enforcement the following question:

**Question**

At the Planning Committee on the 14th of August, various decisions were taken which had links to car parking and electric vehicle charging. For example at Matthew's Green for 16 residential units the provision was only 11 of which two were disabled and I expect two more to be electric vehicle charging and if so that will only leave 7 parking bays for 16 residential units.

As an aside to this menial provision at Matthews Green two planning applications by Wokingham council itself on school sites no provision has been made for electric vehicle charging. Is this one rule for residents and a different one for the Council's own Planning Applications which conflicts with the Council's so called climate emergency planning?

37.3 None Specific

Rachelle Shepherd-DuBey has asked the Executive Member for Finance and Housing the following question:

**Question**

Why is Wokingham Housing Ltd using a private company for building regulations rather than WBC Building Regulations?

37.4 None Specific

Lindsay Ferris has asked the Leader of the Council the following question:

**Question**

A Council should be prepared to provide its residents with information on all areas of its activity including those that show the Council in a poor light as well as

those that show good practice.

It has come to my attention that WBC are now selectively deciding which documentation (relating to WBC actions and areas of responsibility) it puts on to its website. Can the Council advise how this has been allowed to happen?

37.5 None Specific

Clive Jones has asked the Leader of the Council the following question:

**Question**

As the Council has declined to respond to an FOI request on this topic.

Can the Council advise me what actions they have taken in relation to preparing for a no-deal Brexit? Could this include any impacts on the provision of services to our local residents and any actions that may need to be performed by the Council should this event actually happen?

37.6 None Specific

Pauline Jorgensen has asked the Executive Member for Adult Social Services the following question:

**Question**

How do we monitor how satisfied our residents are with the service they get from WBC?

37.7 None Specific

UllaKarin Clark has asked the Executive Member for Climate Emergency the following question:

**Question**

Please could the Executive Member for Climate Emergency provide me with an update on the changes to the Blue Badge scheme, including progress on processing new applications?

37.8 None Specific

Charles Margetts has asked the Executive Member for Children's Services the following question:

**Question**

Climate change, and the recently recognised climate emergency, is a major concern of our times. What action is Cllr Clark, our Lead Member for Children's Services, taking to ensure that the voice of our children and young people are heard?

## **Matters for Consideration**

<b>38.</b>	None Specific	<b>SHAREHOLDERS' REPORT</b>	<b>21 - 28</b>
<b>39.</b>	Twyford	<b>TWYFORD COMMUNITY HUB BUSINESS CASE</b>	<b>29 - 38</b>
<b>40.</b>	Arborfield; Barkham; Finchampstead North; Finchampstead South	<b>ARBORFIELD COMMUNITY FACILITY OPERATOR</b>	<b>39 - 46</b>
<b>41.</b>	None Specific	<b>PROCUREMENT BUSINESS CASE – SCHOOLS MANAGEMENT INFORMATION SYSTEM</b>	<b>47 - 54</b>

A decision sheet will be available for inspection at the Council's offices (in Democratic Services and the General Office) and on the web site no later than two working days after the meeting.

### **CONTACT OFFICER**

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**MINUTES OF A MEETING OF  
THE EXECUTIVE  
HELD ON 25 JULY 2019 FROM 7.30 PM TO 8.10 PM**

**Committee Members Present**

Councillors: John Halsall (Chairman), John Kaiser, Parry Batth, Pauline Jorgensen, Charles Margetts, Stuart Munro and Wayne Smith

**Other Councillors Present**

Rachel Bishop-Firth  
Laura Blumenthal  
Stephen Conway  
Gary Cowan  
Lindsay Ferris  
Michael Firmager  
Paul Fishwick  
Graham Howe  
Andrew Mickleburgh  
Malcolm Richards  
Angus Ross  
Rachelle Shepherd-DuBey

**19. APOLOGIES**

Apologies for absence were submitted from Councillors UllaKarin Clark, Charlotte Haitham Taylor and Gregor Murray.

Councillor Graham Howe, Deputy Executive Member for Children's Services, attended the meeting on behalf of Councillor Clark.

Councillor Laura Blumenthal, Deputy Executive Member for Climate Emergency, attended the meeting on behalf of Councillor Murray.

In accordance with legislation Councillors Howe and Blumenthal could take part in any discussions but were not entitled to vote.

**20. MINUTES OF PREVIOUS MEETING**

The Minutes of the meeting of the Executive held on 27 June 2019 were confirmed as a correct record and signed by the Leader of Council.

**21. DECLARATION OF INTEREST**

Councillors John Halsall, Stuart Munro and Wayne Smith declared personal interests in Agenda Item 24, Shareholders' Report, by virtue of the fact that they were unpaid Non-Executive Directors of WBC (Holdings) Ltd. Councillors Halsall, Munro and Smith remained in the meeting during discussions and voted on the matter.

Councillor John Kaiser declared a personal interest in Agenda Item 24, Shareholders' Report, by virtue of the fact the he was an unpaid Non-Executive Director of Optalis, WBC (Holdings) Ltd, Wokingham Housing Ltd and Berry Brook Homes Ltd. Councillor Kaiser remained in the meeting during discussions and voted on the matter.

Councillor Charles Margetts declared a personal interest in Agenda Item 24, Shareholders' Report, by virtue of the fact the he was an unpaid Non-Executive Director of Optalis (Holdings) Ltd. Councillor Margetts remained in the meeting during discussions and voted on the matter.

## **22. PUBLIC QUESTION TIME**

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

### **22.1 Jan Heard asked the Executive Member for Environment and Leisure the following question:**

#### **Question**

WBC clearly encourage public consultation and engagement in processes, so I wonder when the public will have the opportunity to comment on the Landscape Character Assessment before it is finalised?

#### **Answer**

The Landscape Character Assessment (LCA) is a technical study which is being prepared to support the Local Plan Update and guide decision making more widely around development. Land Use Consultants have been commissioned to update the existing Landscape Character Assessment, which I think was last looked at in 2004, to reflect the present condition and use of the landscape across the Borough.

The LCA is designed to be used as a positive tool to guide new development, which takes into account the local character and distinctiveness of Wokingham Borough's landscape. The LCA is therefore not a document that sets a policy direction or makes decisions, but instead forms part of a wider evidence base that can be used to inform plan making itself.

In spring of this year a targeted consultation was undertaken with statutory consultees, neighbouring authorities and town and parish councils to provide feedback on the draft version of the LCA. The results of this consultation are now being considered by Officers in conjunction with the appointed consultants in order to inform the final version of the LCA; which is anticipated sometime in the autumn.

So as part of the Council's consistent approach to preparing evidence based documents there are no plans to undertake a wider public consultation, in order to ensure that the LCA is prepared and published in a timely manner.

#### **Supplementary Question**

Well I have to say as part of the neighbourhood planning process I have had the opportunity to read the Landscape Character Assessment and I have huge concerns on the document particularly with regard to the area of land that we might call the Rushey Mead area; which is an area of Arborfield where there was previously a wind turbine planning application. It is really important that that area is protected because the reasons for the refusal of that planning application hinged on landscape character and the heritage assets that are in that area.

You probably may not be aware that after that planning application I attended the Examination for the MDD and the examiner directed Wokingham Borough Council to consult with me going forward on such issues. Now I have looked back through my notes and I did receive a few e-mails from various Officers but the trail went dead in 2014. I was

then instructed to participate in the neighbourhood plan to protect the area, which I have done, but I found that opportunities for protection for these things actually were quite limited within the Neighbourhood Plan. We have done what we can but it is very important that from what I have seen of the draft document that the area around Carters Hill, Sindlesham and Arborfield that the landscape character there is actually strengthened as it has some of the best heritage assets, the highest specification of ancient monument in the church and some of the buildings there and none of this is mentioned in the draft that I have seen of the Landscape Character Assessment.

So I do have huge concerns about this and since I haven't really been consulted it would be nice if I could have some kind of input in this document please?

### **Supplementary Answer**

I would say that public consultation was not something to be considered but having said that, and having listened to what you said, I will speak to our Planning people as well as our Executive Member for Planning to see if we can include that and actually look at that area and make sure that it is properly considered. I will also look into possibly the inclusion of your comments as well.

Jan Heard also asked if she could see the comments that Arborfield Parish Council made in response to the consultation because they were consulted and she hadn't seen the response. Councillor Batth agreed to this request.

The Executive Member for Planning and Enforcement made the following response: Absolutely no problem at all with that Gary (Cowan) works with me on the Local Plan. He is the local Member so we can set up a meeting with Ian Bellinger and Ian Church.

## **23. MEMBER QUESTION TIME**

In accordance with the agreed procedure the Chairman invited Members to submit questions to the appropriate Members

### **23.1 Gary Cowan asked the Executive Member for Planning and Enforcement the following question:**

#### **Question**

Around 2013 PBA I believe produced a report along the lines of "Night Time Goods Delivery Noise Impact Report".

Can I have a copy of the report and was the report adopted by the Council?

#### **Answer**

A report entitled "Goods Deliveries Noise Impact Assessment" was produced by Peter Brett Associates in May 2013 in connection with application VAR/2012/2321. This report was commissioned by the Council. The application was withdrawn and we have no further record on the report and how it was finalised. However, you are more than welcome to the copy in its draft form if you would like it and I will get it sent to you.

### **23.2 Rachelle Shepherd-DuBey asked the Deputy Executive Member for Climate Emergency the following question:**

### **Question**

Will the Council allow residents at their own expense to plant bushes and shrubs on land that is 1 metre beyond the footway (outside of Council owned verge of 1 metre) to help reduce carbon and to help biodiversity in Wokingham?

### **Answer**

I totally agree with the spirit of your question. We should be encouraging residents to take ownership of their local environment to improve it for everyone and that is planting bushes, shrubs and trees so thank you for bringing this question tonight.

This Council would ask residents to get in touch with the Council so that each request can be looked at on a case-by-case basis and that is simply to ensure that there are going to be no highway obstructions and to check that the Council is actually the landowner before planting.

