

CABINET

Minutes of the meeting held on 4 February 2016 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllr. Lowe (Vice Chairman)

Cllrs. Dickins, Firth, Hogarth, Lowe, Piper and Searles

Apologies for lateness were received from Cllr Fleming.

Cllrs. Abraham, Dr. Canet, Mrs. Hunter, Parkin, Pett, Raikes and Thornton were also present.

(Vice Chairman in the Chair)

62. Minutes

Resolved: That the minutes of the meeting of Cabinet held on 14 January 2016 be approved and signed as a correct record.

63. Declarations of interest

There were no additional declarations of interest.

64. Questions from Members

There were none.

65. Matters referred from Council, Audit Committee, Scrutiny Committee or Cabinet Advisory Committees

There were none.

CHANGE IN AGENDA ITEM ORDER

With Members' agreement, the Vice Chairman (in the Chair) brought forward considerations of Agenda Items 12 to be taken before Agenda Item 5 and Agenda Item 11 after Agenda Item 5.

66. Sevenoaks District Council Trading Company named Quercus7 Ltd

The minute reference from the Legal & Democratic Services Advisory Committee was tabled. The Portfolio Holder for Legal & Democratic Services presented the report which provided information on how the new Trading Company Quercus 7 Limited would work operationally and requested Cabinet to approve the current working and further

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proposed arrangements. The Legal & Democratic Services Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

The Portfolio Holder for Legal & Democratic Services introduced Louis Sebastien from Trowers & Hamlins who gave a brief background to the report and ran through the anticipated workings of the Trading Company. All Members present had the opportunity to ask questions of clarification concerning the report and proposals.

In response to questions Mr Sebastien and the Chief Officer Legal & Governance agreed to investigate and report back to Members with regards to whether the Trading Board could be 'classed' as shadow directors. It was noted that the Chief Officer Legal & Governance hoped to have completed the Shareholder Agreement before leaving the Council, and had completed the first draft which would be circulated to relevant Portfolio Holders. With regards to dividends and loan repayments, the facility agreement would specify the terms of the loan and the Articles of Association set out the process for payment of dividends. With regards to the business plan, the Executive Board would draft it and it would be reviewed by the Trading Board.

It was clarified that it was only intended that the Trading Company would be used as a last resort, and that any property to be or already acquired by the Council would preferably be managed by the Council. State aid rules were also explained. The Non Executive Directors of the Company would only be involved in Company matters and could not get involved in looking after the Council's property investment portfolio.

With reference to the queries raised at the meeting of the Legal & Democratic Services Advisory Committee, it was clarified that since the Companies Act 2008 there had no longer been a requirement to have a Company Secretary. However, for the operational activities of the Trading Company the position of Company Secretary had been written into the articles of association as there was no advantage gained in not having one. It was anticipated that this role would be carried out by an officer from within the Council's legal team.

Public Sector Equality Duty

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

Resolved: That the following working arrangements be approved

- a) the appointment of Chief Officers initially put forward as Directors on incorporation;
- b) the composition of The Trading Board, established to oversee the trading activities of the Company, to comprise the Cabinet with a quorum of three Members to be chaired by the Leader of the Council;
- c) the job description and specification required to recruit the 2 Non-Executive Directors as set out at Appendix B and such recruitment to be either using internal resources or through a firm of specialist Management & Recruitment Consultants with an approved budget of up to £6,000 in this respect;

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- d) remuneration to be paid to the Non-Executive Directors up to £5,000 each; and
- e) the Chief Officer Legal and Governance in conjunction with the Chief Finance Officer be authorised to finalise a Shareholder Agreement and Loan Arrangements for the Company in conjunction with relevant Portfolio Holders.

(Cllr Fleming arrived towards the end of debate of this item, was seated in the public gallery and did not take part in the remainder of the debate or voting thereon. Once the recommendations had been agreed he took his seat as Chairman)

Chairman in the Chair

67. Annual Review of Parking Charges for 2016/17

The Portfolio Holder for Direct & Trading Services presented the report which was the response to a public consultation on the annual review of parking charges for 2016-17, and proposed agreeing revised tariffs in the Council's off-street car parks and in on-street pay and display parking bays.

