

13 October 2016 at 7.00 pm



Conference Room, Argyle Road, Sevenoaks  
Despatched: 05.10.16


# Cabinet


## Membership:

Chairman, Cllr. Fleming; Vice-Chairman, Cllr. Lowe  
Cllrs. Dickins, Firth, Hogarth, Piper and Searles

## Agenda

	Pages	Contact
Apologies for Absence		
1. <b>Minutes</b> To agree the Minutes of the meeting of the Committee held on 15 September 2016, as a correct record.	(Pages 1 - 6)	
2. <b>Declarations of interest</b> Any interests not already registered		
3. <b>Questions from Members (maximum 15 minutes)</b>		
4. <b>Matters referred from Council, Audit Committee, Scrutiny Committee or Cabinet Advisory Committees (if any)</b>		
<b>REPORTS AND RECOMMENDATIONS FROM THE CABINET ADVISORY COMMITTEES</b>		
5. <b>Community Sponsorship Programme - Syrian Vulnerable Persons Relocation Scheme (SVPRS)</b> 	(Pages 7 - 14)	Hayley Brooks Tel: 01732 227272
6. <b>Development of Buckhurst 2 car park</b> 	(Pages 15 - 30)	Richard Wilson, Adrian Rowbotham Tel: 01732 227262/7153

 Indicates a Key Decision

 indicates a matter to be referred to Council

## EXEMPT INFORMATION

At the time of preparing this agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public.

If you wish to obtain further factual information on any of the agenda items listed above, please contact the named officer prior to the day of the meeting.

Should you need this agenda or any of the reports in a different format, or have any other queries concerning this agenda or the meeting please contact Democratic Services on 01732 227000 or [democratic.services@sevenoaks.gov.uk](mailto:democratic.services@sevenoaks.gov.uk).

CABINET

Minutes of the meeting held on 15 September 2016 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllr. Lowe (Vice Chairman)

Cllrs. Dickins, Hogarth, Lowe, Piper and Searles

An apology for absence was received from Cllr. Firth

Cllrs. Clark, McGarvey, Scholey, Clark, Pett and Thornton were also present.

24. Minutes

Resolved: That the Minutes of the meeting of Cabinet held on 9 August 2016, be approved and signed as a correct record.

25. Questions from Members

There were none.

26. Declarations of interest

There were none.

27. Reference from Scrutiny Committee - Report of the Leisure In-Depth Scrutiny Working Group

Cabinet discussed the reference from Scrutiny Committee and agreed that the report be referred to the Housing and Health Advisory Committee.

Resolved: That the report be referred to the Housing and Health Advisory Committee.

28. Treasury Management Annual Report 2015/16

The Portfolio Holder for Finance presented the report which provided the customary review of investment activity during 2015/16 as required by the Council's Financial Procedure Rules and the CIPFA code. The report outlined the strategy adopted during the year, showed the position of the investment portfolio at the beginning and the end of the year, and gave details of how the fund performed in comparison with previous years and against various benchmarks.

The overall rate of return was in line with a neighbouring authority and exceeded the recognised benchmarks, but interest receipts did not meet budget by

approximately £43,400. This was due to increases in bank rates being forecast for the latter part of the financial year that never materialised. He advised that the Finance Advisory Committee had considered and debated the same report and agreed to recommend it to Cabinet.

In response to a question from a Member the Principal Accountant explained that during the year the Council had operated within the treasury limits and prudential indicators set out in its Treasury Policy Statement and Annual Treasury Strategy Statement (as amended in July 2015) with two exceptions.

#### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the Treasury Management Annual Report for 2015/16 be approved.

#### 29. Financial Prospects and Budget Strategy 2017/18 and Beyond

The Portfolio Holder for Finance presented the report which was the first report for the 2017/18 budget setting process.

This would be the seventh year of using the current Financial Planning Strategy that included the ten year budget which had proved successful to date and put the Council in a much stronger financial position than most other Councils.

The major message in the report was that the Council was able to remain financially self-sufficient.

The report was also presented to the Finance Advisory Committee on 6 September where Members discussed the ten year budget approach and the assumptions contained within it. The Government's multi-year settlement offer was also discussed and the Finance Advisory Committee recommended that Cabinet accept the offer as it was likely to provide greater certainty going forward. The Portfolio Holder advised that the Finance Advisory Committee had considered and debated the report which was now being considered and agreed to recommend it to Cabinet.

The Chief Finance Officer set out that the report was intended to start the debate and the assumptions would be updated as more accurate information became available during the process. The ten year budget at Appendix B included no Revenue Support Grant or New Homes Bonus in any year as the Council is no longer reliant on direct Government funding.

Any amounts that are received from these sources are placed into the Financial Plan Reserve which can be used to support the ten year budget by funding Invest to Save initiatives and support for the Property Investment Strategy. Using the

funding for these purposes will result in additional year on year income that is not impacted by Government decisions.

