

CABINET

Minutes of the meeting held on 11 November 2021 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllr. Dickins (Vice Chairman)

Cllrs. McArthur, Dyball, Maskell and Thornton

Cllrs. Osborne-Jackson and Pender were also present.

Cllrs. Grint and Hunter were present via a virtual media platform, which does not constitute attendance as recognised by the Local Government Act 1972.

37. Minutes

Resolved: That the Minutes of the meeting of Cabinet held on 14 October 2021, be agreed and signed by the Chairman as a correct record.

38. Declarations of interest

There were no additional declarations of interest.

39. Questions from Members (maximum 15 minutes)

A Member asked a question about the consultation on the expansion of Gatwick airport. The Chairman explained that the Council had not yet commented, but that affected Ward Members would be consulted before any consultation reply was sent.

40. Matters referred from Council, Audit Committee, Scrutiny Committee, CIL Spending Board or Cabinet Advisory Committees (if any)

There were none.

41. Local Plan Timetable (Local Development Scheme)

The Portfolio Holder for Development & Conservation presented the report which detailed the proposed timetable for the Local Plan, which was also known as the Local Development Scheme (LDS).

The Planning Team Leader (Policy) advised that the timetable would be included within an LDS document, which would also provide details of other relevant documents such as Supplementary Planning Documents (SPDs) and Neighbourhood plans. It was hoped that the plan would be published in winter 2022/23. It was anticipated the plan would be adopted by April 2024.

Public Sector Equality Duty

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

Resolved: That the Local Plan Timetable (LDS), be approved.

42. Infrastructure Funding Statement - Priorities

The Portfolio Holder for Development & Conservation presented the report which looked at the proposed priorities for the Council's new Infrastructure Funding Statement (IFS). Members were advised that the Development & Conservation Advisory Committee had considered the same report and suggested that Cabinet should consider including Edenbridge under priorities for health and social care.

The Planning Policy Team Leader (Infrastructure) advised that local authorities are not bound by the priorities laid out in the IFS but that it would provide transparency to developers and the community as to what the Council's intentions were. The report considered the type of projects and types of infrastructure what was prioritised last year, and looked at what the money had been spent on through Section 106 and CIL over the last few years.

Public Sector Equality Duty

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

Resolved: That

- a) The criteria for prioritising infrastructure projects for funding in the Infrastructure Funding Statement, as set out below, be agreed;
- The projects fall with the infrastructure types/projects identified in the IFS report.
- The projects have been identified in our Infrastructure Delivery Plan. (This ensures that the infrastructure prioritised supports the Local Plan).
- The projects support and are clearly related to proposed or allocated development in the District. They therefore provide a strong link between development and the proposed project.
- That there is a strong social, environmental or economic justification for the scheme.
- That projects have not received CIL previously.

- The scheme has support from infrastructure providers
 - That there is a need or it will be expected to be delivered within the next 5 years.
 - That it is identified as having a critical or high need where the project has to be delivered prior to any development to support it.
 - Where it is likely that the infrastructure project can be delivered within the plan period as there are little or no issues with funding or landownership.
 - Where there is a clear plan as to how the project would be funded; and
- b) the specific projects and types of Infrastructure recommended in paragraphs 28 - 38 of the report, be identified in the Infrastructure Funding Statement as having a priority for full or partial funding, with the inclusion of Edenbridge under priorities under Health and Social Care.

43. Community Infrastructure Levy (CIL) Governance Review

The Portfolio Holder for Development & Conservation presented the report on the annual review of governance arrangements of allocating Community Infrastructure Levy (CIL) funding to local and strategic infrastructure projects across Sevenoaks District.

The Planning Team Leader (Infrastructure) advised that the current governance arrangements had been agreed by Members of the Committee in July 2020. The report looked at what had been implemented and considered the recommendations made by an independent review, as well as any further changes that were required to the process of spending CIL. The Chairman and Vice Chairman of the CIL Spending Board had also been consulted.

The Portfolio Holder advised that the Development & Conservation Advisory had considered the same report and had suggested that the removal of allocating to officers to spend, that the allocation be 15% of the CIL money received be in a financial year, and that the Leader and Portfolio Holder for Development & Conservation agree the spend by a Portfolio Holder Decision, and consulting the Chairman and Vice Chairman of CIL Spending Board before a decision.

The Portfolio Holder advised that, should Cabinet be minded to go with the suggestions from the Advisory Committee, that recommendation b ii) bullet point 8 was amended to read as: That the Portfolio Holder for Development & Conservation agree to the spend, by sign off on a Portfolio Holder Decision Sheet, following consultation with the: Leader, Chairman, and Vice Chairman of CIL Spending Board.