So if you come across any residents who want to plant and they think it is on Council land, then please do encourage them, and ask them to double check that the Council is okay with it. They can do this really easily through getting in touch with the normal Customer Service channels of the Council.

### **Supplementary Question**

Could they just contact the Cleaner and Greener Team to co-ordinate it as that would be good?

### **Supplementary Answer**

I can double check for you and let you know.

### **23.3 Paul Fishwick asked the Executive Member for Environment and Leisure the following question:**

#### **Question**

What is the policy of replacing trees that the Council cuts down, is it the same as they are doing for roads replacing them with between 5 and 20 elsewhere?

#### **Answer**

I think a similar question was asked by your colleague David Hare at full Council if I remember rightly. The Council does not have an explicit policy on the replanting of trees that it has felled. However it does have an excellent record of promoting tree planting within the Borough and it is worth noting that the Council has secured the planting of approximately 45,000 new trees on the eleven SANGs that have been completed so far.

I gave the numbers at the full Council but just for the record:

- Rooks Nest approximately 10,000 trees will be planted there;
- Buckhurst Meadows - 6,500;
- Kentwood Meadows - 5,500;
- Old Forest Road - 2,500;
- Hazebrook Meadows another 2,500;
- Shinfield SANGs - 3,000;
- Eldridge Park - 4,000;
- Keephatch Meadows - 11,000

Altogether 45,000 trees will be planted.

### **Supplementary Question**

So therefore would the Council replace trees where they have cut them down on large verges such as, for example, Churchill Drive in Winnersh? Four large trees have been removed in the last two years but none have been replaced there.

### **Supplementary Answer**

It may not be practically possible to replace them in exactly the same place but I can assure you that they will be replaced elsewhere.

The Leader of Council made the following comment:

Could I just add Paul that as part of the climate change programme we are looking at planting a tree for every household in the Borough.

### **23.4 Andrew Mickleburgh asked the Executive Member for Environment and Leisure the following question:**

#### **Question**

Award of Street Cleansing Contract to Volker Highways: What processes and systems have been put in place to ensure that the new Volker Street Cleansing contract will provide an improved performance compared to the current contractor?

#### **Answer**

The contract will hopefully be agreed tonight and there are some key performance requirements that are built specifically into the contract to make sure that we are looking at the performance of these people that we are going to give a lot of money to for the contract:

- A new requirement for justified complaints below 100 per annum when there is currently no limit;
- A new requirement for 95% completion of scheduled sweeping routes;
- The continued requirement for litter bin emptying to be maintained at 99% completion rate;
- A requirement for roads and footways to be graded A for litter and detritus immediately after the sweep. If not, a return within 24 hours as opposed to the current three day working that we have got at the moment;
- The continued requirement for flytips to be removed within three days of the report.

So quite a few performance indicators there that will hopefully ensure that the contractor is kept on its toes.

### **Supplementary Question**

Thank you very much for that very encouraging news. Some time ago a number of residents in one of our roads complained about the amount of debris lying in the guttering. I went down and I had a look and there was indeed a lot of debris. I then looked on the street cleaning schedule and discovered that the road should have been cleaned a day or two earlier so I contacted Cleaner and Greener. They investigated and said that the current contractors had a system in place whereby they would visit roads one or two days before they were due to be cleaned and if they felt that the road was sufficiently clean they would tick it off as not requiring attention. This particular road that I was referring to

certainly did require attention and when I pointed this out the contractors did come down very, very, quickly indeed to rectify it.

Can we get assurances that that particular scheme will not apply with the new contractor?

### **Supplementary Answer**

I will make sure that is the case.

The Leader of Council made the following comment:

I can add that I was the Executive Member for Environment and that was why it was cleaned and it was a prompt to change the contract to Volkens so you are responsible really.

### **23.5 Angus Ross asked the Executive Member for Regeneration the following question which was answered by the Leader of Council:**

#### **Question**

On the Carnival Pool site in Wokingham, what extra facilities will residents benefit from when this rebuild scheme goes ahead, as approved in principle and being in the Capital Programme, assuming site assembly?

#### **Answer**

We are incredibly excited about the Carnival Phase 2 project. It will complement our leisure centres which I believe under your jurisdiction have gone from strength to strength. I think we have some of the best facilities in any borough around our Borough. This is especially important in Wokingham Town which has seen rapid growth and increased demand.

The existing leisure centre is small with limited facilities and by replacing it with a brand new facility, similar to the one which we are developing in Bulmershe, we will be able to give our local residents a far better experience.

The new centre is significantly larger with facilities including new studio spaces, a four court indoor sports hall, a larger gym, spinning studio and new pools, including a teaching pool with a moveable depth floor, (which I didn't understand when I saw it but I do understand it now), which can be used for a much wider range of classes and activities. There is also space for additional activities, which are being discussed with Places Leisure our contractor who have done such a good job with the other leisure centres, but could include things such as a soft play area or something similar which we have introduced in other leisure centres which have been very popular.

The centre will also open up facilities to a much wider range of people as it includes lots of accessibility improvements such as: improved access to the swimming pools; a Changing Places facility; and a specialist gym to support those with long term conditions.

In addition to this the new Carnival building will also have lots of community uses including: a large state of the art library with more flexibility for hosting an improved range of activities and community events, which continue to prove so popular everywhere else; a larger café; and interestingly enough the opportunity to use the wider centre for even more community events including the four court sports hall able to convert into a fantastic 400 seat performance venue which we hope to have its debut at our Wokingham Festival in 2022.

### **Supplementary Question**

I am delighted that this is moving on. Having been, as you referred to, closely involved in looking at all the options I realised the state of the current pool, and the pipework underneath, apart from all the other elements which we are now benefitting and building in I have to say also in my terrible past, way back, I was on the Planning Committee when Southgate House came forward.

In comparing with the Bracknell regeneration have we had to make any number of compulsory purchase orders to assemble the sites?

### **Supplementary Answer**

We have a compulsory purchase order for Carnival Pool tonight. I believe that is the only one we have done there but I am not sure. I can come back to you after enquiring of the Officers.

## **24. SHAREHOLDERS' REPORT**

*(Councillors John Halsall, John Kaiser, Charles Margetts, Stuart Munro and Wayne Smith declared personal interests in this item)*

The Executive considered a report setting out the budget monitoring position and an operational update of the Council owned companies for the period to 31 May 2019.

The Executive Member for Finance and Housing introduced the report and reminded Members that Optalis was a jointly owned company with The Royal Borough of Windsor and Maidenhead and its key objective was to provide safe and good quality adult social care services commissioned by the Council at a reduced cost and to provide a financial return to the Council

Councillor Kaiser drew attention to the work of Wokingham Housing Ltd (WHL), and its subsidiaries, Loddon Homes and Berry Brook Homes, which included 63 units on site or about to start on site across five separate projects. The largest of these was Arnett Avenue, which was part of Phase 1 of the Gorse Ride project, which would deliver 46 units. WHL was also working on a further 270 units on previously identified sites, of which the major regeneration project of Gorse Ride South was the most important. It was noted that the submission of the planning application for the scheme of 249 units to replace the existing estate of 178 homes was due to be lodged in the summer for a decision in the autumn.

Councillor Kaiser informed the meeting that as a number of the previously advised Board Members were no longer Councillors, and therefore not entitled to sit on the Boards of Council owned companies, it had been necessary to make major changes to Board Members and these were set out in the report.

Councillor Blumenthal queried the fact, as mentioned in the report, that the rationale for retaining Berry Brook Homes Ltd (BBHL) as a second delivery vehicle for affordable housing was no longer relevant and therefore the Board would be exploring the transfer of its housing stock to Loddon Homes, and asked whether changes in Government personnel would mean that this would be reviewed? Councillor Kaiser highlighted that BBHL was set up originally as a vehicle to rent market homes rather than affordable homes and it had been agreed to focus on this area so that the Council could deliver market homes and make profits that could then be put towards affordable housing.

**RESOLVED** that:

- 1) the budget monitoring position for the month ending 31 May 2019 be noted;
- 2) the operational update for the period to 31 May 2019 be noted.

**25. REVENUE BUDGET MONITORING REPORT FY2019/20 - QUARTER 1**

The Executive considered a report setting out the current position of the revenue budget and an estimate of the expected outturn position at the end of the financial year.

The Executive Member for Finance and Housing drew Members' attention to the predicted overspend of £850k and the fact that this was actually only 0.6% of the original budget. With regard to the £550k predicted overspend in Children's Services Councillor Kaiser advised that this was due to the pressures placed on the department, particularly in relation to the High Needs Block and home to school transport. It was noted that the Council was predicting to carry forward a permitted deficit on the High Needs Block of £4.2m and a turnaround and recovery plan was being developed for presentation to the DfE. In addition the shortfalls in the level of Dedicated Schools Grant funding from central Government continued to cause a pressure for both the Council and its maintained schools.

The Executive Member for Highways and Transport was pleased to see the proposal for a supplementary estimate to fund the permanent appointment of a new Assistant Director for Highways and Transport as she felt it was a really important area and would enable there to be more focus on highways congestion in the Borough.

**RESOLVED** that:

- 1) the current position of the revenue budget to date be noted;
- 2) the forecast of outturn and the projected level of balances in respect of the General Fund be noted;
- 3) the supplementary estimate agreed at the Special Council Executive Committee held on 30 May 2019 and the drawdown against the general fund be noted;
- 4) an in-year supplementary estimate for £70,000, for the ongoing funding of the new "Assistant Director for Highways and Transport", be approved;
- 5) an in-year supplementary estimate for £75,000, to fund the one-off additional costs of the interim Assistant Director for Education pending the appointment of a permanent replacement, be approved.

**26. CAPITAL MONITORING 2019/20 - END OF JUNE 2019**

The Executive considered a report setting out the Capital monitoring report for the first quarter of 2019/20.

