

RECOMMENDATIONS FROM CABINET ADVISORY COMMITTEES

- a) Treasury Management Municipal Bonds (*Finance & Resources Advisory Committee - 3 June 2014, Minute 9*)

Municipal Bond Agency

The Principal Accountant presented a report which sought approval to be part of a scheme to match fund the Local Government Association's contribution to a collective Municipal Bonds Agency (MBA) which it believed would allow councils to raise funds at a significantly lower rate than those offered by the Public Works Loan Board (PWLB).

Members enquired as to the equity stake Councils would receive for their initial investment in the MBA and what the benefits were of immediate investment in it. Current proposals were for Councils to pay £50,000 for a single fixed coupon share which would be repaid from profits. Bonds were expected to be fixed rate but with fewer penalties for refinancing or redemption than the PWLB. Members were unclear how the MBA would provide rates lower than the PWLB.

Members expressed support for the idea of the MBA but did not feel the business case or the benefits of immediate investment had yet been made clear. It was proposed and agreed that the Council express interest in the proposal but that funding not yet be committed.

Investment in Non-UK Banks

The report also proposed that the Council recommence investment in certain non-UK banks. Although the Council's Investment Strategy allowed for investment in non-UK banks, this had ceased in 2008, with a preference for UK banks and building societies. This had reduced chances of default but if a default did occur the risk would be greater. It also resulted in fewer options for investment.

The Principal Accountant explained that Natwest was halving the returns on the call account investments the Council held. Handelsbanken provided a rate of 0.5% on call, marginally above its competitors. Members expressed support for investments with Handelsbanken but not for a broad approval of non-UK banks rated AA- or higher. The Committee should approve each foreign institution before an investment was made. Investments in non-UK banks should remain limited to a total of 25% of the whole fund with a limit of £3million per counterparty being half the limit for UK banks.

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 Cabinet** that

- a) the Council give formal expression of interest in contributing up to £50,000 towards the set up costs and operating capital of the LGA's Municipal Bonds Agency, subject to further detail being produced;
- b) investment in non UK banks, specifically approved by the Finance and Resources Advisory Committee, having a minimum long term Fitch rating of AA-, be approved as detailed in the report; and
- c) Handelsbanken be approved for lending up to £3million.

c) Communications Strategy and 2013/14 Work plan (Strategy & Performance Advisory Committee – 24 June 2014, Minute 11)

The Head of Transformation and Strategy presented a report detailing the review of the Communication Strategy and the 2014/15 Communications work plan. The review reflected the change in priorities for the Council and had been improved to clearly reflect the purpose of all communications activity for the Council and set a clear framework for the remit of the Communications Team. He advised that Sevenoaks Switching needed to be included within the work plan.

In response to questions the Head of Transformation and Strategy informed Members that press releases were regularly sent to the local papers. Usually the news items that were included were the 'day to day' items such as changes to refuse collection days. Previous advice received from the newspapers were that press releases with photos made better stories, however these stories were not necessarily covered in the newspapers.

Members suggested that 'Members' needed to be included on bullet point 4 of 'Measuring our results' in the Communications Strategy and that in the work plan the following amendments should be made:

- Action 1 – include Communications Working Group in the Milestones column;
- Action 3 – consistency needed to be investigated for joint working partnerships;
- Action 5 – the due date needed to be changed to May 2014 instead of May 2015.

Public Sector Equality Duty

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

Resolved: That

- a) the Communications Strategy and 2014/15 work plan be reviewed; and
- b) it **be recommended to Cabinet**, subject to the amendments identified by the Advisory Committee for the Council's Communications Strategy and 2014/15 Communications work plan be endorsed.

d) Performance Indicators and Targets for 2014-15 (Strategy & Performance Advisory Committee – 24 June 2014, Minute 12)

The Committee considered a report setting out performance indicators and targets for 2014/15. Each year the Council undertakes a thorough review of the performance indicators it adopts and the performance targets it sets to continue to support the improvement of services and to enable the Council to deliver on its vision and promises to the community. The report recommended that data was collected against 63 local performance indicators. For each indicator Officers had recommended a performance target for 2014/15. The proposed targets reflected Officers' assessment of the available resources to deliver the highest achievable quality of service.

The Head of Transformation and Strategy advised Members that in 2013/14 6% of performance indicators were 'red' and had missed their target by at least 10%. If a target was missed by less than 10% it would be amber.

In response to questions the Head of Transformation and Strategy advised that Licensing dealt with three different types of applications and therefore each would have an indicator. If a third party was involved in the process this was factored into the indicators. He advised that some targets could be reduced although if some of the green targets were reduced this could be more burdensome and would be harder to reach.

Members discussed the indicators for waste and recycling and were advised that the targets were more challenging and it was suggested that it was something that Local Planning and Environment Advisory Committee could look at. Members requested to see the cost of planning appeals.

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 Cabinet** that

- a) Local Planning and Environment Advisory Committee review the Performance indicators for waste and recycling ; and
- b) the performance targets as detailed within the report be set for 2014/15

- e) Pest Control Service – results of competition exercise (*Local Planning & Environment Advisory Committee – 1 July 2014, Minute 9*)

To follow.

- f) Update on the Allocations and Development Management Plan (*Local Planning & Environment Advisory Committee – 1 July 2014, Minute 10*)

To follow.

- g) Local Development Scheme Review (*Local Planning & Environment Advisory Committee – 1 July 2014, Minute 11*)

To follow.