Members agreed the last ten year budget in February and the changes that had been made since then were:

- Rolling the ten year budget on for one year and updating base figures.
- Reducing the interest receipts assumptions following the Bank Base Rate reduction last month.

These changes result in a £553,000 (or £55,000 per annum) improvement in the budget position at this stage.

The Chief Finance Officer explained that Appendix A showed the Budget Setting Timetable and that the report now under consideration had already been to the Finance Advisory Committee. Between September and November the Advisory Committees get the opportunity to review the Service Dashboards and Service Change Impact Assessments (SCIAs). A budget update report would then go to Cabinet in December to include the comments from the Advisory Committees. Also at that point the Council would have received a new pension fund valuation and know more about any financial implications of the new Council Tax Reduction Scheme subject to consultation.

The ten year budget approved in February included the need for £100,000 of new savings or additional income each year. Chief Officers were discussing their ideas with the respective Portfolio Holders before they are presented to the Advisory Committees.

Over recent years the Council had tried various ways to get the Advisory Committees engaged in the process and discussing budgetary issues for their services rather than just looking at the SCIAs. The Chief Finance Officer said that he considered this to have been achieved last year and was preparing a slightly different process this year. Once again all Members would have the opportunity to make a significant contribution to the process.

The report also requested Cabinet to advise officers whether they wished to accept the Government's multi-year settlement offer (explained on pages 30-31). This was a proposal included in the Final Local Government Finance Settlement in February. It was suggesting that if a council signed up to the agreement they would be guaranteed the amounts shown in the table on page 31.

The figures were very small and did not include the 'tariff adjustment' (also known as negative Revenue Support Grant) included in the settlement, which may have raised the question of why the Council would wish to accept. The Chief Officer Finance explained that the reason for accepting the situation would be to obtain a degree of certainty, and that he was not aware of any Councils not planning to accept. The danger of not accepting the proposal was that if the Government planned to make greater savings from Local Government they may only be able to take it from the councils who had not signed up, therefore the others would be likely to be hit harder.

The Chief Finance Officer explained that the recommendations were to approve the budget process, ask Advisory Committees to look at savings and growth, report back to Cabinet in December and advise officers whether it was wished to accept the Government's multi-year settlement offer.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the ten-year financial planning approach and principles set out in this report, be endorsed;
- b) Advisory Committees be requested to review the Service Dashboards and advise Cabinet of possible growth and savings options;
- c) Officers continue to review the assumptions in the report and report back to Cabinet on 1 December 2016;
- d) the Government's multi-year settlement offer be accepted; and
- e) the budget timetable set out in Appendix A to the report, be noted.

30. Financial Results 2016/17 - to the end of July 2016

The Portfolio Holder for Finance presented the report on the Council's financial results 2016/17 to the end of July 2016. He advised that the Finance Advisory Committee had considered and debated the same report and agreed to recommend it to Cabinet.

The Head of Finance explained that the report showed the year end position forecast was £1,000 better than budget.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted.

THE MEETING WAS CONCLUDED AT 7.30 PM

CHAIRMAN

IMPLEMENTATION OF DECISIONS

This notice was published on 19 September 2016. The decisions contained in Minutes 27, 28, 29 and 30 take effect immediately.

This page is intentionally left blank



**Item 5 - Community Sponsorship Programme - Syrian Vulnerable Persons Relocation Scheme (SVPRS)**

The attached report was considered by the Housing & Health Advisory Committee on 4 October 2016, and the relevant Minute extract was not available prior to the printing of this agenda.

This page is intentionally left blank

**COMMUNITY SPONSORSHIP PROGRAMME - SYRIAN VULNERABLE PERSONS  
RELOCATION SCHEME (SVPRS)**

**Cabinet - 13 October 2016**

Report of Chief Officer Communities & Business

Status: For Decision

Also considered by: Housing and Health Advisory Committee - 4 October 2016

Key Decision: Yes

---

**Executive Summary:** This report updates Members on the current position regarding the Syrian Vulnerable Persons Relocation Scheme and considers further actions in relation to the Community Sponsorship Programme.

---

**This report supports the Key Aim of safe and caring communities and healthy environment**

**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer(s)** Hayley Brooks, Ext 7272

---

**Recommendation to Housing & Health Advisory Committee:**

For consideration and to note the content of this report.

**Recommendation to Cabinet:**

To approve that Officers work on and implement a process to consider applications from potential Community Sponsors so that the Council can assess whether it should consent the approval of the applicant to operate as a community sponsor in this District.

---

**Reason for recommendation:**

This Council has been asked to pledge support to resettle identified families as part of the Kent Syrian Vulnerable Persons Relocation Scheme, if affordable and suitable private sector housing accommodation and support services are available.

This Council may be asked by local charities, who apply to resettle families as part of the Community Sponsorship Programme, to give consent to approve their application to operate as a community sponsor in this District.