Members were informed by the Executive Member for Finance and Housing that the capital budget was used to deliver the capital programme which includes all aspects of infrastructure and things such as the town centre regeneration project. Councillor Kaiser drew Members' attention to the capital summary report within the report and the re-

profiling that was required to future years. He advised that it was difficult to predict capital spend as it was dependent on a number of things eg roads, when building starts on developments, and the expectation was that year on year as the SDLs were completed that it would be easier to predict spend.

**RESOLVED:** That the Capital Monitoring report for the first quarter of 2019/20, as set out in Appendix A to the report, be noted.

## **27. TREASURY MANAGEMENT - OUTTURN REPORT**

The Executive considered a report setting out the Council's Treasury Management operations during 2018/19.

When introducing the report the Executive Member for Finance and Housing highlighted the total amount of borrowing which had increased from £263.0m to £326.5m. This was made up of both internal borrowing, which had increased from £117.8m to £124.0m, which was borrowed from the Council's reserves and external borrowing which had increased from £145.2m to £202.5m. It was noted that the average interest rate on borrowing throughout the year was 2.42% and the average rate of return on investments was 1.61%

**RESOLVED** that:

- 1) it be noted that the report was presented to the Audit Committee on 5 June 2019;
- 2) the Treasury Management outturn report for 2018/2019 be noted;
- 3) the actual 2018/2019 prudential indicators within the report be noted;
- 4) the report be recommended to Council for approval.

## **28. POLEHAMPTON COMMUNITY FACILITY / TWYFORD LIBRARY**

The Executive considered a report relating to a proposal to develop a new library (community facility) within Twyford on the site of the Old Polehampton Boys' School.

The Leader of Council informed the meeting that he was very excited about bringing the proposal for a new library in Twyford as it was something he had been working on with local Members and members of the community for a number of years. This proposal was part of the Council's regeneration of towns and villages outside of Wokingham Town. It was noted that the Executive was currently being asked for their in principle support for the proposal and that a more detailed proposal would come to the Executive in either September or October.

Councillor Halsall asked for an amendment to be made to recommendation 4 by adding the word "rent" after the word "peppercorn" and this was agreed.

Councillor Smith gave his support to the proposal and wanted to ensure that every effort would be made to get on with the project and that there would be no more delays.

**RESOLVED** that:

- 1) the development of a new library on the site of the Old Polehampton Boys' School in Twyford be supported in principle;

- 2) the Director of Locality and Customer Services be authorised to determine accurate costs and timing for delivery of the library;
- 3) the Director of Locality and Customer Services be authorised to keep the planning permission alive by resubmitting or whatever else may be necessary;
- 4) the Director of Locality and Customer Services be authorised to enter into negotiations with the Polehampton Trust to achieve a long lease at a peppercorn rent for the building;
- 5) it be noted that the Director of Locality and Customer Services will prepare a detailed proposal for the new library (community facility) for consideration at the Executive meeting in September 2019.

## **29. TRANSPORT FOR THE SOUTH EAST PROPOSAL TO GOVERNMENT CONSULTATION**

The Executive considered a report setting out the Council's response to the consultation relating to the proposal from Transport for the South East (TfSE) for them to become a statutory Sub-national Transport Body (STB).

When introducing the report the Executive Member for Highways and Transport advised the meeting that becoming an STB enables the constituent councils to: bid together for funds eg extra road funding; have a greater ability to influence policy across the whole of the south east; and would ensure inclusion in consultations on train franchises which could lead to some inter-ticketing between organisations. It would also provide the ability to establish clean air zones and have more influence for the south east.

### **RESOLVED** that:

- 1) the contents of the report on Transport for the South East Proposal to Government be noted;
- 2) the draft proposal to establish a Sub-national Transport Body (STB) for the South East, to be known as Transport for the South East (TfSE), be welcomed;
- 3) the response to the TfSE consultation as detailed in the report be approved; and
- 4) the Director of Locality and Customer Services be authorised to return the response to TfSE on behalf of Wokingham Borough Council.

## **30. HEALTH AND SAFETY ANNUAL REPORT 2018/19**

The Executive considered a report setting out the Council's health and safety performance during 2018-19, highlighting the main achievements over the year and outlining the key priorities for the coming year.

The Executive Member for Finance and Housing reported that there was a slight increase in the number of reported incidents, particularly those reported by schools, which had gone up by 42% in 2018/19. Councillor Kaiser emphasised that this was not due to there being more incidents but related to more thorough reporting of incidents.

**RESOLVED** that:

- 1) the internal health and safety performance for 2018-19 be noted; and
- 2) the approach described and the health and safety priorities for the current municipal year 2019-20 be endorsed.

**31. COMPULSORY PURCHASE ORDER**

The Executive considered a report setting out a proposal to use compulsory purchase order (CPO) powers to acquire the remaining areas of land at the Carnival Pool site to enable the delivery of the final phase of the town centre regeneration in accordance with detailed planning consent which was granted in February 2018.

The Executive Member for Business and Economic Development drew Members' attention to the plan within the report which showed how much of the site was currently in the Council's ownership and where Southgate House was situated within the site. Councillor Munro advised the meeting that negotiations to acquire the land had taken place over a long period with the owners of Southgate House, including putting forward alternative buildings, but unfortunately no agreement had been reached.

Councillor Munro also reminded the meeting that in March 2017 the Executive had decided to authorise the in principle making of this CPO to acquire the necessary interests in the relevant land and the purpose of this decision was to confirm the detail of the CPO process that would be followed.

**RESOLVED** that:

- 1) the Council should make a compulsory purchase order ("CPO") to include the land required to deliver the proposed regeneration of land south of Wellington Road Wokingham known as Carnival Pool shown indicatively edged red on the plan at Appendix 1 of the report ("the Site") pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) because it considers that:
  - (a) the acquisition of the land will facilitate the carrying out of the development, redevelopment or improvement of the Site; and
  - (b) the development, redevelopment or improvement of the Site is likely to contribute to the achievement of any one or more of the promotion or improvement of the economic, social and environmental well-being of the borough of Wokingham;
- 2) the Council should include within the CPO the acquisition of new rights within the Site as necessary under section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to facilitate the development, redevelopment or improvement on or in relation to the Site;
- 3) the Deputy Chief Executive, in conjunction with the Leader and Executive Member for Regeneration, be authorised to:
  - (a) take all necessary steps in relation to the Site to secure the making, confirmation and implementation of the CPO including publication and service

of all relative notices and the presentation of the Council's case at any Public Inquiry; and

- (b) approve terms for the acquisition of legal interests (including rights) by agreement including for the purposes of resolving any objections to the CPO;
- 4) if the CPO is confirmed, to the extent that it is not already held for such purposes, that that part of the Site already within the Council's ownership as shown coloured blue on the plan at Appendix 2 of the report be appropriated for planning purposes as described in section 226 of the Town and Country Planning Act 1990 (as amended) on the date immediately before the Council implements the confirmed CPO by the making of a vesting declaration or service of notice to treat, such land being then no longer required for the purpose for which it is currently held.

### **32. AWARD OF STREET CLEANSING CONTRACT TO VOLKER HIGHWAYS**

The Executive considered a report setting out a proposal to include the street cleansing contract as part of the Highways Maintenance Contract with Volker Highways which would offer an opportunity for continued service development.

The Executive Member for Environment and Leisure went through the proposal and advised that the current street cleansing contract, which had already had two extensions, would end on 31 March 2020. As the contract did not now satisfy the Council's requirements in terms of quality it was proposed to include it as part of the Highways Maintenance Contract which should improve the service. The growth item of £111k per annum was highlighted.

Councillor Margetts welcomed the proposal as there had been incidents in his Ward which demonstrated that the current contract had not been performing to the required standard. He noted the proposed performance standards, including that justified complaints would be monitored and should remain below 100 per annum and the one related to scheduled sweeping routes, and asked the Executive Member for Environment and Leisure to commit to providing a brief annual report on how well the contractor was meeting these performance standards, which he agreed to.

#### **RESOLVED** that:

- 1) a growth item of £111k per annum be approved from 2020/21, as detailed in Part 2 of the report, in order to provide a new Street Cleansing Contract; and
- 2) the Street Cleansing Contract be included as part of the Highways Maintenance Contract with Volker Highways. This would be for a period of six years from April 2020 with an option to extend for a further three years.

<b>TITLE</b>	<b>Shareholders' Report</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 26 September 2019
<b>WARD</b>	None Specific;
<b>LEAD OFFICER</b>	Deputy Chief Executive - Graham Ebers
<b>LEAD MEMBER</b>	Executive Member for Finance and Housing - John Kaiser

**PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

Transparency in respect of Council Owned Companies

**RECOMMENDATION**

The Executive is asked to note:

- 1) the budget monitoring position for the month ending 31<sup>st</sup> July 2019;
- 2) the operational update for the period to 31<sup>st</sup> July 2019.

**EXECUTIVE SUMMARY**

**WBC Holdings Limited (WBCHL)**

Housing. The Council has established a group of wholly-owned housing subsidiaries in order to provide much needed affordable housing across the Borough whilst generating a financial return for the Council; this return contributes to the Council's aspiration of becoming increasingly independent of central government support.

The housing group has now become well established and to date Wokingham Housing Limited (WHL) has built 145 new homes; these were then sold within the group to Loddon Homes Limited (LHL) and Berry Brook Homes Limited (BBHL). In 2017/18, WHL were able to pay off £1 million of its operational loan back to the Council.

WHL is working hard on its future development pipeline, planning to deliver a further 360 new homes over the coming years. Projections are for WHL to construct and deliver between 50 and 75 homes every year, with an annual profit target of at least £1 million.

Adult Care Services. Optalis Group (Optalis) was established to be the Council's provider of choice for Adult Care Services. Its key objectives were to provide safe and good quality Adult Social Care Services commissioned by the Council at a reduced cost and to provide a financial return to the Council. To date a reduction of costs amounting to over £1m per annum costs have been realised and following a recent merger with RBWM, the business has expanded from an annual turnover of £11 million to £40 million. This will enable Optalis to grow and create further financial returns through economies of scale and allow the company to generate additional streams of income.

