

## CABINET

### Minutes of a meeting of the Cabinet held on 8 December 2011 commencing at 7.00 p.m.

Present: Cllr. Fleming (Chairman)

Cllrs. Mrs. Bosley, Mrs Clark, Mrs. Davison, Mrs Hunter and Ramsay.

Also Present: Cllrs. Davison, Eyre and Fittock.

Apologies: Cllr. Mrs Bracken

#### 49. MINUTES OF PREVIOUS MEETING

Resolved: That the minutes of the Cabinet meeting held on 3 November 2011 be approved and signed as a correct record.

#### 50. DECLARATIONS OF INTEREST

There were no declarations of interests.

#### 51. QUESTIONS FROM MEMBERS

There were no questions from Members.

#### 52. MATTERS REFERRED FROM THE PERFORMANCE AND GOVERNANCE COMMITTEE AND/OR SELECT COMMITTEES

(a) 2012/13 Budget and Review of Service Plans – (*Environment Select Committee - 25 October 2011; Social Affairs Select Committee – 1 November 2011; Services Select Committee – 8 November 2011*)

The Cabinet considered the comments of the Select Committees which had met in October and November on the 2012/13 Budget and Review of Service Plans. The Cabinet had regard to both the general observations made by the Select Committees and the specific recommendation of the Social Affairs Select Committee relating to the running of the Sevenoaks CCTV Control Room. Most of the Committee's comments had related to additional service pressures, most notably around the CCTV service, the cost of diesel and the workload faced by the housing benefits service. These points had been covered in the draft budget report for 2012/13 considered at minute 53 below.

Resolved: That the Cabinet welcomes and notes the views and comments on the draft budget proposals and Service Plans made by the Select Committees

(b) Financial Prospects and Budget Strategy 2012/13 and Beyond – (*Performance and Governance Committee – 15 November 2011*)

The Cabinet had regard to the comments of the Performance and Governance Committee on the major financial pressures the Council was likely to face over the next four years, together with the proposed strategy for setting a balanced

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and sustainable budget for 2012/13 and beyond. In light of the challenging financial position facing all authorities a year ago the Council had brought its budget setting process for 2011/12 forward by two months and produced a 10-year budget together with a four-year savings plan. This provided the Council with a stable basis for future years and addressed the reduction in Government funding as well as reducing its reliance on reserves and provided a strong framework for the Council to use in budget setting. The Committee's views had also been taken into consideration in the preparation of the draft budget report for 2012/13 considered at minute 53 below.

Resolved; That the comments of the Performance and Governance Committee on 15 November 2011 on the Financial Prospects and Budget Strategy 2012/13 be noted.

### (c) Performance Monitoring – (*Performance and Governance Committee – 15 November 2011*)

The Cabinet had regard to the comments of the Performance and Governance Committee on Council performance as reported in the quarterly Performance Monitoring Report. The Committee had asked for its particular concerns relating to budgeting for the higher price of diesel and the increasing workload in Housing Benefits to be drawn to the Cabinet's attention and these had been addressed in the preparation of the draft budget report for 2012/13 considered at minute 53 below.

Resolved: That the Performance and Governance Committee's concerns regarding the impact of the increasing cost of diesel on Council budgets and the increasing workload in Housing Benefits be noted.

### (d) Investment Strategy Update - (*Performance and Governance Committee – 15 November 2011*)

The Cabinet also had regard to the comments of the Performance and Governance Committee on the Council's Investment Strategy arising from recent developments in the financial markets and the down-rating of the credit status of some institutions which were current counter-parties for Council investments. In view of the reduced number of institutions which met the required credit criteria in the Investment Strategy the Committee had suggested that in addition to moving funds from these institutions to more secure investments the Council should also consider placing funds with the semi-nationalised banks. The Cabinet noted the prevailing investment conditions and limited opportunities to achieve good returns on investments and that priority was being given to ensuring the security of the Council's funds. It was noted that the Finance Advisory Group was continuing to monitor the approach to investments.

Resolved: That the views of the Performance and Governance Committee be noted.