---

### Introduction and Background

- 1 In response to the current crisis in Syria, the Government set up the Syrian Vulnerable Persons Relocation Scheme (SVPRS) in February 2014. This scheme involves taking identified vulnerable refugees straight from the Middle East and resettling them in the UK. The refugees are given five years Humanitarian Leave to Remain and as such are able to work and claim benefits and other public funds from day one.
- 2 On 7 September 2015, the Prime Minister announced that SVPRS will be expanded so that 20,000 people will be assisted under the scheme by the end of the Parliament in 2020. Local authorities are key to the delivery of this offer. The scheme is currently voluntary and dependent on local authorities agreeing to take part.
- 3 Details of this scheme, and the Council's current position, are summarised below in paragraphs 20 to 24 below.

### Community Sponsorship Programme

- 4 In addition to the SVPRS, in July 2016, a further scheme, the Community Sponsorship Programme, was launched by the Home Secretary. This scheme enables local registered charities or Community Interest Companies (the Sponsor) to apply directly to support the resettlement of refugees as part of the SVPRS.
- 5 The Sponsor must have written evidence from the local authority in which they wish to place a resettled family, which supports the approval of their application. In two-tier areas, consent must be sought from both the County and District Councils. The application is then considered by the Home Office.
- 6 The Sponsor must be able to demonstrate that they have suitable and sustainable accommodation for a resettled family, and that it will be available for a resettled family to use for a minimum of two years.
- 7 If the Sponsor does not have accommodation immediately available but is able to demonstrate that they will be able to obtain appropriate accommodation in time, the Home Office may approve the application on condition that suitable accommodation is secured.
- 8 If the cost of the accommodation exceeds Local Housing Allowance rates, the sponsor must demonstrate how they will meet the additional cost..
- 9 The local authority might object based on:
  - a) insufficient capacity to accommodate a family in the proposed housing area (e.g. lack of school places);
  - b) concerns about community tensions in the proposed housing area;

- c) where they have reason to believe that the community organisation is not suitable to undertake the resettlement of vulnerable adults and children; or
- d) another appropriate reason.
- 10 As a community sponsor, the community organisation will need to demonstrate sufficient resources (financial, housing and personnel) and a detailed Plan, backed by relevant experience of supporting communities, to resettle families over at least a one year period. They will be responsible for the families from arrive in the UK including:
- meeting the family at the airport;
  - providing a warm welcome and cultural orientation;
  - providing housing (lasting at least two years);
  - supporting access to medical and social services;
  - English language tuition; and
  - support towards employment and self-sufficiency.
- 11 If the Sponsor is unable to sustain the support over the required period of the Agreement in place, the local authority may be required to take on the support to continue the family resettlement.
- 12 Unlike the main SVPRS, the Sponsor does not receive the tariff given to local authorities as set out in the following paragraphs. The sponsor must have proven self-funded finances in place (at least £9k per family) before an agreement is approved.

### **Syrian Vulnerable Persons Relocation Scheme in Kent**

- 13 The original national SVPRS scheme continues and is based on the needs of individuals and prioritises those who cannot be supported effectively in their region of origin, including: women and girls at risk; survivors of violence and/or torture; refugees with medical needs or disabilities. Individuals accepted onto the scheme are able to bring their immediate family with them. Once cases have been assessed and referred from the UNHCR, the Home Office checks that the individual meets the eligibility criteria, carries out medical and thorough security checks and arranges the necessary visas.
- 14 Kent County Council is co-ordinating the Kent SWPRS across the County with local partners and the Home Office. Details of Identified families are sent to KCC who then pass the details onto the district and borough councils who are participating in the scheme. The details of the families include: the family make up; age and specific needs; including a full medical health assessment report. If accepted the local authority (both district and county in two-tier areas) will need to arrange housing, school places and any additional support that is required.

## Agenda Item 5

- 15 Kent County Council, working with district and borough councils, provides a support package delivered by local community, faith and voluntary sector organisations who have agreed to provide support services, once families are matched to a local area.

### District Pledges So Far

- 16 To date 43 people have been resettled in Kent (10 families). Once pledges have been confirmed, District Council Housing Teams begin looking for suitable properties. Once these have been secured they contact KCC who then inform the Home Office. Appropriate families are then referred via KCC for consideration (Phase 1).

District/Borough	Latest position
ASHFORD	250 people (approx 50 families) over the 5 years; currently have 6 families. Resettlement support is provided by ABC staff.
CANTERBURY	10 families over the 5 years.
DARTFORD	Wish to take one at a time and will be reviewed after each family.
DOVER	12 families over the 5 years; two properties found; one family arrived early July; soon to receive another. Resettlement support is being provided by Migrant Help.
GRAVESHAM	5 families over the 5 years.
MAIDSTONE	Plan to take 6 single men or women over the 5 years, but may take a large family instead.
SEVENOAKS	To be confirmed.
SHEPWAY	10 families over the 5 years.
SWALE	10 families over the 5 years (2 per year).
THANET	8 families over the 5 years.
TONBRIDGE & MALLING	10 families over the 5 years; 1 family arrived in April. Resettlement support provided by Rethink
TUNBRIDGE WELLS	10 families over the 5 years; 2 families arrived in December; soon to receive another. Resettlement support provided by Rethink

- 17 To date, this Council has not pledged to resettle any families due to the lack of affordable private sector properties in this District. This Council has

offered our HERO service to other Kent districts to help resettle families in their areas.

