

CABINET

Minutes of the meeting held on 6 February 2014 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllrs. Bosley, Ms. Lowe and Ramsay

An apology for absence was received from Cllr. Hogarth

Cllrs. Brookbank, Mrs. Clark, Mrs. Davison, Davison, Horwood, Mrs. Hunter, Piper and Searles were also present.

FLOODING AND EMERGENCY PLANNING UPDATE

At the invitation of the Chairman, the Head of Parking and Surveying updated Members on the current flooding alert. It was currently an Amber warning. Emergency planning meetings were taking place in the Maidstone and Medway areas. The river Darent was of concern within the District at the moment. Staff were already on the ground dealing with requests for sandbags etc. It would be a larger event over the weekend as conditions were to worsen and would require a larger operation and more man power, with the possibility that evacuation and emergency shelters may be required.

Members expressed their thanks and appreciation to all staff involved.

64. Minutes

Resolved: That the minutes of the meeting of Cabinet held on 9 January 2014, be approved and signed as a correct record.

65. Declarations of interest

There were no additional declarations of interest

66. Questions from Members (maximum 15 minutes)

Councillor Davison asked whether the membership of Scrutiny Committee had been looked at. The Chairman advised that Governance Committee had been charged with looking into the present governance arrangements. It was confirmed that there would be a report to the next meeting of Governance Committee on 13 March 2014.

67. Matters referred from Council

There were no matters referred from Council.

68. Matters referred from the Audit Committee and Scrutiny Committee (Paragraph 5.20 of Part 4 (Executive) of the Constitution) (if any)

There were no references from the Audit Committee or Scrutiny Committee.

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69. Recommendations from the Cabinet Advisory Committees:

- a) Capital and Asset Maintenance (*Finance & Resources Advisory Committee 21 January 2014 – Minute 42*)

This was considered under Minute 73.

- b) Treasury Management Strategy 2014/15 (*Finance & Resources Advisory Committee 21 January 2014 - Minute 41*)

This was considered under Minute 74.

- c) Local Government Association (LGA) Peer Challenge Letter (*Strategy & Performance Advisory Committee 28 January 2014 – Minute 33*)

This was considered under Minute 77.

70. Approval of High Weald and Kent Downs Areas of Outstanding Natural Beauty Management Plans Second Revision

The Portfolio Holder for Local Planning & Environment presented a report which introduced a proposal to adopt the Second Revision of the Management Plans for both the High Weald and the Kent Downs Areas of Outstanding Natural Beauty (AONBs). Both AONB Units had revised their Management Plans to cover the period April 2014 to March 2019, fulfilling the statutory duties of the Countryside and Rights of Way Act (2000) on behalf of the constituent Local Authorities covering each AONB.

The report summarised the main amendments to the current Management Plans and sought approval for formal adoption of the two Plans. Neither review represented a significant policy shift, but more generally light touch reviews of the existing respective Management Plans. It was noted that these were not consultation documents; detailed consultation had already taken place on the two proposed plans. The Council had been involved in the development of the plans through its membership of the two AONB Units and through Portfolio Holder comments on the draft plans. Any changes requested through the adoption process should be minor in nature and not materially affect the plan. The statutory adoption deadline for each plan was 1 April 2014.

The Portfolio Holder and the Chairman of the Local Planning & Environment Advisory Committee reported that though the last meeting had not been quorate Members present had discussed the report, had all been in favour and had praised Officers for their work.

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 Full Council that the the Kent Downs and High Weald AONB Management Plans be adopted and copies made available on the Sevenoaks District Council website.

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71. Community Infrastructure Levy (CIL) Charging Schedule

The Portfolio Holder for Local Planning & Environment presented a report which advised that adoption of the CIL Charging Schedule would ensure that the Council could continue to secure funding for infrastructure to support development once greater limitations were placed on the use of planning obligations. A CIL Charging Schedule had been prepared that took into account the viability of development in the District and the infrastructure needed to support development. The Charging Schedule had been found sound by an independent Examiner following two rounds of public consultation and an examination.