### **Strategy and Objectives of the Council's Subsidiary Companies**

There has been no change to the strategy and objectives of any of the Council's subsidiary companies since the last report to Executive in July 2019

### **Operational Update**

An operational update is provided in section 1 for each of the companies as at 31<sup>st</sup> July 2019. Any changes to the Directorships of the companies is provided at the end of the relevant company's operational update.

### **Wokingham Housing Limited (WHL):**

There are currently 72 units on site or about to start on site across five separate projects. Phase 1 of the Gorse Ride Arnett Avenue is the largest of these with the construction of 46 units, which will create decanting opportunities for then developing the rest of Gorse Ride South.

WHL is working on a further 254 units on previously identified sites, of which the major regeneration project of Gorse Ride South is the most important.

Work is ongoing to review and look at the development potential of other Council-owned land sites, but many will fall away through not being able to meet planning requirements. However, a handful of these potential projects will come through and add to the existing pipeline.

WHL continues to meet with land agents and developers who may have joint venture opportunities where we may be able to deliver some additional affordable housing or some private sale developments. WHL are also working closely with WBC to see how it might be able to best support the emerging WBC Housing Strategy currently under development.

Around development activity, the main issue of note is around Resource Building Services, who were building two shared ownership units at Middlefield, going into administration. The site has been secured and we are in conversation with a framework contractor to get the units completed with as little delay as possible.

### **Changes to Directors:**

WHL company directors have changed. Fred Wright (Vice-Chair and independent non-executive director (NED)) and Bill Flood (Executive Director) remain on the Board, with John Kaiser (Councillor NED) stepping in to the role of Chair, Daniel Sargeant (Councillor NED) and Robin Roberts (independent NED) all joining the Board. Alistair Auty, the previous Chair and a Councillor until May 2019, leaves the Board and we thank him for his service to WHL over many years.

### **Berry Brook Homes Limited (BBHL):**

The Board need to discuss what the future looks like for BBHL and how the company can best meet the shareholders aspirations and objectives. The company was set up to manage external policy drivers from central Government, but this landscape has now changed and therefore the rationale for retaining BBHL as a second delivery vehicle for affordable housing is no longer relevant. The Board will be exploring the transfer of its

stock of 78 homes, with its associated liabilities, to Loddon Homes over the coming months.

BBHL is progressing the work around the 22 Peach Place key worker housing units that we now expect to be handed over in November. In preparation of the units becoming available BBHL has marketed the units and rebuilding up a list of applicants interested in renting one of the key worker units. Once complete, this will take BBHLs stock to 100 units.

#### Changes to Directors:

BBHL company directors have changed. Robin Roberts (independent NED) and Bill Flood (Executive Director) remain on the Board, with John Kaiser (Councillor NED) stepping in to the role of Chair, Daniel Sargeant (Councillor NED) and Fred Wright (independent NED) all joining the Board. David Chopping, the previous Chair and a Councillor until May 2019, leaves the Board and we thank him for his service to all the Local Housing Companies over many years. Derek Cash (independent NED), is also stepping down from the Board to join the Loddon Homes Board which has a vacancy. We thank him to his service to BBHL and are glad to retaining his skills and experience on the Board of Loddon Homes.

#### Loddon Homes Limited:

The shared ownership sales of the six Norton Road units are going well. Four of the six units have sold, and we are progressing with the sales for the final two units. The three general needs homes for affordable rent were let shortly after completion in early May.

Day to day operational housing management is provided by WBC Housing Services with the Housing Officer assigned to the Local Housing Companies stock providing a more effective point of contact for residents.

The policy work being undertaken by a consultant working with both Loddon Homes and WBC on policies and procedures, is picking up the areas of weakness we know need to be improved and streamlined. This will deal with the remaining issues which still need to be addressed to provide an even better service to residents.

#### Changes to Directors:

There is one change to the Loddon Homes' Board of Directors. Lionel Haynes, an independent NED, who had been on the Board since its registration with the Regulator of Social Housing in summer 2016, stepped down in July 2019. Holdco have approved the proposal to replace him with Derek Cash, who was previously on the BBHL Board. This would mean the Board remained at full strength with the seven members it currently has.

## **2. Financial Report**

**WBC (Holdings) Group** (comprising WBC (H)L, WHL, LHL and BBHL)

P04: Ju-19	WBC Holdings - Profit & Loss								
	Month			YTD			Full Year		
	Jul-19	Jul-19		Jul-19	Jul-19		Jul-19	Jul-19	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Forecast	Variance
	£K	£K	£K	£K	£K	£K	£K	£K	£K
Income	44	44	0	176	176	0	528	528	0
Expenditure	(63)	(63)	0	(252)	(252)	0	(751)	(751)	0
Operating Profit/(Loss)	(19)	(19)	0	(76)	(76)	0	(223)	(223)	0

There were no major variances to budget for WBC (Holdings) Ltd during July 2019.

At this point in the year, the full year results are expected to be in line with budget for WBC Holdings assuming completed schemes finish within budget and estimated timeframes.

### **Wokingham Housing Limited (WHL)**

P04: Jul-19	Wokingham Housing Limited - Profit & Loss								
	Month			YTD			Full Year		
	Jul-19	Jul-19		Jul-19	Jul-19		Jul-19	Jul-19	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Forecast	Variance
	£K	£K	£K	£K	£K	£K	£K	£K	£K
Income	512	13	(499)	1,571	1,693	122	9,028	3,990	(5,038)
Expenditure	(478)	(26)	452	(1,589)	(1,763)	(173)	(9,204)	(4,214)	4,990
Operating Profit/(Loss)	34	(13)	(47)	(18)	(70)	(51)	(176)	(224)	(48)

Income for July 2019 at WHL was £13k, which reflected a £499k negative variance due to lower development activity than expected at this point in the year with several projects due to start on site imminently. Year-to-date revenues reached £1.7m, which reflected a £122k positive variance due to the Gorse Ride Phase 1 contract transfer price agreement being in place between WHL and LHL, allowing WHL to claim costs to date as revenues. Full year income is expected to reach just under £4m as progressing development activity has proven more difficult than anticipated.

The lower monthly income was countered by lower monthly costs of £27k, which were £452k better than budgeted. Year-to-date costs were £1.8m which reflected a £173k negative variance, reflecting the costs of Gorse Ride Phase 1 to be booked as explained above. Full year costs are expected to reach £4.2m which reflects a £5m positive variance, also mirroring the position of forecasted income.

The operating loss in July 2019 was £13k, which reflected a £47k negative variance against budget, and the year-to-date loss was £70k, reflecting a £51k negative variance. The full year operating loss is expected to be £224k, reflecting a £48k negative variance against budget. This variance is largely due to how the companies are funded where overheads and profit are taken at the end of a project rather than during the build. Therefore, in years with few project completions, WHL will incur losses.

## Loddon Homes Limited (LHL)

Loddon Homes Limited- Profit & Loss									
P4: Jul -19	Month			YTD			Full Year		
	Jul-19	Jul-19		Jul-19	Jul-19		Jul-19	Jul-19	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Forecast	Variance
	£K	£K	£K	£K	£K	£K	£K	£K	£K
Income	279	151	(128)	1,082	526	(556)	1,773	1,740	(33)
Expenditure	(239)	(118)	121	(850)	(384)	466	(1,359)	(1,265)	95
Operating Profit/(Loss)	40	33	(7)	232	142	(90)	413	475	62

### Income and Expenditure:

Income for July 2019 at LHL reached £151k, which reflected a £128k negative variance due to fewer shared ownership sales completing than budgeted. However, all shared ownership units at Norton Road have been sold and good demand is being seen on units yet to complete at Finch Road and Middlefields. On a year-to-date basis, income reached £1.1m at LHL, reflecting a £556k negative variance, primarily due to delays with Middlefields finishing. Full year income is expected to reach £1.7m, reflecting a £33k negative variance.

Expenditure reached £118k in the month, which was £121k better than budget due to lower cost of shared ownership sales and overheads. Year-to-date costs of £384k reflected a £466k positive variance against budget. Full year expenditure is expected to reach £1.2m, reflecting a £95k positive variance against budget.

The operating profit of £33k in July 2019 reflected a £7k negative variance against budget due to the variances explained above. The year-to-date operating profit of £142k is £90k below budget, due to shared ownership sales variances explained above. Full year operating profit is expected to reach £475k, reflecting a £62k positive variance.

## Berry Brook Homes Limited (BBHL)

Berry Brook Homes Limited- Profit & Loss									
P4: Jul 19	Month			YTD			Full Year		
	Jul-19	Jul-19		Jul-19	Jul-19		Jul-19	Jul-19	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
	£K	£K	£K	£K	£K	£K	£K	£K	£K
Income	50	50	0	210	211	1	644	646	2
Expenditure	(23)	(14)	9	(93)	(61)	32	(281)	(182)	99
Operating Profit/(Loss)	27	36	9	117	150	33	363	464	101

## Income and Expenditure:

Income in July 2019 at BBHL reached £50k, which was roughly in line with budget. Year-to-date income of £211k was also roughly in line with budget. Full year income is expected to reach £646k, which reflects a £2k positive variance.

Expenditure reached £14k in the month, which reflected an £9k positive variance against budget. Year-to-date expenditure reached £61k, which was £32k better than budget. These variances were due to lower direct property costs and tight control of overheads. Full year expenditure is expected to reach £182k, a £99k positive variance due to tight control of direct property costs and overheads.

Operating profit in the month of £36k was £9k higher than budget, and the year-to-date operating profit of £150k reflects a £33k positive variance against budget. Full year operating profit is expected to reach £464k, reflecting a £101k positive variance against budget.

## Adult Care Services Group

### Optalis Limited

#### **1. Operational Report**

This month I have enclosed the key outcomes we wanted to achieve as part of our 2020 strategy and progress against each of these outcomes:

#### **Staff**

*100% of new starters have clear goals and structure* – 100% of our new starters receive company and corporate induction, all are subject to a probation period and ongoing supervision;

*10% staff turnover* – Our turnover rate is currently 18.4% which has dropped from last month, the care sector national average is 25%, our rate is much better than the national average, and however we continue to work towards reducing our stats;

*80% staff survey response rate* – This year's staff survey is planned to go out on 30th September, last year's response rate was 42.5 % which is higher than the year before, we are hopeful this year's response will be higher again.