53. DRAFT BUDGET 2012/13

The Portfolio Holder for Finance and Value for Money introduced a report which detailed the progress made in preparing the budget for 2012/13 and updated the Cabinet on changes in key financial information since the Cabinet considered the financial prospects for 2012/13 and beyond at its meeting in October. The report reviewed progress against the 10 Year budget, growth and savings items, risk analysis and the position of reserves and provisions. The draft budget proposed for 2012/13 of £13.443m was dependent upon a number of key assumptions which would continue to be monitored and members were reminded of the need for the Council to operate flexibly in the current economic conditions. Allowing for proposed amendments and growth items a budget gap of £46,500 was projected for 2012/13. The sources of income available to the Council, the outturn for 2011/12 and proposed level of reserves were reported. Steps taken to publicise the Council's budget proposals including consultation on the 2012/13 budget process were detailed. It was noted that the budget could be subject to final adjustment in the light of prevailing financial conditions before being considered by the Cabinet on 9 February and recommendation to the Council on 21 February.

The service pressures identified by the Select Committees and by the Performance and Governance Committee had also been considered and it was proposed that whilst the proposed budget for diesel would not be changed the position would be closely monitored and action taken as appropriate. In terms of pressures on the Housing Benefit Service it was proposed and Cabinet agreed that £50,000 be made available from the Housing Benefit Subsidy Reserve. Cabinet also agreed that the £20,000 pa saving associated with the shared Democratic Services Management pilot arrangement, due to end in December, would be put back into the budget and covered by the increase in market rents that had been secured by the Professional Services Manager. In terms of funding the budget gap it was proposed that the £40,000 reduction in the Housing Benefits grant should be funded from the Housing Benefit Subsidy Reserve and the £6,500 provision for the Members' IT Allowance should be funded from the underspend on Members' Allowances.

The Chairman gave the Cabinet a brief overview of the provisional financial settlement that had just been announced by the Government. This broadly followed the Council's assumptions and the reduction in the revenue grant to the Council amounted to a fall of 29% over two years. The Government had confirmed the offer of a 2.5% Council Tax freeze grant to those authorities delivering a freeze on Council Tax for the year. The threshold for triggering local referendums on Council Tax increases had been set at 3.5%. The Government had also announced that the total distribution of Business Rates would increase from £19B last year to £23.1B next year and that the New Homes Bonus Scheme would continue but that this would no longer be funded by new money but by top slicing. It was felt that it would be important to keep this money separate until there was greater certainty about how grant funding would work in future. However the Chairman envisaged that the Council's Big Community Fund would be able to continue during the next financial year.

The Deputy Chief Executive and Director of Corporate Resources updated the Cabinet on action to reclaim money invested with Landsbanki. It was expected

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that 98% would be recovered and it is hoped that around £300,000 would be repaid in this financial year.

The Cabinet thanked the Deputy Chief Executive and Director of Corporate Resources and his team for their diligence in preparing the budget proposals and commended their earlier work on formulating the 10 Year Budget Plan which had guided the arrangements for this year.

Resolved: That

(1) the Cabinet welcomes the comments of the Select Committees to the budget and service plan proposals which have been considered in the preparation of the draft budget;

(2) the budget gap of £46,500 identified for the 2012/13 financial year should be met by £40,000 from the Housing Benefit Subsidy Reserve and £6,500 from the underspend on Members' Allowances;

(3) the Council be recommended to approve the changes to reserves set out in Appendix D to the report;

(4) the level of Council Tax should be frozen for 2012/13; and

(5) any changes in the taxbase and collection fund and other minor variations be transferred to/from the Budget Stabilisation Reserve.

### 54. LOCAL DEVELOPMENT FRAMEWORK – ANNUAL MONITORING REPORT

The Portfolio Holder for Planning and Improvement introduced the Annual Monitoring Report which detailed progress during the period 1 April 2010 to 31 March 2011 towards meeting the Local Development Framework milestones and targets agreed between the Government and the Council as the Local Planning Authority. This was the last report that the Council would have to supply to the Government although it would still be required to produce an annual report in future. The report noted that 281 net housing units had been completed in 2010/11 which was an increase over the previous year and comfortably exceeded the annual target of 165 completed units and that the Council was meeting the housing target. The authority was also exceeding the rolling 5 year housing land supply target and the requirements for demonstrating housing land supply for 5 years +20%. Steps to provide affordable housing during 2010/11 were also reported. The report noted that the Core Strategy had been adopted in February 2011 and that the Development Management Policies and Open Space Sites for Allocation document had been published for informal consultation in May and September 2011 respectively. The Affordable Housing SPD and Countryside Assessment SPD had been adopted in October 2011. Performance indicators and targets were also reported.