Public Sector Equality Duty

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

Resolved: That

- a) the following approach as detailed within the report and as (i) to (v), below be agreed:
 - i. Whilst the results of the assessment are good overall as we are seen as being a well-managed and integrated authority, it is important for us to consider if there are any ways to improve.
 - ii. One of the main suggestions is to look at predicting our CIL income. As officers, our recommendation in the past had been that we do not predict our CIL income as there was no guarantee and it is difficult to predict. This had been because not all permissions that have been served a Liability Notice would be implemented and also as we have no control over when development commences. Predicting CIL could cause us problems or unnecessarily raise hopes. If we allocate funds based on our prediction and less CIL actually comes in, it could also lead to disappointment and projects could miss out. As currently nothing relies on our CIL income and the meeting of the CIL Spending Board was flexible and was based on how much CIL actually comes in, it was suggested that there was no need to predict our CIL income and that we set up a CIL Spending Board only when we had sufficient CIL income to do so.
 - iii. It has also been suggested that we adopt a structured engagement plan to set out formally how we engage with stakeholders. Whilst this could be positive as we could formally set out ways in which we interact and when, it could also be beneficial to leave this flexible so we can interact and agree outcomes as and when needed.
 - iv. It's not considered that there was a need to set up an officer's working group as the CIL Spending Board was set up to distribute CIL funds and the DCAC and Cabinet oversee the Governance of this. It was considered that this was appropriate and a working group was not required.
 - v. In regard to the focus of our IDP, it would be possible to make this more of a delivery document, to look to update this regularly and also to ensure that it links into our IFS. It is important to have a clear structure to this process to ensure that all parties were included and to ensure that this links to our more strategic aims. As we were looking at the IDP and IFS again, in relation to a revised Local Plan, this was the perfect time to consider how this could be done more

effectively. As a team were looking at this, it was considered that we can look at a better and more efficient way of dealing with this but no details had been decided yet. It was requested that this aspect be allocated to officers to consider a way forward.

b) the changes to CIL Spending as detailed as (i) to (iii) below, be agreed:

- i. As the percentage for admin and Parish and Town Council's had already been agreed, it was suggested by officers that out of the 70% allocated to the CIL Spending Board to spend, that 15% percent be set aside to spend outside of the CIL Spending Board process.
- ii. It was still appropriate for the majority of the spending to be allocated through the CIL Spending Board. It be suggested that 15% of the CIL Spending Board money was allocated to spend on projects outside of the CIL Spending Board process and that funding could only be allocated in the following circumstances:
 - The project was for infrastructure
 - The request was submitted in writing
 - The project was for one of the priorities laid out in the Council's IFS.
 - A clear need was shown for this project and it provided a clear community benefit.
 - It was part of an existing strategy or plan.
 - That the project has sought to maximise funding from other resources.
 - It was within a financial year
 - Portfolio Holder for Development & Conservation agree to the spend, by sign off on a Portfolio Holder Decision sheet, following consultation with the: Leader, Chairman and Vice Chairman of CIL Spending Board.
- iii. It was considered that this would enable Sevenoaks District Council to contribute to much needed infrastructure projects that otherwise would go without the benefit of CIL monies or may never be implemented. There was no time limit on when this money could be spent and provided the projects would meet the criteria above it would be at officer's discretion. It was only a small percentage of the CIL funds and

would enable SDC to be more flexible with the allocation of CIL and be able to help projects that are in line with our priorities.

- c) the amendments to Appendix X1 of the Constitution, as set out in Appendices A, B, C, D and E to the report, be agreed.

44. Christmas Parking 2021

The Portfolio Holder for Cleaner & Greener Advisory Committee presented the report which proposed free parking in Sevenoaks Town and Westerham on the two weekends leading up to Christmas in December 2021.

The Head of Direct Services set out that vehicles would still be required to observe a maximum parking time and regular monitoring would take place to ensure this is complied with. The maximum stay in Blighs Car Park on the two weekends would also be reduced from 4 hours to 3 hours. The cost in terms of the loss of income would be met from supplementary estimates.

Public Sector Equality Duty

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

Resolved: That

- a) The proposal for free parking in Sevenoaks Town and Westerham off-street carparks on Saturday 11 December 2021, Sunday 12 December 2021, Saturday 18 December 2021 and Sunday 19 December 2021, be agreed; and
- b) It be recommended to Council that the cost in terms of loss of income for free parking be met from Supplementary Estimates.

45. Treasury Management Mid-Year Update 2021/22

The Portfolio Holder for Finance & Investment presented the report which sought approval of the Treasury Management Annual report 2021/22. The report detailed treasury activity in the first half of the current financial year, recent developments in the financial markets. It also detailed the current position and possible future investment opportunities such as Multi-Asset Income Funds (MAIF) that could be invested in.

The Portfolio Holder advised that Finance & Investment Advisory Committee had considered the same report and recommended it for approval, and had made comments regarding the MAIF approach.