- 18 This Council is experiencing an increasing demand from our customers for housing assistance as part of our duty under the Housing Act 1996, as amended by the Homelessness Act 2002. We operate a number of incentive schemes to encourage private landlords to work with us to house people on lower incomes. Despite this, there is a lack of landlord engagement as part of our Private Sector Lettings Scheme. This is mainly due to the affordability gap between allocated Housing Benefit at Local Housing Allowance rates and high rental prices in the District. The lack of private rented properties and affordable housing in the District means that the current demand for housing for people on low income outweighs the properties available to this Council.
- 19 The scheme has just moved into Phase 2, whereby the Strategic Migration Partnerships are allocated a number of cases at regular intervals for planned charter flights, with the first charter flight arriving in the South East on 7 September 2016 and a second at the end of October.

#### **Local Authority funding for the scheme**

- 20 Under Home Office requirements, local authorities (including district and borough councils) that take families must provide resettlement support for at least one year; support in place is set out in the 'Statement of Requirements'. This involves assisting families to resettle into the UK, helping them to access all the appropriate services and starting the process of fully integrating them into their communities.

The following funding is available to local authorities for one year following the arrival of the family:

Adults:	£8,520
Children 5-18:	£8,520 plus £4,500 for education
Children 3-4:	£8,520 plus £2,250 for education
Children under 3:	£8,520

- 21 Year's two to five funding will also be available: Year 2 - £5,000 per person, Year 3 - £3,700 per person, Year 4 - £2,300 per person, Year 5 - £1,000 per person. There will also be support for education and health in years 2-5, which will be funded separately from the local authority tariff.
- 22 It is important to note that the above figures do not include the Housing Benefit and other DWP benefits (which will be paid in the usual way) or the medical care costs (which will be paid direct to the CCGs - £2,600 per person). Extra funding may be available in exceptional cases.

## Agenda Item 5

### Key Implications

#### Resource (non financial)

- 23 This Council would be required to provide written consent to any Community Sponsors within the District who applies to resettle families.
- 24 If this Council pledges to support the resettlement of families in this District, Officer and partner resources would be required to meet the support and housing requirements.

#### Financial

- 25 a) SVPRS: Currently, the Council has made no commitment to take part in the main scheme. The offer to provide HERO advice would be made in return for payment for the service. If this Council were in the future to participate in the Kent SVPRS, the Council would receive the local authority tariff to cover costs for supporting the resettlement of families, as set out in paragraphs 20 to 21 above.
- 26 b) The Community Sponsorship Programme: If an approved Community Sponsor fails their responsibilities, additional financial costs may apply to the Council to continue to support resettled families. Other resources, for example Housing and other staff time would be necessary to process applications for the scheme to assess whether the Council is able to support an application and to work with Government departments and the County Council in the processing of the application.

#### Legal Implications and Risk Assessment Statement.

- 27 These would need to be assessed as part of the detailed planning to take any recommended actions forward as part of this work.
- 28 Legal implications would be considered as part of any assessment for written consent by this Council to support a charity as part of the Community Sponsorship Programme.

### Conclusions

- 14 Members are asked to approve the work of Officers to implement a process to consider applications from potential community sponsors, as part of the Syrian Vulnerable Persons Relocation Scheme. This will enable this Council to assess whether it should consent the approval of the applicant to operate as a community sponsor in this District.

**Background** [Home Office - Full Community Sponsorship Guidance](#)  
**Papers:**

**Lesley Bowles**  
**Chief Officer Communities & Business**



**Item 6 - Development of Buckhurst 2 car park**

The attached report was considered by the Policy & Performance Advisory Committee on 6 October 2016, and the relevant Minute extract was not available prior to the printing of this agenda.

This page is intentionally left blank

## DEVELOPMENT OF BUCKHURST 2 CAR PARK

Cabinet - 13 October 2016

Report of Chief Officer Environmental and Operational Services  
Chief Finance Officer

Status: For recommendation

Also considered by: Policy and Performance Advisory Committee - 6 October 2016  
Council - 22 November 2016

Key Decision: No

---

**Executive Summary:** This report seeks approval to develop the existing Buckhurst 2 car park to provide additional town centre parking capacity and residential accommodation.

---

**This report supports the Key Aims of value for money and financial self sufficiency.**

**Portfolio Holder** Cllr. Fleming

**Contact Officers** Richard Wilson, Ext. 7262  
Adrian Rowbotham Ext. 7153

---

**Recommendation to Policy & Performance Advisory Committee:** That it be recommended to Cabinet that

- (a) a planning application be submitted to provide additional long stay parking at the Buckhurst 2 Car Park, Sevenoaks
- (b) the planning application includes provision for residential accommodation to partly offset the cost of the proposed car park
- (c) Members recommend the preferred funding method from the scenarios detailed.

