

CABINET

Minutes of the meeting held on 5 February 2015 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllrs. Hogarth, Ms. Lowe, Piper and Ramsay

Apologies for absence were received from Cllrs.

Cllrs. Dickins, Firth, Mrs. Hunter, Mrs. Purves, Searles and Walshe were also present.

68. Minutes

Resolved: That the minutes of the meeting of the Cabinet held on 15 January 2015, be approved and signed as a correct record.

69. Declarations of interest

There were no additional declarations of interest.

70. Questions from Members (maximum 15 minutes)

There were none.

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

There were none.

72. Revenue Budget and Council Tax 2015/16

The Portfolio Holder for Finance & Resources introduced a report setting out the proposed budget and required level of Council Tax for 2015/16. Member's considered the full budget report and included the change recommended by Cabinet on 15 January. That change was to reduce the Council Tax increase assumption from 3% to 2% for 2016/17 to 2018/19.

At the last Finance & Resources Advisory Committee meeting it was debated whether the Council Tax increase assumption should be reduced to 2% for the whole 10-year period. The motion was put to the vote and was lost. The additional impact of this change would be £2.3m.

The Portfolio Holder was pleased to report that this report once again left the Council with a balanced budget over the next 10 years.

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The Chief Officer for Finance highlighted that the report contained a number of appendices including budget amounts for all service areas, growth and savings items agreed as well as pay costs and a risk analysis.

On Tuesday the Government had announced the final funding settlement figures for 2015/16 which were unchanged from the provisional figures issued before Christmas.

The figures assumed that once again no funding would be passed on to Town and Parish Councils for Council Tax Support. This was one of the three options Council would be asked to consider and were included in the recommendations.

Appendix H contained a review of reserves which included the recommendation to set up an On-Street Parking Reserve where any surpluses above budget could be held before being spent on permitted purposes.

A Property Investment Reserve was also to be established as Council had previously agreed to set aside £5m for the Property Investment Strategy. This would come from £2.2m from the General Fund Reserve and smaller amounts from other reserves. The balance would be funded from capital receipts.

Public Sector Equality Duty

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

Resolved: That Council be recommended to:

- (a) Approve the Summary of Council Expenditure and Council Tax set out in Appendix E to the report.
- (b) Approve the 10-year budget 2015/16 to 2024/25 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, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve: and
- (c) Approve the changes to reserves set out in Appendix H.
- (d) Members' views are sought on the issue of Council Tax Support funding for Town and Parish Councils and one of the following options be approved:
 - i. An amount of funding is passed to Town and Parish Councils for Council Tax Support in 2015/16 equivalent to the amount passed on in 2013/14 less 48% (the Council's reduction in Revenue Support Grant);

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- ii. A different amount is passed to Town and Parish Councils for Council Tax Support in 2015/16;
- iii. No funding is passed to Town and Parish Councils for Council Tax Support in 2015/16.

73. Discretionary Rate Relief

The Portfolio Holder for Finance & Resources introduced a report setting out the proposals for awarding discretionary rate relief for 2015/16. The report provided Members with a list of applicants wishing to receive Discretionary Rate Relief in 2015/16. Applications were requested every two years but were reviewed annually.

The categories of relief were:

- Discretionary Rate Relief
- Top up relief
- Rural Rate Relief; the criteria for each category is detailed in the report.

All previous applicants were provided with applications and where they had not replied by the original deadline, reminders were sent.

All applications that had been received were recommended for approval. If all applications were approved, the total gross relief granted would be £158,609. Since the change to the Business Rates Retention Scheme this may have no financial impact on this Council if the Business Rates total stayed below the safety net level.

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 2015/16 set out in Appendix B to the report be approved.

74. Annual Review of Parking Charges for 2015/16 - Results of Public Consultation

The Portfolio Holder proposed the changes to car park charges as set out at Appendix A to the report with no changes to evening charges and no changes to on-street charges.

A visiting Member raised concerns that the increase in parking charges could negatively impact on the economic growth of Sevenoaks Town Centre and suggested that charges should be frozen to encourage a vibrant town centre with economic growth.

The Chief Officer for Environmental and Operational Services reported that the gap in income was created in 2012. Year on year the gap had reduced as car park use had increased. Research that had been undertaken had demonstrated that most of the car parks in Sevenoaks Town Centre were over capacity.

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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 proposed increases set out at Appendix A of the report be agreed;
- (b) there be no changes to evening charges; and
- (c) there be no changes to on-street charges

75. Capital Programme & Asset Maintenance 2015/18

The Portfolio Holder for Finance & Resources introduced a report setting out the proposed 2015/18 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 proposed programme was considered by the Finance & Resources Advisory Committee on 20 January 2015 and their recommendation to Cabinet was that the proposed capital programme and asset maintenance budget be agreed.

The Head of Finance reported that there were five capital projects in the programme. Commercial Vehicle replacement on the usual rolling programme; Improvement grants which were mainly funded by Disabled Facilities Grants; plus new projects on the programme for:

- a project at Dunbrik workshop which would generate future income;
- the Sevenoaks Town Centre Car Park; and
- the Property Investment Strategy.