#### **Quality**

*100% equivalent good or above rating non-registered services* – A programme to roll out iAuditor is in place, not all services that are non-regulated have currently had a temperature test to assess whether they are in a healthy position, however there are no immediate signs to suggest that there are any non-compliant issues;

*100% CQC compliance good or above* – We have currently achieved 90% compliance, all services bar 1 have achieved a good rating so far and we envisage this will be 100% by 2020;

*One aligned IT/HR finance system as part of an overall technology solution* – We have yet to decide on an IT system that resolves our IT issues. An IT strategy was presented to shareholders earlier this year, no further progress has been made. There have been some significant IT issues that require the IT solution to be re-tabled for an ultimate decision to be made.

## Customers

80% of our customers are satisfied with the service they directly receive from Optalis – A recent B&S survey received a fantastic feedback response, results ranged from 83% customers were happy with their involvement, 87% felt staff had the right skill set, 87% said they would refer Optalis to friends and family, 88% customers aid the waiting time was acceptable, 94% customers were happy with our involvement;

*Deliver 1 mechanism to measure our customer's quality of life* – We have developed our 'enhancing lives' which is a self-assessment tool, this has been trialed with several customers in different services and a plan to roll it out to all customers' needs to be planned;

*Deliver 1 system to make sure our customers have a voice that is heard up down and across the organisation* – We have started to hold customer forums, the logistics for customers to attend has proved challenging. All Provider services hold regular customer meetings.

## Growth

*Deliver a profitable £140m organisation* – We are currently not predicted to reach this target due to B&S transferring back to WBC, the 2020 year end is likely to be 45m due to the transfer of the Affinity services on 2 September;

*Deliver 15% of provider services income from non-local authority sources* – Our current % of private business is currently 14% of our overall WBC turnover.

## 2. Financial Report

**Optalis Group** (comprising Optalis Ltd, Optalis Wokingham Ltd and Optalis Holdings Ltd.)

P04: July 19	Optalis Limited- Profit & Loss								
	Month			YTD			Full Year		
	Jul-19	Jul-19		Jul-19	Jul-19		Jul-19	Jul-19	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
	£K	£K	£K	£K	£K	£K	£K	£K	£K
Income	3,743	3,875	(132)	15,107	15,152	(45)	44,143	44,143	0
Expenditure	(3,737)	(3,866)	129	(15,083)	(15,131)	48	(44,072)	(44,072)	0
Operating Profit/(Loss)	6	9	(3)	24	21	3	71	71	0

### July 2019 results:

Optalis YTD results up to July 19 are below budget but still expected to meet budget expectations for the FY19/20. Optalis out-turn have been re-forecast following the decision of Brokerage Services moving back to WBC from 31/10/19. An additional Service on the RBWM Contract will negate some of this change.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

*The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £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)	See other financial implications below	Yes	Revenue
Next Financial Year (Year 2)	See other financial implications below	Yes	Revenue
Following Financial Year (Year 3)	See other financial Implications	Yes	Revenue

### Other Financial Information

The Council will benefit from reduced costs in commissioning services, the interest and management charges to WBC (Holdings) Ltd and future profits paid out as dividend. These will be factored into the Medium Term Financial Plan under the appropriate service.

### Public Sector Equality Duty

An equalities impact assessment is not required for this report.

### List of Background Papers

None

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<b>TITLE</b>	<b>Twyford Community Hub Business Case</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 26 September 2019
<b>WARD</b>	Twyford;
<b>LEAD OFFICER</b>	Director of Locality and Customer Services - Sarah Hollamby
<b>LEAD MEMBER</b>	Executive Member for Regeneration - Charlotte Haitham Taylor

## **PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

To further the Council's commitment to supporting the development of a new library within Twyford on the site of the Old Polehampton Boys School. This report presents the financial requirements of the project and outlines how it will redevelop a historic building into a permanent location for the library in Twyford.

## **RECOMMENDATION**

That the Executive:

- 1) continues to support the relocation of the Twyford Library to the Old Polehampton Boys School site;
- 2) notes the financial assessment, including the potential for a £640k capital bid in 2020/21, and notes the expected benefits for residents;
- 3) will receive a further report detailing the proposed lease arrangements with the Polehampton Trust for approval.

## **EXECUTIVE SUMMARY**

At its meeting in July 2019, the Executive agreed it's in principle support for the relocation of the Twyford Library to the Old Polehampton Boys School in Polehampton Close. The Old Polehampton Boys School is a Grade 2 listed building that is owned by the Polehampton Trust, a local charity with the core aim of supporting local residents in need and children's educational development in the Twyford area.

The Executive also authorised the Director of Locality and Customer Services to develop accurate costs and timings for the delivery of the new library, to obtain renewed planning approval for the project, and to enter into negotiations with the Polehampton Trust to achieve a 99 year lease at a peppercorn rent.

Both the renovation of the Old Boys School building and establishing a permanent home for the Twyford library are longstanding local ambitions for residents in the Twyford area.

The cost estimate for the relocation of the library is £640,000, covering the renovation of the Old Boys School building, the relocation of the library stock and services, and the

necessary project management activities. As with all estimates, more accurate costs will be determined through the detailed design and build process.

There is an existing planning approval for the redevelopment of the Old Polehampton Boys School that is due to expire in October 2019. This planning approval has a significant number of pre-commencement conditions that need to be discharged before works can commence. It is not possible to complete this work before the planning application expires and therefore a new application will be required.

Negotiations have commenced with the Polehampton Trust to secure the lease for the property. Due to the length of the lease it will be necessary to bring back the final terms to the Executive for approval at a later date.

Funding for the project will need to be approved as part of the Council's Capital Programme for 2020/21 and therefore work is not expected to start on site until both this and the planning application have been approved.

## **BACKGROUND**

The Polehampton Trust is a Twyford based charity who actively provide funding for local activities (approx. £60K each year) and are the owners of the Old Polehampton Boys School building, a Grade 2 listed building located in Polehampton Close, Twyford.

In recent years, the Old Boys School has operated as a base for a local theatre group. Whilst the Old Boys School building is structurally sound, its internal condition is particularly dated and would require a significant amount of work to bring it up to an acceptable standard for the delivery of local authority services.

Part of the Old Polehampton Boys School building has already been converted to residential use. The Trust has a longstanding aspiration to develop the rest of Old Polehampton Boys School building into a community facility, and in October 2016 the Trust received planning approval for their plans to do this. The Trust have been unable to make any further progress on this due to lack of available funding.

Despite the inability to raise the funds required for the redevelopment of the Old Boys School, the aspiration to bring it back into use is well supported by the local community.

Wokingham Borough Council has operated the library in Twyford since it took over the responsibility for library services in 1998. The current library is located in a porta-cabin building in Polehampton Close on the opposite side of the road to the Polehampton building. The provision of a comprehensive and efficient library service is a statutory requirement for the Council as specified in the Public Libraries & Museums Act 1964.

There is a consistent view amongst local residents that they would like a more permanent home for Twyford library other than its current porta-cabin site.

The relocation of the library would provide an opportunity to find an alternative use for the current library site. Whilst the existing library building covers an area approximately 114m<sup>2</sup>, the total size of the site is much larger at 800m<sup>2</sup>. Another longstanding ambition within Twyford is to increase the amount of available public parking spaces for local residents as a lot of the available parking in the area is used each day by commuters.

## **BUSINESS CASE**

The Old Polehampton Boys School is a historic Grade 2 listed building that requires a substantial amount of renovation to be able to be used as a public library. There is no internal heating system and the roof and walls require insulation to be able to maintain the correct amount of thermal comfort for library users and staff. The entrances to the building need to be altered to ensure disabled access and other mobility requirements consistent with current building access regulations.

All of these renovations need to be completed in a manner consistent with the buildings heritage, meaning that appropriate methods and materials used need to be approved prior to the renovation works commencing. As with the development of all new or renovated Council facilities, making the building as environmentally sustainable as possible will also be a priority.

As part of the renovations, a new entrance lobby would be created at the side of the building to provide suitable access to the library and to usefully provide a small increase to its size.

In addition to the costs of delivering these renovations, there is also a cost to the relocation of the library services and stock. This includes the relocation of a range of I.T. equipment available in the library and the well-used self-service kiosk.

Finally, the planning approval for the redevelopment of the Old Boys School would need to be resubmitted due to the existing approval expiring in October this year. The existing planning approval had thirteen pre-commencement conditions that would need to be discharged before any renovation work could begin, and it is expected that these conditions would be included within any new approval.

The estimated costs for the renovation of the Old Boys School and the relocation of the library are summarised as follows:

Old Boys School Alterations and Refurbishment	£483,877
Planning Application & Design Work	£50,719
Professional Fees	£60,719
Library Relocation Costs	£17,000
Pre-Commencement Conditions	*£25,000
	*provisional estimate
<b>Total Cost</b>	<b>£637,317</b>

A bid to the Council's Capital programme for 2020/21 and 2021/22 has been submitted to secure the necessary funding for the delivery of this project.

### **Lease Arrangements with the Polehampton Trust**

As agreed by the Executive in July 2019, Officers have begun negotiations with the Polehampton Trust to secure a lease for the Council of 99 years at a peppercorn rent. These negotiations include the confirmation that the Council will renovate and maintain the Old Boys School building for the length of the lease, and that its primary use will be as the local library so that it remains consistent with the aims of the Polehampton Trust. These aims are:

*“For the relief of persons in need, hardship or distress and the promotion of education of persons resident in the former ecclesiastical parishes of St Mary the Virgin, Twyford and St James the Great, Ruscombe”.*

The Polehampton Trust is a registered charity. In terms of the regulations relating to a registered charity, any lease of seven years or more is treated as a disposal of an asset, and therefore the Polehampton Trust will need to take certain steps to ensure it is acting appropriately in agreeing a lease with the Council.