Public Sector Equality Duty

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

Resolved: That following consideration of the responses to the public consultation, the following revised parking charges for 2016-17 be agreed

Off street 2016/17			
1A	Blighs	Up to 30 mins	70p
		Up to 1 hr	£1.50
		Up to 2 hrs	£3
		Up to 3 hrs	£5
		Up to 4 hrs	£10
		Evening	£1
		Sundays - Up to 4 hrs	4 hours max stay
1B	Buckhurst 1 South Park Suffolk Way	Up to 1 hr	£1
		Up to 2 hrs	£2
		Up to 3 hrs	£3
		Up to 4 hrs	£4
		Up to 5 hrs	£4.50
		Evening	£1
1C	Buckhurst 2 Weekdays	All day	£4.60
		Evening	£1
	Buckhurst 2 Saturdays	Up to 1 hr	£1
		Up to 2 hrs	£2
		Up to 3 hrs	£3
		Up to 4 hrs	£4

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	Buckhurst 2 and South Park Season Tickets	Over 4 hours and all day	£4.60
		Evening	£1
		Annual Season Ticket	£859
		Quarterly Season Ticket	£224.75
		Resident Permit	£35
1D	Council Offices	Saturdays and Sundays	Free
2A	St Johns St James	Up to 30 mins	20p
		Up to 1 hr	40p
		Up to 2hrs	60p
		Up to 4 hrs	£1
		Over 3 hrs and all day	£3.10
		Annual Season Ticket	£429
			£117.25
		Resident Permit	£35
2B	Bradbourne	All day	£7
		After 3pm up to 6.30pm	£1.50
	Bradbourne Season	Annual Season Ticket	£1,110
		Quarterly Season Ticket	£287.50
2C	Sennocke	All day	£7
		Up to 2 hrs	£1
		After 3pm up to 6.30pm	£1.50
	Sennocke Season Tickets	Annual Season Ticket	£1,150
		Quarterly Season Ticket	£297.50
2D	Bevan Place Park Road (not all day) Station Road	Up to 30 mins	30p
		Up to 1 hr	50p
		Up to 2 hrs	70p
		Up to 4 hrs	£1.10
		Over 4 hrs and all day	£4
2E	Bevan Place Season Tickets	Annual Season Ticket	£396
		Quarterly Season Ticket	£109

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2F	Darent	Up to 30 mins	Free
		Up to 1 hr	
		Up to 2 hrs	
		Up to 3 hrs	
		Up to 4 hrs	£1.50
		Over 4 hrs and all day	£3.50
2G	Quebec Avenue	Up to 15 mins	10p
		Up to 30 mins	20p
		Up to 1 hr	50p
		Up to 2 hrs	70p
		Up to 4 hrs	£1.20
		Over 4 hrs and all day	£3.10
2H	Vicarage Hill	Up to 15 mins	10p
		Up to 30 mins	20p
		Up to 1 hr	60p
		Up to 2 hrs	£1.50
On street 2016/17			
3A	High Street London Road South Park	Up to 30 mins	40p
		Up to 1 hour	80p
		Up to 2 hours	£1.40
		Sunday	2 hours max stay
3B	Sevenoaks Town The Vine Plymouth Drive	Up to 30 mins	20p
		Up to 1 hour	60p
		Up to 2 hours	£1.30
		Over 2 hrs and all day	£3
3C	Sevenoaks Station Moorwood Close (West)	Up to 30 mins	20p
		Up to 1 hour	60p
		Up to 2 hours	£1.30
		Up to 4 hours	£2.40
3D	Sevenoaks Station St Botolphs Ashley Close Moorwood Close (East)	Up to 30 mins	20p
		Up to 1 hour	60p
		Up to 2 hours	£1.30
		Up to 4 hours	£2.40
		Over 4 hrs and all day	£5.50
3E	Sevenoaks District Resident Parking Permits	First	£35
		Second	£70
		Third	£125
		Fourth	£250

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3F	Resident Vistors	Book of 5	£6
3G	Resident Vistors	Town Annual	£270
		Town Half Yearly	£135
		Town Quarterly	£67.50
		Station (West) Annual	£765
		Station (West) Half Yearly	£382.50
	Non-Resident Parking Permits	Station (West) Quarterly	£191.25
		Station (East) Annual	£650
		Station (East) Half Yearly	£325
		Station (East) Quarterly	£162.50
4A	Knockholt	All Day	£3.50
		After 2pm up to 6pm	£2.40
4B	Swanley Station Azalea Road Godsel Road	Up to 30 mins	20p
		Up to 1 hour	60p
		Up to 2 hours	£1.30
		Up to 4 hours	£2.40
		Over 4 ours and all day	£3.50
4C	Westerham On Street The Green The Grange Market Square	15 minutes	10p
		30 minutes	20p
		1 hour	60p
		2 hours	£1.50
4D	Westerham On Street Fullers Hill Croydon Road	15 minutes	10p
		30 minutes	20p
		1 hour	60p
		2 hours	£1.50
		3 hours	£2.50