**Recommendation to Cabinet:** That it be recommended to Council that

- (a) a planning application be submitted to provide additional long stay parking at the Buckhurst 2 Car Park, Sevenoaks
  - (b) the planning application includes provision for residential accommodation to partly offset the costs of the proposed car park,
  - (c) Members recommend the preferred funding method from the scenarios
-

---

detailed.

### **Recommendation to Council: That**

- (a) a planning application be submitted to provide additional long stay parking at the Buckhurst 2 Car Park, Sevenoaks
- (b) the planning application includes provision for residential accommodation to partly offset the costs of the proposed car park,
- (c) Members recommend the preferred funding method from the scenarios detailed.

---

**Reason for recommendation:** The proposed development has the potential to deliver much needed long stay parking in the town centre of Sevenoaks complimented by some residential accommodation.

---

### **Introduction and Background**

- 1 In Autumn 2013, Members requested officers to investigate the provision of additional parking capacity in the Sevenoaks Town Centre.
- 2 It was evident from demonstrated demand levels and independent and in-house surveys that capacity, particularly for long stay parking, was at a critical usage level. This situation has not changed.
- 3 It was resolved at Cabinet on 6 March 2014 that:
  - a) A planning application be submitted to provide an additional 300 car park spaces on the existing Buckhurst 2 car park by providing a two storey elevated car deck, and
  - b) It be recommended to full Council that:
    - Subject to planning consent, to undertake a Procurement exercise for the project and subject to the successful tender being within the estimated costs as outlined in this report, to award a contract to design and build the elevated car park decks on the existing Buckhurst 2 car park.
    - A budget of £3.5-£4.0 million be approved to be financed by borrowing from the Public Works Loan Board.
    - That delegated authority be granted to the Portfolio Holders for Finance and Resources and Economic and Community Development to, after consideration of the tender evaluation, accept the most economically advantageous tender, to award the contract and authorise expenditure and approvals within the estimated costs outlined in this report and the borrowing approval.

- That a planning application be submitted for the decking of the existing Bradbourne car park to increase parking capacity in the area adjacent to the railway station.
  - A planning application be submitted to provide additional parking spaces in the existing Suffolk Way car park by providing either a one or two storey elevated car deck, to allow for longer term provision of additional short stay parking capacity.
- 4 Subsequently a planning application for the Buckhurst 2 Car Park was prepared for submission in October 2014. However, due to concerns raised by Kent County Council with regard to the transport assessment relating to the traffic controlled junction at Pembroke Road/Suffolk Way/High Street the application was withdrawn pending resolution of the concerns raised by Kent Highways.
- 5 Following discussions with Kent Highways and a revised transport assessment being prepared, these concerns were resolved to Kent Highways satisfaction in February 2015.
- 6 During the pre-application consultation, however, concerns were raised by several objectors about the overall height of the proposed decked car park and particularly the impact on the Heritage asset site of Knole Park. Concerns on the impact were also raised by other objectors including the Sevenoaks Society.
- 7 Members subsequently requested officers to look into the feasibility of 'Cutting' the proposed car park into the existing ground to reduce the overall height. The original proposal constructed the decking on the existing profile of the site which has a considerable slope from the Buckhurst Avenue/Webbs Ally Corner to the Leisure Centre.
- 8 The current proposal 'cuts' into the site, to level the site and its lowest existing level. This considerably reduces the overall height of the proposed structure.
- 9 A draft scheme has now been prepared for this proposed structure.

#### Estimated Costs

- 10 In March 2014 a budget of up to £4m was approved. This was based on a feasibility study from a company called 'Topdeck' of a basic steel frame structure and based on Autumn 2013 prices. The cost didn't include fees.
- 11 This scheme, by October 2014, had risen to an estimated cost of £5.8m due to fees; additional design requirements following pre-application consultation; inflation and contingencies. The additional design requirements alone amounted to an additional £720,000. Inflation added £292,000.