Responsibilities for Charities Disposing of an Asset can be summarised as follows.

Its trustees must be sure that:

- they have permission to sell or lease the property – either in their governing document or in the law
- there is nothing in their governing document that prevents them selling or leasing the property
- the charity actually owns the title to the property
- the sale or lease is in the charity’s best interests
- if the property is designated for a particular purpose, that the sale or lease doesn’t go against this

The law says that Trustees must:

- try to get the best deal for your charity
- take written advice, including a valuation, from a qualified surveyor before you agree a sale or lease
- advertise the sale or lease, unless the surveyor says otherwise

It may be necessary to refer the proposed lease arrangements to the Charity Commission for confirmation if the Trustees are not confident that they are achieving the best deal for their charity.

## **FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

***The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £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)	£50k	tbc	Revenue & Capital
Next Financial Year (Year 2)	£640K	tbc	Capital
Following Financial Year (Year 3)	Nil	NA	NA

### **Other Financial Information**

The cost of resubmitting the planning application will need to be met from existing budgets during 2019/20.

### **Stakeholder Considerations and Consultation**

The renovation of the Old Boys School and the relocation of the library to a permanent location are both longstanding ambitions of residents in Twyford.

### **Public Sector Equality Duty**

EqIA attached

<b>List of Background Papers</b>
None

<b>Contact</b> Mark Redfearn	<b>Service</b> Customer and Localities
<b>Telephone</b> Tel: 0118 974 6012	<b>Email</b> mark.redfearn@wokingham.gov.uk

## Appendix C: Equality Impact Assessment (EqIA) for Click or tap here to enter title.

Date: 27/08/2019	Scheduled refresh date: 01/09/2023	Version: 1
Service: Localities	Completed by: Richard Alexander	Signed-off by: Mark Redfearn
<b>What key decision activity are you completing this EqIA for?</b>		
Policy/Strategy <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>	Service <input type="checkbox"/>

<b>STAGE 1: INITIAL SCREENING</b>		
<b>1.1: Did you answer yes to any question in the EqIA Criteria Checklist?</b> <i>(Source: EqIA Criteria Checklist, Appendix B, EqIA Guidance)</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<i>If yes, please complete the template. If no, please provide an explanation below of why an EqIA is not required for the policy, function or service work you are implementing.</i>		
<b><i>This decision is to be taken by the Executive Committee in Autumn 2019</i></b>		
<b>1.2: What are the aims and objectives of the policy/strategy, decision or service?</b>		
To ensure the continued provision of library services in Twyford through relocating the library from its existing temporary building to a permanent building. The new building will offer the same range of services and activities as the existing site.		

<b>STAGE 2: SCOPE AND DEFINE</b>		
<b>2.1: Who are the main beneficiaries of the policy, decision or service?</b>		
<i>List the groups the work is targeted or aimed at.</i>		
<b><i>The main beneficiaries of the decision to relocate the library are the users of Twyford Library. The library is used by just over a thousand customers.</i></b>		
<b>2.2: Who has been involved in the creation of the policy, decision or service? Who will it impact?</b>		
<i>E.g. focus groups, interviews, staff, service users. Also identify any groups, in addition to the main beneficiaries, the work may impact</i>		
This decision has the potential to impact on anyone who currently uses Twyford Library. The initial proposal was made by The Polehampton Trust, a local charity with the core aim of supporting local residents in need and children's educational development in the Twyford area.		

<b>STAGE 3: INFORMATION GATHERING/EVIDENCE</b>		
<b>3.1: What Secondary Data did you use in the creation of this EqIA?</b>		
<i>Secondary data is data collected by someone other than the user. Common sources of secondary data for social science include censuses, organizational records and data collected through qualitative methodologies or qualitative research)</i>		
<b><i>We have data on people who make use of Twyford Library contained in the computerised Library Management System. Library data and population data have been used.</i></b>		
<b>3.2: What Primary data did you use in the creation of this EqIA?</b>		
<i>Primary data is data collected by the investigator conducting the research, for example data collected through consultation, questionnaires or focus groups</i>		
Data from the 2016 Library Offer consultation Data from the 2013 Library Customer Consultation		

<b>STAGE 4: ASSESSING THE IMPACT</b> <i>Please complete the impact assessment table below by identifying any function or service that is likely to touch on any of the 3 main duties of the Equality Act 2010, then select the protected characteristic that maybe effected by the decision.</i>
---

**STAGE 5: ADDRESSING THE ISSUES**

Once you have identified the impacts, please consider ways to tackle each of the negative impacts identified in order to mitigate them by completing the mitigation section of the table.

**4 & 5: IMPACT ASSESSMENT AND ACTION PLAN**

Consider the 3 main duties set out in the Equality Act 2010

1. Eliminate discrimination, harassment, victimisation and other conduct that is prohibited under the Act
2. Advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share it
3. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

Protected Characteristics	IMPACT ASSESSMENT			MITIGATION			
	(+ve / 0 / -ve)	Nature/Explanation	Main Duty (1-3)	Action required	Who is responsible?	By when?	Expected outcome
Race	0	There is no evidence to suggest that this decision will impact differently upon people because of their race.					
Disability	0	There is no evidence to suggest that this decision will impact differently upon people if they have a disability. All alterations to the proposed new site will be carried out to meet current accessibility standards as specified in appropriate building regs documents.					
Gender	0	There is no evidence to suggest that this decision will impact differently upon people because of their gender.					
Age	0	There is no evidence to suggest that this decision will impact differently upon people because of their age. Existing data shows that people of all ages use the library, there is no aspect of the proposed move that is liable to have any impact upon that.					
Sexual orientation	0	There is no evidence to suggest that this decision will impact differently upon people because of their sexual orientation.					
Religion/ belief	0	There is no evidence to suggest that this decision will impact differently upon people because of their religion / belief.					
Gender Reassignment	0	There is no evidence to suggest that this decision will impact differently upon people because of any gender reassignment.					
Pregnancy and maternity	0	There is no evidence to suggest that this decision will impact differently upon people because of pregnancy. Services for young families are available at all library sites.					

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**STAGE 6: REVIEW & SCRUTINY**

**6.1: Has your EqIA been considered at your service's Management Team for discussion?**

Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	If yes, date of meeting: 28/08/2019
<b>6.2: After discussion with Management Teams, list comments, criticisms or alternative approaches suggested regarding the impacts and actions of the policy/strategy, decision or service. What changes, if any, have been taken following discussion with your service Management Team?</b>		
Click or tap here to enter text.		

<b>STAGE 7: PUBLICATION AND COMMUNICATION OF RESULTS</b>
<b>7.1: How will the assessment, consultation and outcomes be published and communicated?</b>
The possibility of relocating Twyford Library has already been published in the press in July 2019 Further promotion would be carried out via social media, press releases, and public engagement events.
.

<b>STAGE 8: EMBEDDING ACTIONS INTO DELIVERY PLANS</b>
<b>8.1: Has your delivery plan been updated to incorporate the activities identified in the EqlA to mitigate any negative impacts that you have discovered?</b>
These could be service, equality, project or other delivery plans. Note: If you did not have sufficient data to complete a thorough impact assessment, then an action should be incorporated to collect this information in the future.
Click or tap here to enter text.

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<b>TITLE</b>	<b>Arborfield Community Facility Operator</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 26 September 2019
<b>WARD</b>	Arborfield; Barkham; Finchampstead North; Finchampstead South;
<b>LEAD OFFICER</b>	Director of Locality and Customer Services - Sarah Hollamby
<b>LEAD MEMBER</b>	Executive Member for Planning and Enforcement - Wayne Smith

## **PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

To confirm the Finchampstead Baptist Church (FBC) as the preferred operator for the new community facility being provided as part of the necessary infrastructure for the Arborfield Strategic Development Location. Confirmation at this stage enables the FBC Centre to play an integral role in the design and delivery of the new community facility.

## **RECOMMENDATION**

That the Executive:

- 1) approves the Finchampstead Baptist Church as the preferred operator for the new community facility within the Arborfield Strategic Development Location, subject to agreement of the terms of lease;
- 2) receives a report at a later date recommending the specific terms of formal agreement with the Finchampstead Baptist Church to operate the community facility within the Arborfield Strategic Development Location.

## **EXECUTIVE SUMMARY**

As part of the necessary infrastructure for the Arborfield Strategic Development Location, the developers (Crest Nicholson) are required to provide a new community facility up to a maximum size of 1285sqm, with a cost cap of £2,635,380.00 if a library is to be included within the facility, or £2,176,840.00 if a library is not included.

The Shaping Our New Communities (SONC) document was agreed by the Council in 2015 and sets out the Council's approach to the delivery of new community facilities in the borough. This established a preference for new community facilities being operated by local community organisations. This approach has been publicised widely to the town and parish councils, the voluntary sector and local faith organisations.

Since the adoption of the SONC, the Council has been approached by a number of different groups to enquire about operating the new community facility in Arborfield.

In December 2018, the Finchampstead Baptist Church (FBC) contacted the Council to formally express their interest in operating the new community facility being delivered as part of the Arborfield Strategic Development Location. The FBC have an established

track record in running community facilities, having operated the very successful FBC Centre in Finchampstead since 2010.

As part of their aspiration to operate the community facility in the Arborfield SDL, the FBC has been actively engaging with the local community in Arborfield to establish a connection with them and to shape their ideas about what type of community facility and activities local residents will value.

In their discussions with the local community and with the Council, the FBC have made it clear that it is not their intention to simply replicate the facilities and activities delivered in the FBC Centre. The FBC would instead tailor the new facility to the community around it and to be mindful of the other facilities being provided as part of the new district centre.

Since the FBC submitted their expression of interest in operating the new community facility, all of the other groups who had also contacted the Council to explore this possibility have confirmed the end of their wish to be considered. In some cases, this has been due having reached an understanding with the FBC on how the new community facility would be able to accommodate all of their activities.