68. Scrap Metal Dealers Fees

The minute reference from the Legal & Democratic Services Advisory Committee was tabled. The Portfolio Holder for Legal & Democratic Services presented the report the report which proposed fees that maintained a 'self financing' position for the service in providing the Council's statutory duty under the Scrap Metal Dealers Act 2013, in accordance with the Council's Service and Budget Plan.

The Legal & Democratic Services Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

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Public Sector Equality Duty

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

Resolved: That the appropriate fee levels set out below, be approved

Site Licence – Grant (3 years)	£460
Site Licence - Renewal (3 years)	£390
Collectors Licence – Grant/renewal (3 years)	£280
Minor administrative change to licence -	£30
Variation - change of site manager -	£165
Variation from collector to site licence -	£200
Variation from site to collector licence -	£130

69. Budget & Council Tax Setting 2016/17

The Portfolio Holder for Finance presented the report for Members consideration, which was the final stage of the budget process that had seen members of the Advisory Committees having greater opportunity to contribute to the budget process. The report set out the proposed budget and required level of Council Tax for 2016/17 and also detailed changes to the draft budget since the Cabinet meeting on 14 January 2016. Members noted the corrected Appendix B as previously separately circulated and published after the main agenda but not contained in the original paper copy of the agenda, and further noted Appendices J to M would be circulated for Council decision.

The Government's draft finance settlement had been worse than expected across local government but had once again showed the benefit of having a 10-year budget strategy as no further savings had needed to be made to protect the Council's position. This was not the case for many other local authorities. If approved, the net expenditure budget for 2016/17 would be £13.689m with the District's Council Tax increasing by 1.96% resulting in Band D Council Tax being £196.65. He was pleased to announce that the report once again left the Council with a fully funded budget over the next 10 years.

The report also contained the Collection Fund position and an opinion on the robustness of the budget and the adequacy of the reserves.

The Chief Finance Officer explained that Appendix H to the report contained a review of reserves which included the recommendation to establish a Switch & Save Reserve, a

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Business Rates Retention Reserve and a CIL Reserve. Also included were some other movements between reserves.

The Government had not yet announced the final funding settlement figures for 2016/17 which were expected early the following week. Any changes included in that settlement would not affect the budget being recommended in the report. He reminded Members that the provisional settlement included a 61% reduction in the Revenue Support Grant (RSG) in 2016/17 alone, and that the figures assumed no funding would be passed on to Town and Parish Councils for Council Tax Support, which was one of the three options Council would be asked to consider.

He further advised that the changes should make the 10-year budget even more sustainable going forward as any Government changes would have less impact.

The Chairman, on behalf of the Cabinet, congratulated the Chief Finance Officer and all his staff for all their work, especially with regards to leading the response to Government on the new RSG proposals.

The Chairman advised that he believed there would be an expectation from Government for local authorities to accept any freedoms given this financial year, as part of locally raised fees and charges.

Public Sector Equality Duty

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

Resolved: That it be recommended to Council that

- a) the Summary of Council Expenditure and Council Tax for 2016/17 set out in Appendix E to the report, be approved;
- b) the 10-year budget 2016/17 to 2025/26 which is the guiding framework for the detailed approval of future years' budgets set out in Appendix B to the report, including the growth and savings proposals set out in Appendix C-D to the report, be approved; and that where possible any variations during and between years be met from the Budget Stabilisation Reserve;
- c) the changes to reserves and provisions set out in Appendix H to the report, be approved;
- d) Members' views be sought on the issue of Council Tax Support funding for Town and Parish Councils and one of the following options be approved:
 - i) no funding be passed to Town and Parish Councils for Council Tax Support in 2016/17;

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- ii) an amount of funding be passed to Town and Parish Councils for Council Tax Support in 2016/17 equivalent to the amount passed on in 2013/14 less 78% (the Council's reduction in Revenue Support Grant); or
- iii) a different amount be passed to Town and Parish Councils for Council Tax Support in 2016/17.