## Agenda Item 6

### Revised Feasibility

- 12 Consultant's Willmott Dixon have been appointed, through the SCAPE Procurement route to provide a feasibility study for a 527 space car park (existing capacity 291 spaces) 236 additional spaces, by providing a 3 storey deck on the existing Buckhurst 2 site, by cutting into the site and lowering the existing level to the lowest point of the existing site, with a unit transfer slab to allow construction of residential units on one elevation of the site.
- 13 The estimated cost of this proposal is £9.5m including all fees and contingencies (10%). It may be prudent to allow a further 5% additional contingency to cover the Council for any unforeseen costs. Rounding up gives a total estimated cost of £9.85m.
- 14 The increase in costs are related to a basement style construction including sheet piled retaining wall and removing and disposing of 20,000 cubic meters of excavated materials; piled foundations; provision of residential transfer deck, and inflation (since Autumn 2013).
- 15 It is anticipated that providing the residential transfer deck will allow residential accommodation to be included in the final design to partly offset the additional cost of the car park. The residential transfer deck could accommodate a development of ten 4 bedroom town houses. An independent valuation for the development has indicated a total sale value of £8,073,600, with construction costs estimated at £2,320,000 and allowing for contingency, fees, marketing and disposal costs at £559,190, this would realise an estimated £5,194,000 surplus. The market value for just the residential deck has been estimated at £3,590,000.
- 16 Detailed design and costings will be commissioned should Members decide to proceed with the project. A more detailed cost plan will be developed as the design progresses.
- 17 The other available option to increase long stay parking capacity on this site could be to resubmit the planning application originally prepared in October 2014.

### Business Case

- 18 There is a proven shortage of long stay parking in the Sevenoaks Town Centre, demonstrated by demand levels and from in-house and independent surveys. It is essential that additional long stay parking, particularly for workers and residents, be provided to ensure the continued economic viability of the Town.
- 19 The Buckhurst site is well located to serve local businesses and support the local economy. There is also an increased demand for residents' parking permits.
- 20 Consideration needs to be given to the preferred method of funding, with the cost partly offset by providing residential accommodation on one elevation of the site. The car park will provide 236 additional parking

spaces, in total 527 spaces on this site. Funding scenarios are provided in Appendix 'A'.

Planning

- 21 The Buckhurst 2 site in Planning Policy terms is suitable for redevelopment for a variety of uses including residential, business, leisure and retail. Town Centre parking should be managed to ensure adequate and convenient provision for shoppers and appropriate provision for long stay parking.
- 22 The provision of decked car parking would support the vitality of the Town Centre, and therefore there is Planning Policy support in principle for decking this car park.
- 23 A development of 10 residential units with a combined floor space of more than 1000sqm would result in a need to provide affordable housing. Policy SP3 of the Core Strategy requires that 30% of the units should be affordable and the preference is for those to be provided on site, although in exceptional circumstances a financial contribution can be made towards off site provision. In addition, since August 2014, new residential developments need to pay the Community Infrastructure Levy (CIL) to fund local infrastructure. The adopted charging schedule requires a payment of £125 per sq metre.

Procurement

- 24 A contracting Authority/Central Purchasing Body arrangement (SCAPE Procurement Route) will be utilised, which has followed an OJEU compliant process to form 'frameworks' from which a panel of consultants and contractors have been appointed. This SCAPE procurement framework would be used to engage the major works contractor who would in turn engage consultants and sub-contractors under the same framework agreement.

**Key Implications**

Financial

The total cost of the car park, including the residential deck and contingencies is estimated at £9.85m. The potential for the net income from the housing scheme included in the report is £4.6m (£5.2m less £0.6m for affordable housing and CIL contributions). This results in a net cost for the scheme of £5.25m.

	£m
Car park cost	9.85
Housing scheme net income	(4.60)

## Agenda Item 6

Net Scheme Cost	5.25
-----------------	------

The financial requirements of the scheme are to break even over 30 years and also to break even over the 10-year budget period.

A number of funding scenarios have been investigated and the details of those most relevant are detailed in Appendix A and are summarised in the table below.

	Funding	Average Annual Yield	Net Impact on Revenue over 30 years cost/(surplus)	Average annual cost to revenue over the first ten years of operation cost/(surplus)
		%	£000	£000
A	100% £9.85m External Borrowing from the Public Works Loan Board (PWLB)	-2.5%	7,467	358
B	£4.6m from housing scheme capital receipts and £5.25m from the PWLB.	-0.2%	306	107
C	£4.6m from housing scheme capital receipts and £5.25m from the PWLB. Increase all off-street parking charges by an additional 1% for 5 years	2.9%	(4,567)	(7)

**Scenario A:** It was originally intended that this car park project would be funded by external borrowing from the Public Works Loans Board (PWLB). If the cost of the car park is taken alone and funded by a PWLB loan it would not meet either financial requirement. The cost over 30 years £7.467m and an average cost over the first ten years of £358,000 per annum.

**Scenario B:** Funding the scheme by the potential net income of the housing scheme which is £4.6m and the remaining £5.25m by external borrowing from the PWLB. This scenario results in a cost over 30 years of £306,000 and an average annual cost over the first ten years of £107,000 per annum. The difference over the two periods is due to the cost of borrowing remaining constant and the parking charge income increasing by inflation each year. Therefore, this scenario also does not meet either financial requirement.

**Scenario C:** This scenario is the same as scenario B except that it assumes that all off-street parking charges are increased by an additional 1% (i.e. 3.5% instead of the current assumption of 2.5%) for 5 years. This is therefore an additional



contribution from the users of the district's car parks to make the scheme cost neutral for the wider population. This scenario meets both financial requirements by making a surplus of £4.567m over 30 years and a small annual surplus of £7,000 over the first ten years.