The report recommended that Council adopt the CIL Charging Schedule and set out a timetable for the Council to begin charging CIL. The Portfolio Holder [tabled](#) amended recommendations that Cabinet delegate the task of recommending, and keeping under review, governance arrangements for the prioritisation of CIL to the Local Planning and Environment Advisory Committee. It was noted that any amendments would not need to be brought back before the Planning Inspectorate.

The Chairman of the Local Planning & Environment Advisory Committee advised that Members who had been present at the inquorate meeting had only raised concerns as to the governance arrangements and subject to the recommendations being agreed, the Advisory Committee would consider a report on these at the next meeting on 25 March 2014.

Public Sector Equality Duty

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

Resolved: That

- a) subject to the adoption by Full Council of the Community Infrastructure Levy Charging Schedule as below, it be added to the the Local Planning and Environment Advisory Committee's Terms of Reference to recommend, and keep under review, governance arrangements for the prioritisation of CIL;
- b) it be recommended to Full Council that:
 - i) the Community Infrastructure Levy Charging Schedule be adopted.
 - ii) the Community Infrastructure Levy rates be charged from 4 August 2014.
 - iii) the scheme be monitored to understand its impact on development across the District and held under review.
 - iv) all town or parish councils receive £18.75 per m² (15% of £125 per m²) of a CIL payment relating to a residential development that occurs in their area if they do not have an adopted Neighbourhood Plan at the time of development being permitted to spend on infrastructure or £31.25 per m²

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(25% of £125 per m²) if they do have an adopted Neighbourhood Plan, subject to caps set out in the CIL Regulations.

- v) the Portfolio Holder for Local Planning & Environment be authorised to agree minor presentational changes and detailed amendments to the Charging Schedule prior to publication to assist the clarity of the document.
- vi) the document be published on the Council's website and made available to purchase in hard copy at a price to be agreed by the Portfolio Holder.

72. Statement of Community Involvement - Draft for Consultation

The Portfolio Holder for Local Planning & Environment presented a report which outlined the contents of the Council's draft Statement of Community Involvement (SCI) in Planning. The document detailed proposals to engage local people and organisations in the development planning process, both in planning policy and development management. A SCI was first adopted by the Council in 2006 and this version refreshed that document, bringing it up to date with current consultation methods, particularly in relation to electronic communication. This was a consultation document and once the draft was agreed, it was proposed that public consultation would take place for six weeks in spring 2014. A colour copy of the document was tabled for information and it was noted that it would also be available in pdf format online.

The Chairman of the Local Planning & Environment Advisory Committee advised that Members at the inquorate meeting requested that an amendment be made to state that pre applications were sometimes chargeable.

Public Sector Equality Duty

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

Resolved: That the publication of the draft Statement of Community Involvement, subject to an amendment to include that pre application could be chargeable, be approved for consultation.

73. Capital Programme and Asset Maintenance 2014/17

Members considered the reference received from the Finance & Resources Advisory Committee. The Portfolio Holder for Finance & Resources presented the report which set out the proposed 2014/17 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 provisional limit for Asset Maintenance was also made.

A [revised Appendix B](#) which properly reflected the changes arising from the meeting of the Finance & Resources Advisory Committee, was tabled.

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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

- a) the Capital Programme 2014/17 and funding method set out in the revised Appendix B be approved;
- b) the proposed Asset Maintenance budget of £469,000 be agreed for 2014/15.

74. Treasury Management Strategy 2014/15

Members considered the reference and recommendations received from the Finance & Resources Advisory Committee. The Portfolio Holder for Finance & Resources presented the report which advised that the Local Government Act 2003 (the Act) and supporting regulations required the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Act therefore required the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by investment guidance issued subsequent to the Act) which set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. Members' attention was drawn to paragraphs 61-64 of the report and Appendix F, which dealt with proposed changes to the investment criteria.