The Cabinet had regard to the comments of the Local Development Framework Advisory Group and to a schedule of minor amendments and narratives tabled at the meeting. Members welcomed the report and the introduction of the Community Infrastructure Levy (CIL) and the greater control that this would give to the Council in terms of where the money went

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in comparison with s106 funding. It was recognised however that there were still issues to be resolved around the allocation of CIL money and the calls upon this by Kent County Council and the Parishes and that the Council would be submitting a response to the current consultation on the draft regulations.

Resolved: That

(1) the contents of the Local Development Framework Annual Monitoring Report 2010/11 be noted and made publicly available;

(2) the Portfolio Holder for Planning and Improvement be authorised to agree minor presentational changes and detailed amendments prior to publication to assist the clarity of the documents ; and

(3) copies be made available for sale at a price to be agreed with the Portfolio Holder for Planning and Improvement.

### 55. ARGYLE ROAD OFFICES – ACCOMMODATION FOR KENT POLICE

The Cabinet considered a proposal to create new accommodation for the Kent Police at the Council's Argyle Road offices when the lease on the current private accommodation used by Kent Police expired in 2012. The proposal would involve the creation of a self contained office unit for the Police which could operate on a 24/7 basis rather than using existing office space in the Council Offices. This would allow the Council to build upon the close relationship already in place with the Police through the existing Reception Desk and Community Support Unit presence and to maintain a strong link between the police and the local community. The cost of building the Police Office would be met from Council reserves with the cost being recovered over time from charging the police rent which would provide a return on the investment cost plus a contribution towards the running costs of Argyle Road Offices and the use of other council facilities. The Cabinet welcomed the proposals which would secure a police presence within the Sevenoaks community but stressed the need to ensure that the Council's costs were fully covered and that the Council also received a good return on the investment in creating the new offices for the police. It was noted that assurances had been received from the police about recovery of the Council's capital should the police vacate the offices earlier than agreed in the negotiated lease. The implications of the building work and the operation of the police offices in terms of lost parking spaces at Argyle Road were also reported. It was confirmed that lost parking spaces would be offset by the number of parking spaces gained through the movement of some staff to Dartford.

Resolved: That

(1) Officers be authorised to:

(a) seek planning consent for the provision of a Police Office;

(b) enter into discussions with Kent Police to agree a return on capital invested along the lines outlined in the report;

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(c) fund the capital cost of the works from the appropriate reserve fund; and

(d) seek tenders for the work; and

(2) the Portfolio Holder for Finance and Value for Money be authorised to agree the terms of the occupation of the premises by the Police.

### 56. 2012 OLYMPIC AND PARALYMPIC GAMES DRESSING

The Head of Community Development presented a report which invited the Cabinet to approve the purchase of LOCOG approved Olympic 2012 “Look” material to support and promote the Paralympic event being hosted at Brands Hatch and the Olympic Torch Relay and to “dress” those parts of the District that would host visitors to the Paralympic Games or Torch Relay. The Cabinet was reminded that an indicative budget had been set out in the report to Cabinet in March 2011 for £6,000 to “dress” the District for the Paralympic Games and that the proposals identified in the report came within this budget and were designed to provide the greatest impact within the budget available. In addition the Council would order dressing materials on behalf of the four Town and Parish Councils on the Torch Relay route, recovering the cost from those councils. It was noted that some of the parishes had submitted bids for grants from the Big Community Fund to cover the purchase of dressing materials and that it was possible that other applications would be received in connection with the many community events that were starting to be organised by local people in support of the Olympic and Paralympics.

The Cabinet endorsed the proposals, welcomed the activities within the District to support the Olympics and Paralympics and recorded its appreciation for the work of LOCOG, Kent County Council and Visit Kent in contributing to the dressing.

Resolved: That London 2012 “Look” materials be purchased as set out in paragraph 9 of the report.

THE MEETING ENDED AT 8.01 PM

Chairman

### Implementation of Decisions

This notice was published on 12 December 2011. The decision contained in minute 56 takes effect on 20 December 2011. All other decisions take effect immediately.