The success of the FBC in delivering a new community facility in Finchampstead and the positive commitment shown to actively engage with the community in the Arborfield SDL indicate that the FBC would be a sensible choice as the operator for the new community facility.

The FBC have indicated their willingness to explore options to enhance the facility being provided with their own investment, and to potentially manage the delivery of the build process. Both of these options would require the further approval of the Council at a later stage.

## **BACKGROUND**

The Section 106 agreement with Crest Nicholson, the developer for the Arborfield Strategy Development Location (SDL), places the following infrastructure requirements for community facilities:

### ***Arborfield SDL - S106 Agreement Community Centre***

***Community Centre*** means the provision of a community centre building (which may include a new library) which shall be a maximum of 1285 square metres to serve the SDL and which will be provided in accordance with the approved Community Centre Specification subject to the Costs associated with the provision not exceeding the Community Centre Cost Cap.

***Community Centre Cost Cap*** means where a new library is to be included in the community centre building the sum of £2,635,380.00 or where a new library is not to be included in the community centre building the sum of £2,176,840.00 in both cases such amounts to cover the Costs associated with the construction and delivery of the Community Centre.

***Community Centre Specification*** means a specification submitted by the Owners to the Council for approval pursuant to the provisions of Part 4 of Schedule 4 of this Deed which shall include the following details:

- a. Overall size of the Community Centre
- b. Its internal layout and indication of the principle internal floor and wall finishes
- c. Indication of the external appearance and materials for the Community Centre
- d. Indication of the external area including the amount of car parking and landscaping principles

The Shaping Our New Communities (SONC) document agreed by the Council in 2015, sets out the agreed policy position on new community facilities provided within the SDL's and includes a preference for local community organisations taking on the responsibility for their operation.

The Council has been actively promoting its approach for delivering and operating new community facilities within the SDL's for a number of years. This has been done through the SDL Community Forums, in local media, and directly to local town and parish councils and other community organisations.

The SONC also includes objectives of delivering capacity building work with local community organisations to increase their confidence and abilities in operating community facilities.

The delivery of the new neighbourhood centre and community facility in the Arborfield SDL is still at the Masterplanning stage and therefore is a number of years away from being completed.

### **Selecting an Operator for a New Community Facility**

The Executive is responsible for agreeing an operator for new community facilities within the SDL's. It is expected that in making this decision the Executive would be informed

of benefits of choosing one organisation over another, alongside sufficient assurances about the sustainability of the recommended operator.

The following are the information and assurances the Council would consider before taking a decision on a preferred operator for a new community facility:

- A clear overarching aim for the new centre
- An understanding of how this centre will meet the needs of the new community
- Evidence of engagement with local residents and other stakeholders
- A sound business plan and operating model
- Agreement with the Council's lease requirements

These requirements have formed the backbone of the discussions with the FBC in determining their suitability as an operator for the new community facility in Arborfield. Details of their responses to each element are presented in the Business Case below.

## **BUSINESS CASE**

The following summarises the proposal submitted by the Finchampstead Baptist Church

### **Finchampstead Baptist Church & FBC Centre**

Finchampstead Baptist Church (FBC) has been part of its local community for over 175 years. During the past 20 years the church and its involvement at the heart of the community has grown significantly. More recently, in 2010, in partnership with Wokingham Borough Council (WBC) and Finchampstead Parish Council (FPC), it built the FBC Centre.

This 2300m<sup>2</sup> community centre has become an integral part of Finchampstead and the surrounding communities, with approximately 3600 people visiting it each week. This includes hundreds of children, youth people and adults attending the activities that are run at the centre. The facilities in the FBC Centre include a café, the WBC Finchampstead library and Children's Centre, the local Police office and the FPC Office.

The financing for the FBC Centre was done independently by the FBC. This included securing the appropriate investment for the construction of the centre and developing a suitable operating model to repay this investment within seven years. This repayment was achieved within six years and the FBC centre is now generating a surplus from its activities which supports the future development of the facility and its services.

### **Community Engagement on the Arborfield Community Facility**

FBC have already begun researching what the Arborfield community feels their needs are and what would be of most benefit to them in the short and long term. As with the development of the FBC Centre, the FBC recognise that a vital part of any development is to meet the identified needs of the community. FBC has already been active in attempting to identify these needs through a variety of means, including:

- An established group of Arborfield residents participating in current FBC facilities/groups and discussing with them about what their perceived needs are for the area, what they would like to see and be involved with
- FBC staff hours dedicated to exploring Arborfield development opportunities and engaging with the community
- Attendance at Arborfield Green Community events, promoting links to FBC, the new green pathway and completing questionnaires identifying things that they would like to see and allowing us contact with them in the future
- Attendance at current community groups, for example mother and toddler groups.
- Meeting with community leaders and developers to identify what is already being done
- Attendance at sessions run by other service providers for example Sure Start Children's Centre
- Familiarisation with current community facilities
- Attendance at Consultation meetings with developers, architects etc...

FBC intends to continue to develop community links with individuals, parish councils, local churches, local schools, and has started to run a Pop-up Café in the existing community centre once a week.

### **Arborfield Community Facility**

Prior to designing and opening the FBC Centre, FBC wrote to every household in Finchampstead to ask what aspirations they had for local community facilities. From a response rate of over 15% (representing over 600 households), the top 3 wishes were a café, a sports hall and a library. All three were incorporated into the design and construction of the FBC Centre.

Any facility being built in Arborfield Green would have to offer facilities and activities that the local community would want, being mindful of other services and facilities which are available in the local area.

Whilst local community wishes will be different to Finchampstead and may change over time, the most common comment received, anecdotally, is "we want an FBC Centre in Arborfield".

At this stage and depending on which other facilities are to be offered in the new neighbourhood centre, it would be envisaged that a central café, rooms of various sizes for children, youth and adult activities and a larger space for larger gatherings would be incorporated into the facilities.

As there is an existing sports facility nearby, it is unlikely that a sports hall would be included. However, there may be a need for a things such as a theatre or arts space.

Part of the success of the FBC Centre is the 'total package' offered, including the play-park, the MUGA and the greenway routes which link the FBC Centre to Arborfield Green. It would make sense to explore where similar facilities could be offered to enhance the usage of any community facilities. Any design would have to ensure that each area has a multi-purpose design brief to maximise usage.

## Potential Lease Terms

The expectation of the FBC is that any lease term would have to be looked at in light of the plans for the operation of the facilities and long term business plan. FBC see this as a long-term project.

FBC is a not-for profit charity and would be committed to the community of Arborfield Green. It would wish to enter into running the community facilities for the long term and would expect a minimum of a 25 year lease.

FBC would also like to explore opportunities for providing their own additional investment into the community facility.

## Suitability of the FBC as an Operator for the Arborfield Community Facility

It is clear that the FBC and their proposal for the new community facility meets all of the assurances that the Council would require at this stage in the delivery of the new community facility in Arborfield.

The FBC are a financially stable organisation that has a track record of successfully delivering and operating a new community facility. Their commitment to this project has been demonstrated by their ongoing engagement activities with local residents to establish a connection and understanding with them about the facilities and services they want and would value.

Appointing a preferred operator at this stage enables them to be involved in the design process for the new community facility and its associated operating model.

The specific lease arrangements and other formal agreements with the FBC for the new community centre will be brought to the Executive at a later date for approval.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £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)	Nil	yes	Capital
Next Financial Year (Year 2)	Nil	yes	Capital
Following Financial Year (Year 3)	Nil	yes	Capital

<b>Other Financial Information</b>
The delivery of the new community facility in Arborfield is an infrastructure requirement for the developer and therefore will be delivered by them or by any associated S106 contributions. At this stage there are no plans for any further investment by the Council in this project.

<b>Stakeholder Considerations and Consultation</b>
The FBC is conducting ongoing engagement activities with the local community as detailed in the report. The Council will continue to engage with the local community through the established SDL Forums and associated communications.

<b>Public Sector Equality Duty</b>
An equality impact assessment will be completed on the specific proposal for the new community facility once it is developed.

<b>List of Background Papers</b>
Shaping Our New Communities Document (2015)

<b>Contact</b> Mark Redfearn	<b>Service</b> Customer and Localities
<b>Telephone</b> Tel: 0118 974 6012	<b>Email</b> mark.redfeam@wokingham.gov.uk

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<b>TITLE</b>	<b>Procurement Business Case – Schools Management Information System</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 26 September 2019
<b>WARD</b>	None Specific;
<b>LEAD OFFICER</b>	Director of Children's Services - Carol Cammiss
<b>LEAD MEMBER</b>	Executive Member for Children's Services - UllaKarin Clark

## **PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

The report is to seek approval from the Executive for Children's Services to procure a Schools Management Information System for schools and academies in the Borough. Approval is required as the total value of the contract will be over £500k.

A central procurement will achieve better Value For Money for Wokingham schools and academies through aggregated purchase.

## **RECOMMENDATION**

That the Executive:

- 1) agree to the commencement of the procurement for a Schools Management Information System (required as the total value of the contract will be over £500k).
- 2) agree that once a suitable system has been procured, the decision to award the contract is delegated to the Director of Children's Services, in consultation with the Lead Member for Children's Services.

## **EXECUTIVE SUMMARY**

The current contract for School Management Information Systems (MIS) ends in March 2020. The system supports effective school management by providing a range of functions including pupil database, assessment, Special Education Needs, personnel, financial management, etc. The current system links directly with a central Local Authority database.

Consultation with schools/academies indicated that the Local Authority should once again organise a central procurement. A procurement therefore needs to be organised for a new contract starting in April 2020. A Procurement Steering Group of school/academy representatives and Wokingham Procurement have agreed that procuring using a framework contract will meet the requirements of the majority of schools and is compliant with Contract Regulations.

A central procurement will achieve better Value For Money for schools and academies through aggregated purchase and makes it more likely that schools will use the same

system. This makes it easier to transfer educational data from schools to WBC data systems which supports Local Authority statutory and non-statutory functions.