The MAIF approach was discussed and Cabinet agreed with the following comments made by the Finance & Investment Advisory Committee:

- i) Supportive in principle of investing in MAIF;
- ii) Now was the right time to be making investments;

- iii) £5million be the initial investment; and
- iv) The investment be initially for a 5 year period.

Public Sector Equality Duty

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

Resolved: That

- a) treasury Management Annual Report for 2021/22, be approved; and
- b) investment in Multi-Asset Funds be commended in line with the approach laid out in Appendix C.

46. Financial Results 2021/22 to the end of September 2021

The Portfolio Holder Finance & Investment presented the report on the Council's financial results to the end of September 2021, which showed the year-end position was currently forecast to be unfavourable variance of £95,000 against the Council's net service expenditure budget totalling of £17.015m.

The Head of Finance advised that initial figures to the end of October 2021 show that the forecast has improved to an unfavourable position of £26,000.

The Portfolio Holder advised that the Finance & Investment Advisory Committee had noted the same report.

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.

47. Mid Year Appointment to Other Organisations 2021/22

The Leader presented the report which sought approval for an official substitute for Parking and Traffic Regulations outside London Joint Committee (PATROL) for 2021/22.

Public Sector Equality Duty

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

Resolved: That Cllr Carroll be appointed as the as the official substitute for Parking and Traffic Regulations outside London Joint Committee (PATROL) for 2021/22.

48. Quercus Housing - Increasing the Delivery of Affordable Housing in the Sevenoaks District

Members considered the report which set out Quercus Housing Guarantor Board's recent approval to amend The Quercus Housing Business Plan to enable prudential borrowing, which would enable Quercus Housing to take forward the purchase of Abbey Court in West Kingsdown for affordable rent accommodation.

The Deputy Chief Executive and Chief Officer - Finance & Trading set out that the report also sought the approval for the revised 2021/22 Capital Programme, which excluded the Property Investment Strategy Scheme and would give the Council access to Public Works Loan Board (PWLB) borrowing to enable the scheme to progress. A draw-down of a loan from prudential borrowing for up to £1,050,000 would be loaned to Quercus Housing in order to progress the capital purchase and refurbishment of Abbey Court, subject to due diligence. In turn this would increase the supply of new affordable homes delivered by Quercus Housing, the Council's affordable housing trading company.

Negotiations were taking place to purchase the former nursing home which could be converted into self-contained units at affordable rent, and be split between Local Housing Allowance and 80% of market rent. The Council's Housing team would use Abbey Court to provide suitable move on accommodation at affordable rent for households currently placed in temporary accommodation, whilst developing its Local Lettings Plan.

An offer of £700,000 to purchase the property had been submitted to the agent, with the estimated cost of refurbishment being £875,000 plus contingency fees. Currently there was insufficient s106 funding to support the refurbishment of the property, and so the draw-down of a loan from the PWLB was vital.

Members were advised that there remained a shortfall between the demand and supply of new affordable homes in the District. The lack of affordable housing had contributed to the rise of homelessness and, as the Council had a statutory responsibility to assist homeless residents that had created a greater financial burden upon the budget. The high cost of land in the District made it difficult for the Council's Registered Provider (RP) partner's to acquire land for building new affordable housing themselves.

The Deputy Chief Executive and Chief Officer - Finance and Trading advised that previously Councils were able to access PWLB funding but in the last year the rules and guidance had changed. These changes were due to the Government wanting to stop Council's investing for yield, such as our Property Investment Strategy (PIS) which was set up to deliver income from property to replace the lost Government funding.

As it stood at the moment, the Council could no longer borrow for the Property Investment Strategy and if the PIS remained in the capital programme, the Council would also be unable to borrow for any other purpose such as the scheme set out in the report.

The revised Capital Programme at Appendix C removes the Property Investment Strategy, opening up access to PWLB borrowing for the scheme.

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 revised 2021/22 Capital Programme (Appendix C of the report) that excluded the Property Investment Strategy scheme, that would give SDC access to Public Works Loan Board (PWLB) borrowing to enable the scheme to progress, be approved;
- b) The draw-down of a loan from prudential borrowing (for example, through PWLB) for up to £1,050,000 which would then be loaned to Quercus Housing (as the Trading company) to progress the capital purchase and refurbishment of Abbey Court (West Kingsdown), subject to due diligence, to support the delivery of affordable housing in the district, be approved; and
- c) The terms of the loan be determined at the point of draw down by the Head of Finance be agreed.

IMPLEMENTATION OF DECISIONS

This notice was published on 12 November 2021. The decisions contained in Minute 43, 45, 46 and 47 take effect immediately. The decisions contained in Minute 41 and 42 take effect on 22 November 2021. The decisions contained in Minutes 44 and 48 are references to Council.

THE MEETING WAS CONCLUDED AT 7.50 PM

CHAIRMAN