With reference to recommendation (c) the Portfolio Holder for Finance and Resources expressed his hesitance at looking at investing in non-UK banks. The Chairman acknowledged this but pointed out that rates of returns were diminishing and the Council was tasked with achieving value for money and therefore some of the risks needed to be investigated. He asked whether local government bonds had been looked at. The Chief Finance Officer advised that once more detail was available a report would be brought before the Advisory Committee.

Action 1: The Finance and Resources Advisory Committee to look at local government bonds once more detail was available.

Public Sector Equality Duty

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

Resolved: That

- a) the following amended investment criteria be included in the Treasury Management Strategy for 2014/15:

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- i) Maximum investment period of 2 years.
 - ii) Investments in any single institution or institutions within a group of companies be limited to 25% of the total fund, at the time the investment is placed, except it be increased for Lloyds Banking Group plc and Royal Bank of Scotland Group plc to 30%.
 - iii) Total investments in any one foreign country be limited to 15% of the total fund, but UK-based institutions to be used as first preference.
 - iv) Investments in banks be limited to £6m per counterparty excluding call accounts and £7m including call accounts except for Lloyds Banking Group plc and Royal Bank of Scotland Group plc, where the limits would be £10m for each with no distinction between fixed deposits and call accounts.
 - v) If the Council's own banker, Barclays, falls below Capita Asset Services' minimum credit rating requirements, it would nevertheless continue to be used, although balances would be minimised in both monetary size and duration.
 - vi) Building Societies with assets in excess of £9bn be included in the lending list with a maximum investment limit of £2m each and a maximum duration of 100 days. If a Building Society meets Capita Asset Services' minimum credit rating requirements, the investment limit be increased to £5m with a maximum duration of two years.
 - vii) Enhanced Money Market Funds (EMMF) to be used as an alternative to the existing standard Money Market Funds (MMF) with a combined maximum limit of £5m per provider.
- b) Property Funds with a limit of £5m in each not be included at this time;
 - c) investments in non-UK banks not be included at this time, but the matter be brought before a future meeting of the Finance and Resources Advisory Committee for further consideration; and
 - d) it be recommended to Full Council to approve the amended Treasury Management Strategy for 2014/15.

75. Discretionary Rate Relief

The Portfolio Holder for Finance & Resources reported that applications for discretionary rate relief were made every two years but Cabinet approved the reliefs every year in case there had been changes that affected the decision. The report provided Members with a list of applicants wishing to receive Discretionary Rate Relief in 2014/15.

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No new applications had been received so the list in Appendix B to the report, contained the same organisations that were approved one year before and were again recommended for approval.

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 2014-2015 set out in Appendix B to the report, be approved.

(Due to interests as Parish Councillors, Cllr. Bosley did not take part in the vote on Gamecock Meadow Management Committee, and Cllr Ramsay did not take part in the vote on Hartley & District Social Club Ltd, Hartley Village Hall and Longfield & Hartley Scout Group)

76. (Budget Setting) Revenue Budget and Council Tax

In accordance with Section 100B (4) of the Local Government Act 1972, the Chairman had agreed to accept the papers for this item as an urgent matter. The papers had not been available five clear working days before the meeting due to the late receipt of Government grant details and the continued delay in announcing the referendum limit for Council Tax and the report needed to be considered by Cabinet prior to Council on 18 February 2014.

The Portfolio Holder for Finance & Resources presented the report which set out the proposed budget and updated Members on the information received to date regarding the setting of Council Tax levels for 2014/15. The report detailed changes to the draft budget since the Cabinet meeting on 5 December 2013, and proposed a net expenditure budget of £14.106m in 2014/15 (£13.800m in 2013/14). The report set out the proposed budget and required Council Tax for 2014/15.