The Affordable Housing and CIL figures are calculated from para 6.10 of the affordable Homes SPD and Adopted CIL Charging Schedule.

The Public Works Loan Board (PWLB) rate used in all calculations is 2.24% for a 30 year annuity loan as at 15 September 2016.

Further scenarios are possible by changing the mix of funding sources.

### **VAT**

VAT incurred relating to works to the car park will be recoverable as it will be attributable to the Council's taxable supplies, assuming it remains a car park.

As long as the sale/long lease of new build town houses qualifies for zero rating (first grant of a major interest in a dwelling by the person constructing) any VAT incurred on related costs can be recovered without any impact on the Council's partial exemption position, although the majority of the build costs are likely to be zero rated. If it is a design and build contract the entire supply will be zero rated.

If it is all wrapped up in a single contract to build the houses and car park we would expect the contractor to apportion this in some way. It will be up to the contractor to calculate the amount of VAT that it must account for and provide the Council with VAT invoices/receipts accordingly.

Should the current proposal change then further advice may have to be obtained based on the role the Council may play in construction and ownership.

### Legal Implications and Risk Assessment Statement.

The project construction costs identified in the report are estimates only and full details design and costings would need to be commissioned.

Any procurement will be carried out in accordance with the general principles of Contracting Authority/Centre Purchasing body arrangement (SCAPE)

Borrowing will be subject to the Council's financial procedure rules. New investment is made possible by the 'General Power of competence' introduced by Section 1 of the Localism Act 2011.

The proposed decking would be built on existing Council owned car park land.

Any planning application submitted would need to be considered and determined by the Council's Development Control Committee.

The parking surveys have provided strong evidence of the shortage of long stay parking provision in the Sevenoaks Town. Failure to provide the additional car

## Agenda Item 6

parking identified is likely to have a detrimental effect on the future economic viability of the town, and District, as a venue to work, shop and visit.

A parking solution is required not only to meet the current, but future anticipated demand on parking capacity.

The Government has introduced greater powers for landowners to change the use of buildings without the need for planning permission (through its changes to the General Permitted Development order). Amendments that allow for offices to be converted to residential use and for space above shops to be converted to dwellings without the need for planning permission increase demand for parking in Town Centres. Without the need for these changes of use to be considered through the Development control process there is no scope for the Council to require additional parking for the new residents these developments will create, which will lead to increased demand for on and off street parking for residents in Town Centres.

Although the construction period, on site, for this method of construction is relatively short, temporary alternative parking will need to be made for existing users, during the on-site construction period.

A Risk Assessment is provided at Appendix B.

### Community Impact and Outcomes

Increased car parking capacity would have a strong positive impact on the town centre. It would allow more people to access local services, tourist attractions and support the high proportion of independent businesses in the Town Centre. The retail offer in the town continues to be of a very high standard, with high occupancy rates and continued inward investment from the likes of Wagamamas and Marks and Spencer. Further investment in parking provision will strengthen the retail offer and ensure that Sevenoaks town has increased footfall in years to come.

It would also support businesses and staff and reduce impact on residential roads.

### Equality Assessment

The decisions recommended in this report have a low relevance to the substance of the Equality Assessment. There is a positive impact on end users.

### **Conclusions**

The parking capacity/demand survey undertaken in November 2013 has identified current critical parking levels in existing Council owned car parks (above 90% utilisation) identifying a demand for additional long stay spaces and additional short stay spaces (based on 90% utilisation rates).

A technical feasibility study has indicated that additional car park spaces could be provided by constructing elevated car park decks on the existing Council owned Buckhurst 2 car park.

Planning Policy advice has identified that the site has the potential to deliver additional car park spaces through the use of decked car parking construction methods and other uses, including residential.

Estimates on potential additional income generation indicate that the estimated 'pay-back' period to cover loan costs is extensive.

To advance the project to planning application stage, expenditure will need to be incurred with regard to surveying and design and planning application fees.

Although the construction period, on-site, is relatively short, alternative temporary parking provision will need to be considered for existing car park users, during the on-site construction period.

It is recommended that a planning application be submitted to provide additional parking for long stay parking at the Buckhurst 2 car park for the immediate future.

This proposed project supports the key aim in the council's vision, as detailed in the approved Corporate Plan; to either borrow or utilise existing financial resources, to generate on-going revenue income.