The total value of the contract over 5 years is estimated at £970k, but the full annual cost will be met through charges to schools/academies. Therefore, no funding is required from WBC service budgets.

Children's Services approved the procurement on 11 July 2019. Since the total value of the contract is above £500k, the WBC Constitution also requires approval from the Executive.

The procurement process will be more efficient if Council Exec are requested to delegate the contract award decision to the Director of Children's Services, in consultation with the Lead Member for Children's Services.

## **BACKGROUND**

A similar procurement to the one being proposed was organised in 2013 resulting in the current School Management Information Systems contract which started on 1 April 2014. The contract ends on 31 March 2020 and can't be further extended. Prior to the current contract, WBC have made central arrangements to purchase Schools MIS for at least 14 years.

A consultation with Wokingham schools and academies in Autumn 2018 indicated that the next procurement should seek to identify a single supplier for all schools/academies that wish to contract. Children's Services colleagues have worked with a Procurement Steering Group of school/academy representatives and Wokingham Procurement to review the market and identify the available procurement options. The outcome is an agreement that procuring using a framework contract will meet the requirements of the majority of schools and is compliant with Contract Regulations.

It would be possible just to procure on behalf of Local Authority maintained schools, but (as with the current contract) it is preferable to also include academies that wish to contract, as it should achieve better value for money for all. It also makes the process more straightforward when Local Authority schools convert to academies.

## **BUSINESS CASE**

Schools MIS supports effective school management that in turn enables relevant data to be transferred from schools and academies to WBC data systems to support Local Authority statutory and non-statutory functions and help to achieve WBC and Children's Services objectives. Aggregated procurement achieves better Value For Money and aids cohesion across the wider Wokingham education community by making it more likely that education institutions will use the same system.

The option of not procuring was considered but rejected because it would put Local Authority schools in particular at a significant financial disadvantage and make it substantially more complex for WBC to transfer data from schools, with a likely reduction in the amount of educational data that WBC would be able to access easily.

No significant risks have been identified with proceeding with the procurement. WBC is not financially disadvantaged by schools that opt to leave the contract or by schools that become academies. Individual schools/academies have an annual opportunity to leave the contract as long as they give notice by 31 Dec for termination on the following 31 March and the annual contract value is adjusted accordingly. Appropriate arrangements are made for schools that become academies during the contract term.

Assuming the Executive approve to this procurement, it will start shortly and seek to identify a suitable supplier by mid November 2019. Schools/academies will then be offered the opportunity to sign up to the new contract in late November/early December 2019, prior to the start of the new contract in April 2020.

Note that the Procurement Business Case is provided at the end of this report.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

*The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £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)	£194k	Yes	Revenue
Next Financial Year (Year 2)	£194k	Yes	Revenue
Following Financial Year (Year 3)	£194k	Yes	Revenue

### Other Financial Information

The total contract value over 5 years (3 years initial contract and 2 year optional extension) is expected to be in the region of £970k (approx. £194k annually). However, this will be fully met through annual charges to schools/academies. The charges to schools include a management fee to cover the salary costs of officers administering the contract. Therefore, no funding is required from WBC service budgets.

### Stakeholder Considerations and Consultation

A consultation was carried out with schools/academies in Autumn 2018 in preparation for this procurement.

### Public Sector Equality Duty

Provision of a Schools Management Information System will provide a positive benefit towards fulfilling the Public Sector Equality Duty as it allows for individual characteristics and needs of students, parents and carers to be recorded and taken account of, and for appropriate additional support to be effectively managed by schools. An equalities assessment has not been completed at this time.

### List of Background Papers

Procurement Business Case

<b>Contact</b> David Congdon	<b>Service</b> Learning Achievement and Partnerships
<b>Telephone</b> 07747 617131	<b>Email</b> david.congdon@wokingham.gov.uk



In accordance with the Procurement and Contracts Rules and Procedures (PCRP) (see section 3.1.1): a formal business case is required for any procurement with a total value above £50,000. The level of approval required for the Business Case depends on the type of procurement and total ascertainable value of the contract, as indicated in the table below:

**1. Level of Approval**

**State “YES” in the applicable box at either Level 1 or Level 2:**

Type of Procurement	Level 1		Level 2	
	Assistant Director & Director	“Yes”	Assistant Director, Director & Executive Approval	“Yes”
Goods and Services	£50k – £500k		> £500k	Yes
Schedule 3 Services	£50k – £615k		> £615k	
Works	£50k – £4,551k		> £4,551k	

**2. Project Information**

<b>Project / Contract Title</b>	Schools MIS (Management Information Systems) Procurement
<b>Project / Contract Description</b>	Provision of Management Information Systems for schools – software and support
<b>Expected Start Date &amp; Duration (months)</b>	1 April 2020 – 31 March 2023 (36 months)
<b>Any Extension/s Allowed (months)</b> (e.g.: 1 x 24m / 1 x 12m + 1 x 12m)	1 x 24 month extension (April 2023-March 2025)
<b>Total Ascertainable Value</b>	£970k
<b>Procurement Procedure</b> (Open, Restricted, other agreed procedure)	Other agreed procedure (Further Competition under Framework contract)
<b>If not an Open or Restricted procedure, has it been approved by Procurement?</b> (state “Yes”, “No” or “Not Applicable”)	Not Applicable
<b>Budget Available</b> (please state the value)	£970k
<b>Source of Funding</b> (revenue or capital or specified other)	Income from schools
<b>Any specific comments or notes associated with the budget</b>	The full contract value will be met through charges to schools/academies. This includes a management fee to cover the salary costs of officers administering the contract. Therefore, no funding is required from WBC service budgets.

### 3. Project Justification

#### 3.1 Link to Service or Corporate Objectives:

Schools MIS supports effective school management that in turn enables relevant data to be transferred from schools and academies to WBC data systems to support Local Authority statutory and non-statutory functions and help to achieve WBC and Children's Services objectives. Relevant Service vision and objectives are noted below:

<b>Children's Services Vision:</b>	<i>"A Borough where all our children and young people feel and are safe, are well cared for, emotionally healthy, resilient, and achieve their potential, regardless of background."</i>
<b>Learning, Achievement and Partnerships Mission:</b>	<i>"To work in partnership to ensure that all children and young people are supported to achieve the best educational outcomes possible, with a particular focus on identifying vulnerable children so that support can be provided at the right time, as close as possible to home, to narrow the gap between their achievement and their peers."</i>

Providing a central Schools MIS contract for academies as well as Local Authority schools helps cohesion across the wider Wokingham education community as it increases the proportion of education institutions that are likely to use the same system.

#### 3.2 Project Specific Objectives, Appraisal of Options and Project Timetable:

##### Business Objectives

The aim is to procure an affordable Management Information System and associated support provision for Wokingham schools/academies that meets individual school needs and allows transfer of data to relevant Council systems to meet Local Authority statutory and non-statutory functions.

##### Appraisal of Options

We have considered the following options:

1. Not to procure
2. Undertake procurement only for Local Authority Schools
3. Procure for all schools/academies that wish to contract

It was decided that the option of not procuring would put Local Authority schools in particular at a significant financial disadvantage and make it substantially more complex for WBC to transfer data from schools, with a likely reduction in the amount of data that WBC would be able to access.

Of the two remaining options, the preference is to procure for all schools/academies that wish to contract. This is because a central Schools MIS contract for all Wokingham schools should result in better value for money and helps cohesion across the wider education community through the majority using a single system. This approach has been operating successfully for some years.

The decision was informed by a consultation with schools/academies. In addition, Children's Services colleagues have worked with a Procurement Steering Group of school/academy representatives and Wokingham Procurement to review the market and identify the available procurement options. The outcome is an agreement that procuring using a framework contract will meet the requirements of the majority of schools and is compliant with Contract Regulations.

## **Project Timetable**

<b>Milestone</b>	<b>Timescale</b>
Consultation with schools	Oct 2018
Research market, agree scope, draw up business case, seek advice from WBC Procurement	May-July 2019
Establish procurement group/evaluation panel, agree requirements, notify Shared Legal	June/July 2019
Seek Level 1 and Level 2 approval for business case	June-Sept 2019
Requirements made available. Respond to queries, issue clarifications, etc. Receive tender responses.	Late Sept-mid Oct 2019
Evaluation panel scoring, final evaluation meeting and decision	Early Nov 2019
WBC agreement to award. Notify successful/unsuccessful suppliers. Issue supplier confirmation letters	Mid to late Nov 2019
Notify schools of outcome for them to sign up if they wish	Late Nov 2019
Deadline for school decisions. Let successful supplier know level of sign up	Early to Mid Dec 2019
Notify existing supplier in line with notice period	31 Dec 2019
Formal contract agreement/signing	Dec 2019-March 2020
Expected start of new contract	1 Apr 2020

### **Cost Benefit Analysis**

The full estimated total contract value of £970k will be met through corresponding charges to schools/academies including a management fee to cover the salary costs of officers administering the contract. Therefore, no additional funding is required from WBC service budgets. A single central large scale contract is expected to deliver substantial savings for Local Authority schools compared with them contracting individually.

### **Contract Management**

The contract will be managed by the Children's Services 'ICT in Schools' Team and the Contract Manager will be David Congdon, Schools ICT Commissioning Manager. Contract management is expected to require 8 days a year.

## **4. Approval**

***Note: If Level-2 approval is required, the document should be signed by Assistant Director and Director at Level-1 first, and then presented to the Executive for final approval.***

### **Level 1**

<b>Position</b>	<b>Department</b>	<b>Signature</b>
<b>Assistant Director</b>	Children's Services	Jim Leivers
<b>Director</b>	Children's Services	Carol Cammiss

### **Level 2**

***NOTE: Level 1 approval must be completed first.***

***Please state the date of the relevant Executive meeting or Individual Executive Member Decision at which the Business Case has been approved.***

	<b><i>Date of Executive meeting / approval</i></b>
<b>Executive Approval</b>	<b>26 Sept 2019</b>

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