The Chief Finance Officer reported that the Council had continued with the 10-year budget strategy that had been used over the last four years and had recently been highlighted by Grant Thornton, the external auditors, as an example of best practice. Regular reports had been presented to Cabinet and the Advisory Committees had also had the opportunity to analyse the budgets within their areas of responsibility during the process.

The Government had finally set the referendum limit the day before the meeting, at 2%; therefore the proposed net expenditure for 2014/15 was £14.106m with the District's Council Tax increasing by 1.99% to £189.18 for a Band D property.

Since the last update on 9 January 2014, there had been several changes made to the budget set out from paragraph 18 of the report, including: the higher increase in the Council Tax base; superannuation fund triennial valuation having a similar outcome to the previous valuation; and, possible increased budgets for Asset Maintenance. Cabinet had been advised of a number of growth and savings proposals in January, and the Service Change Impact Assessments (SCIAs) for these proposals were included in Appendix D to the report. Appendix H recommended changes to the Reserves, including

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transferring £200,000 from the First Time Sewerage Reserve to a new Corporate Project Support Reserve.

The late Government announcements including the provisional Government Grant Settlement on 18 December and the referendum limit only just being set had caused problems for local authorities across the country. It had looked likely at the time of publication of the report that the Council meeting planned for 18 February 2014 would need to be put back due to the other major preceptors (KCC, Fire, Police) having to formally set their Council Tax levels before this Council could set the overall Council Tax. With the referendum limit now set it was anticipated that all of the information would be received in time for the Council meeting on 18 February 2014. An extraordinary meeting of Cabinet was also now not needed.

The Deputy Portfolio Holder for Economic & Community Development reported that he and the Portfolio Holder had been working with the Chief Officer Communities and Business to accommodate within the budget the employment of a Business Development Manager. The Chief Officer Communities and Business, confirmed that this post could be funded with a budget of £50,000 on a two year fixed term contract by reducing the growth item over five years for broadband (SCIA2).

In light of the Government announcements and subject to the amendments to enable the employment of a Business Development manager for a two year fixed term contract, the Chairman proposed amendments to the recommendations.

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 Full Council that

- a) the Summary of Council Expenditure and Council Tax set out in Appendix E to the report, adjusted for the Business Development Manager proposal, be approved;
- b) the 10-year budget 2013/14 to 2023/24 which was the guiding framework for the detailed approval of future years' budgets as set out in Appendix A to the report, adjusted for the Business Development Manager proposal, including the growth and savings proposals set out in Appendix B-D to the report, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve, be approved;
- c) the changes to reserves set out in Appendix H to the report, be approved;
- d) no Council Tax Support funding for Town and Parish Councils be issued as no money had been ring-fenced for this purpose in the Government Grant Settlement, and this approach agreed and adopted by Council; and

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- e) Officers to come forward for proposals at Full Council for the amount of council tax charge for 2014/15, in line with the 10-year budget and Government guidance.

77. Local Government Association (LGA) Peer Challenge - Feedback Letter

Members considered the reference received from the Strategy & Performance Advisory Committee. The Chief Executive presented the report which summarised the feedback and suggestions of the Corporate Peer Challenge carried out by a number of senior officers, including the Chief Operating Officer of Luton Airport and Director of Local Government Finance (DCLG), in December 2013. They had commented on the need to work on articulating the strategy for self sufficiency especially in light of the more likely significant reductions in government support.

Public Sector Equality Duty

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

Resolved: That

- a) the findings of the Peer Challenge Team be endorsed and accepted to be taken forward; and
- b) the Corporate Peer Challenge Team be thanked for the time taken in completing the review and providing their feedback.

IMPLEMENTATION OF DECISIONS

This notice was published on 10 February 2014. The decisions contained in Minute 71 (a), 72, 73, 75 and 77 take effect immediately. The decisions taken in Minutes 70, 71 (b), 74 and 76 will be considered at Full Council on 18 February 2014.

THE MEETING WAS CONCLUDED AT 7.50 PM

CHAIRMAN