In addition the report outlined the reasons for changes to the proposed budget for Asset Maintenance for the next three years.

The Head of Finance drew Members attention to 2 specific points on the capital schemes:

- Sevenoaks Town Centre Car Park: Members were asked to note the caveats relating the project cost given on under Asset Values. £4m was the sum the Council previously approved to borrow to finance this project.
- Property Investment Strategy: The sum included was £5m - as approved at Council in July 2014; members could choose to review that sum at a later date.

In response to a question, the Deputy Cabinet Member for Local Planning and Environment reported that the environmental impact of vehicles purchased by the Council would be considered as part of the tender process.

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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 2015/18 and funding method set out in Appendix B to the report be approved, and
- (b) the proposed Asset Maintenance budget of £479,000 be agreed for 2015/16.

76. Treasury Management Strategy 2015/16

The Portfolio Holder for Finance and Resources introduced a report setting out the Council's Treasury Management Strategy for 2015/16, covering its borrowing arrangements and its annual investment strategy. The annual investment strategy sets 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 paragraph 61 of the report, which provided further details on Enhanced Money Market Funds (EMMFs). These funds had not been utilised because of concerns from some Members that they carried more risk than other permitted investments, but it was proposed they would be utilised from 2015/16. Alternatively, the Principal Accountant suggested that the limit for lending to any of the top five Building Societies not meeting minimum credit rating requirements be increased from £2 million to £4 million each and the limit for lending to Handelsbanken be increased from £3 million to £5 million to give options rather than lending to the Government at 0.25%.

Members noted that the Finance and Resources Advisory Committee had recommended that:

- a) investments in AAA rated Enhanced Money Market Funds be commenced with an overall limit of £5 million which may be in a single fund or split between different funds;
- b) the limit for investments in any of the top five Building Societies not meeting minimum credit rating requirements be increased from £2 million to £4 million each;
- c) the limit for lending to Handelsbanken be increased from £3 million to £5 million; and
- d) subject to those comments, Cabinet recommend that Council approve the Treasury Management Strategy for 2015/16.

Members noted the sale of the Icelandic bank investment which brought the matter to a conclusion. The overall result was that the Council recovered the full amount of the original investment.

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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) investments in AAA rated Enhanced Money Market Funds be commenced with an overall limit of £5 million which may be in a single fund or split between different funds;
- b) the limit for investments in any of the top five Building Societies not meeting minimum credit rating requirements be increased from £2 million to £4 million each;
- c) the limit for lending to Handelsbanken be increased from £3 million to £5 million; and
- d) subject to those comments, Cabinet recommend that Council approve the Treasury Management Strategy for 2015/16.

77. Adoption of the Allocations and Development Management Plan (ADMP)

The Portfolio Holder for Local Planning & Environment introduced a report setting out the Allocations and Development Management Plan (ADMP) which supplemented the Core Strategy by identifying housing allocations, areas of employment and important areas of open space. The ADMP also set out new development management policies, which were consistent with the National Planning Policy Framework (NPPF).

The ADMP was examined by the Planning Inspectorate in March 2014 and a consultation on the Inspector's Main Modifications was held 21 August – 2 October 2014. The Inspector's final report had been issued and found the Plan sound, subject to the incorporation of the Main Modifications previously consulted upon.

The Chairman highlighted that the Inspector of the London Plan had reported that the published housing numbers were incorrect. There would be a meeting on 19th February 2015 with Council's in the South East and East of England to discuss the impact this may have. The Chief Officer for Planning highlighted that the London Debate had highlighted the importance of having an up to date Development Plan.

The Chairman also highlighted that consideration should be given to bringing the 300,000 empty homes into use.

Public Sector Equality Duty

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

Resolved: That Council be recommended that the Allocations and Development Management Plan, incorporating the Inspector's main modifications, minor

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amendments and factual updates, be adopted, published and copies made available at a price to be agreed by the Portfolio Holder.

78. Adoption of the Development in the Green Belt Supplementary Planning Document (SPD)

The Portfolio Holder for Local Planning and Environment introduced a report seeking adoption of the Development in the Green Belt Supplementary Planning Document. The Development in the Green Belt SPD provided detailed guidance on the implications of applying for planning permission for development located within the Green Belt. It explained how the Green Belt policies that have been found sound in the Allocations and Development Management Plan would be implemented. The guidance would help to ensure consistency in decision making when determining planning applications in the Green Belt. The SPD had been amended following public consultation in February 2013.

The Portfolio Holder for Local Planning and Environment highlighted that the document offered certainty for residents living in the Green Belt.

The Senior Planning Policy Officer explained that policies relating to the Green Belt were in the Allocations and Development Management Plan and the Supplementary Planning explained how the policies would be implemented.

The Chairman highlighted that Members would need to be provided with Training on the Green Belt Supplementary Planning Document to enable them to understand what would and would not be permitted in the Green Belt.

Public Sector Equality Duty

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

Resolved: That the Development in the Green Belt Supplementary Planning Document be adopted, published and copies made available at a price to be agreed by the Portfolio Holder.

THE MEETING WAS CONCLUDED AT 7.56 PM

CHAIRMAN