70. Discretionary Rate Relief

The minute reference from the Finance Advisory Committee was tabled. The Portfolio Holder for Finance presented the report which set out the proposals for awarding discretionary rate relief for 2016/17. The Council required potential recipients of discretionary rate relief to submit a formal application every two years, but in light of the changes brought about by business rate retention, the proposals for awarding relief were now to be reported annually.

All applications received were recommended for approval. If Cabinet approved all of the applications, the total gross relief granted would be £176,882. The Finance Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

Public Sector Equality Duty

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

Resolved: That the proposals for granting relief from business rates for 2016/17 set out in Appendix B to the report, be approved.

71. Capital Programme and Asset Maintenance

The minute reference from the Finance & Advisory Committee was tabled. The Portfolio Holder for Finance presented the report which set out the proposed 2016/19 Capital Programme, with supporting documentation in a standard format for individual scheme bids. Projected capital receipts were included, indicating the proposed financing of the Programme. A proposed overall provision limit for Asset Maintenance was also made.

The Finance Advisory Committee had considered the same report and a tabled, amended, Appendix B which was attached to the tabled minute reference from the meeting. The Finance Advisory Committee had agreed to recommend everything except the back-up generator, to Cabinet.

The Head of Finance explained that at the Finance Advisory Committee an additional request had been submitted for an additional £40,000 to reflect the revised costs of a replacement generator for the Argyle Road Offices in addition to the £140,000 already approved in the capital programme.

Following the comments made at that meeting, Officers had started working on alternative solutions as the number of options had increased since the original bid was

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completed. Therefore, it was suggested that the additional £40,000 was not approved and, instead, Officers asked to report back after they had carried out further work.

Public Sector Equality Duty

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

Resolved: That

- i) the Capital Programme 2016/19 and funding method set out in the tabled Appendix B to the Capital Programme and Asset Maintenance 2016/19, excluding the bid for a replacement backup power generator, report be approved;
- ii) Officers continue to investigate and report back on other possible options for a replacement backup power generator at Argyle Road; and
- iii) the proposed Asset Maintenance budget of £490k be agreed for 2016/17.

72. Treasury Management Strategy 2016/17

The minute reference from the Finance & Advisory Committee was tabled, which included an updated interest rate forecast from Capita Asset Services together with an update on Santander UK Plc latest credit ratings. The Portfolio Holder for Finance presented the report advising that the Finance Advisory Committee had considered the same report and had agreed to recommend it with the inclusion of Santander UK Plc as an investment counterparty.

The Principal Accountant introduced the report advising that it formed part of the budget strategy for 2016/17 and sets out the proposed treasury strategy for the forthcoming year. Since the writing of the report, Capita Asset Services had amended their interest rate forecast. Therefore, the prospects for interest rates detailed in the report and Appendix B to the report had changed.

Santander was recognised as a UK bank, but its parent company was Spanish. It was noted that investment in non-UK banks was currently permitted under the existing policy, but Members had preferred that investment was restricted to UK organisations with the exception of Handelsbanken, a Swedish bank which was approved for use in the current financial year. He advised that he was aware that out of the eleven authorities in the investment benchmarking group, six had investments with Santander and the bank's investment rates were either in line with or exceeded those available in the market.

If Members were minded to include Santander, then the Capita Asset Services recommended duration limit at the present time was 6 months, and they would fall into the investment limit category of up to £7m.

It was noted that the last training session by Capita for Members had been in 2010. Officers agreed to investigate further training for Members. As there was a fee, joint training with other authorities could be considered in order to spread the cost.

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Public Sector Equality Duty

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

Resolved: That with the inclusion of Santander UK Plc as an investment counterparty, Cabinet recommend the Council approve the Treasury Management Strategy for 2016/17.

73. Financial Results to the end of November 2015

The minute reference from the Finance & Advisory Committee was tabled. The Portfolio Holder for Finance presented the report advising that the Finance Advisory Committee had considered the same report and had agreed to recommend it to Cabinet with no further comment.

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 8.13 PM

CHAIRMAN

IMPLEMENTATION OF DECISIONS

This notice was published on 8 February 2016. The decisions contained in Minutes 66, 68, 70, 71 and 73 take effect immediately. The decision contained in minute 67 takes effect on 16 February 2016. Minutes 69 and 72 are recommended to Council and will be considered on 16 February 2016.