**Appendices**

Appendix A - Funding scenarios

Appendix B - Risk Assessment

**Background Papers:**

[Report to Cabinet 6 March 2014 - 'Sevenoaks Town Centre Parking Review'](#)

**Richard Wilson**  
Chief Officer Environmental and Operational Services

**Adrian Rowbotham**  
Chief Finance Officer

This page is intentionally left blank

## Development of Buckhurst 2 Car Park: Funding Scenarios

Appendix A

### Scenario A 100% External Borrowing from the Public Works Loan Board (PWLB)

	2017/18	2018/19	2019/20	2020/21	2021/22 and later years	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	9,850					9,850
Funded by Ext Borrowing	-9,850					-9,850
Interest	110	217	211	206	2,986	3,731
Minimum Revenue Provision			328	328	9,193	9,850
Credit Interest Impact	2	4	7	10	996	1,019
Business Rates		51	52	53	1,911	2,067
Income from additional spaces		-200	-205	-210	-8,585	-9,200
Net Impact on revenue	112	72	394	387	6,502	7,467
	Average Annual Yield					-2.5%
	Average annual cost to revenue over the first ten years of operation					358

### Scenario B £4.6m from housing scheme capital receipts and £5.25m from the PWLB

	2017/18	2018/19	2019/20	2020/21	2021/22 and later years	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	9,850					9,850
Funded by Ext Borrowing	-5,250					-5,250
Funded by Capital Receipts	-4,600					-4,600
Interest	59	116	113	110	1,592	1,988
Minimum Revenue Provision			175	175	4,900	5,250
Credit Interest Impact	1	2	3	4	192	201
Business Rates		51	52	53	1,911	2,067
Income from additional spaces		-200	-205	-210	-8,585	-9,200
Net Impact on revenue	60	-32	137	131	10	306
	Average Annual Yield					-0.2%
	Average annual cost to revenue over the first ten years of operation					107

### Scenario C £4.6m from housing scheme capital receipts and £5.25m from the PWLB. Increase all off-street

	2017/18	2018/19	2019/20	2020/21	and later years	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	9,850					9,850
Funded by Ext Borrowing	-5,250					-5,250
Funded by Capital Receipts	-4,600					-4,600
Interest	59	116	113	110	1,592	1,988
Minimum Revenue Provision			175	175	4,900	5,250
Credit Interest Impact	1	2	3	4	192	201
Business Rates		51	52	53	1,911	2,067
Income from additional spaces		-200	-205	-210	-8,585	-9,200
Income from additional charges		-22	-45	-70	-4,736	-4,874
Net Impact on revenue	60	-54	92	61	-4,727	-4,567
	Average Annual Yield					2.9%
	Average annual cost to revenue over the first ten years of operation					-7

#### Assumptions

Capital expenditure of £9.85m for the car park will be incurred in 2017/18.

Income from the additional car parking spaces is based on 236 additional spaces.

Income from the additional car parking spaces will grow at 2.5% per year through inflation (as per the assumption included in the 10-year budget). Note: except where stated differently as part of a scenario.

The Minimum Revenue Provision (MRP) option selected is straight line asset life.

MRP is incurred from the year after the assets become active (2019/20).

The PWLB loan rate is 2.24% for 30 year loans (car park) based on PWLB rates at 15/09/16.

Additional Business Rate costs for the car park of £50,000 per year are incurred.

Interest on cash balances held is assumed to be 0.66% (May 2016 average return).

## Agenda Item 6

### **Definitions**

Minimum Revenue Provision:

The minimum amount which must be charged to the revenue account each year and set aside as provision for repaying loans and meeting other credit liabilities.

Credit Interest Impact:

The change in potential interest earned by making loan repayments and other scheme cashflows.

## Risk Assessment

Risk	Internal Controls
Planning consent not approved for either car park or residential element by Development Control Committee.	Pre application Consultation. Pre application discussions with Planning officers. Compliance with Planning policies.
Proposal for residential development may need to be amended.	Pre application discussions with Planning officers. Compliance with Planning policies.
Proposal for residential development may not realise estimated financial return.	Independent Valuation report undertaken from local surveyors and valuers with detailed knowledge of property values in Sevenoaks.
Changes in PWLB rates at time of borrowing.	Financial model to be amended accordingly.
Unforeseen cost increases could lead to budget increase and a reduction in the return on investment	Working with experienced Project Management Companies. Risk register to be maintained. 5% contingency sum allowed for in budget estimate.
Detailed design, inflation since estimate prepared and unforeseen site conditions may increase estimated cost of project.	Estimated cost currently includes all fees and 10% contingency. A further 5% contingency has been allowed for in total estimated budget.
Proposed scheme may not proceed due to planning or other relevant criteria.	Options identified to either resubmit the original scheme prepared in October 2014, or prepare a smaller scheme on site to reduce the overall height of the car park.
Poor Project Management could result in cost and programme over-run.	PRINCE 2 Project Management principles to be adopted. Use of experienced Project Management Consultants for both car park and residential developments. Risk analysis to be undertaken and risk register maintained.
Car park income levels will be insufficient to deliver the required return on investment.	Increased car park charges for Buckhurst 2 identified in the funding options. Surveys indicate there is a strong demand for additional parking in the Town Centre.
Failure to communicate effectively with key stakeholders could result in planning delays and reputational damage to the Council.	Full communication and consultation plan to be established.

This page is intentionally left blank