

Despatched: 21.02.2019

## COUNCIL SUPPLEMENTARY AGENDA (1)

- |    |    |                                                                                                                                                                           |                                                   |
|----|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 6. | a) | Council Tax Discounts for Empty and Uninhabitable Dwellings                                                                                                               | (Replacement pages 9 - 10)                        |
| 6. | b) | Property Investment Strategy Update                                                                                                                                       | (Replacement pages 15 - 16)                       |
| 6. | c) | Treasury Management Strategy 2019/20                                                                                                                                      | (Replacement pages 37 - 38)                       |
| 6. | d) | Capital Strategy 2019/20                                                                                                                                                  | (Replacement pages 85 - 86)                       |
| 6. | f) | Budget and Council Tax Setting 2019/20                                                                                                                                    | (Replacement pages 107 - 108)                     |
| 7. | b) | Monitoring Officer's Annual Report                                                                                                                                        | (Replacement pages 289 - 290)                     |
| 7. | c) | Amendments to the Constitution: Licensing Sub Committee Hearing Procedures<br><br>Appendix                                                                                | (Replacement pages 311 - 312<br>And<br>317 - 320) |
| 9. |    | To consider any questions by Members under paragraph 19.3 of Part 2 (The Council and District Council Members) of the Constitution, notice of which have been duly given. |                                                   |

### Question 1: Cllr Dr Canet

" Given that we have seen at least two periods of recession, in property values since the 1990s, a strategy which relies on borrowing (even at below market PWLB rates) to fund the property income needs to make allowance for the risk of capital losses as well as the costs of acquiring and managing properties.

What risk analysis has the Council completed to ensure that investing in property --which some industry experts believe to be at or past peak values-- will not expose the council to financial risk?

Given that there are risks inherent in any commercial investment strategy, Shouldn't the Council be looking to achieve community and social benefits from its investments, for example in a worthwhile quantity of affordable housing investment in Sevenoaks District? "

To assist in the speedy and efficient despatch of business, Members wishing to obtain factual information on items included on the Agenda are asked to enquire of the appropriate Contact Officer named on a report prior to the day of the meeting.

Should you require a copy of this agenda or any of the reports listed on it in another format please do not hesitate to contact the Democratic Services Team as set out below.

For any other queries concerning this agenda or the meeting please contact:

Democratic Services (01732 227000/ [democratic.services@sevenoaks.gov.uk](mailto:democratic.services@sevenoaks.gov.uk))

## **Item 6(a) - Council Tax Discounts for Empty and Uninhabitable Dwellings**

The attached report was considered by the Cabinet on 14 February 2019, and the relevant minute extract is below:

### Cabinet (14 February 2019, Minute 72)

The Council Tax and Recovery Manager presented the report which recommended amendments to the level of Council Tax discount for unoccupied and unfurnished dwellings, and dwellings undergoing or requiring major structural repair. It also asked Members to consider: increasing the premium on properties that were long term empty (unoccupied and unfurnished for more than 2 years); reducing the Class C discount to 100% for 2 months and the Class D discount to 0% for 12 months; and increasing the long term empty charge from 50% to 100%, which would support the Council's Empty Homes Action Plan and encourage empty dwellings to be brought back into use more quickly.

He advised that the Finance Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

Cabinet agreed that the Council Tax discount for unoccupied and unfurnished dwellings should be reduced from 100% for up to 3 months to 100% for up to 1 month, rather than the 2 months recommended in the report.

### 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 with effect from 1 April 2019

- a) the Council Tax discount for unoccupied and unfurnished dwellings be reduced from 100% for up to 3 months to 100% for up to 1 month (Class C of the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012);
- b) the Council Tax discount for unoccupied dwellings undergoing or requiring major structural repair be reduced from 100% for 12 months to 0% for 12 months (Class D of the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012); and

- c) in accordance with Section 11B of the Local Government Finance Act 1992 and Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 the additional amount payable for Council Tax be increased from 50% to 100% for
- d) dwellings that were unoccupied and substantially unfurnished for more than two years.

## Item 6(b) - Property Investment Strategy Update

The attached report was considered by the Cabinet on 14 February 2019, and the relevant minute extract is below:

### Cabinet (14 February 2019, Minute 77)

The Head of Finance presented the report which provided an update on the progress of the Property Investment Strategy to date including acquisitions, and provided the opportunity to review the criteria of the strategy.

Members took the opportunity to ask questions of clarification concerning acquisitions and considered the suggested amendments to the Strategy as outlined in paragraph 43 of the report. Each recommended amendment was discussed. In principle the suggested amendment to 'iii. Individual Properties or Portfolios / Lot size of £1m - £5m' was welcomed but there was concern around the drafting/interpretation of a 'portfolio of properties' and the potential abuse or restrictiveness of the suggested amendment. Members requested that Officers draft wording for Members to consider and feedback to Cabinet as an update report from the Chairman. The 50 mile radius rule was further explored with a suggestion of different investment strategies and returns within or outside of the District, and whether the 50 mile rule was required.

Cllr Eyre addressed Cabinet as he had chaired the meeting of the Finance Advisory Committee which had considered the same report and had agreed to recommend it to Cabinet subject to some amendments outlined in the minutes, and that since the meeting he had received feedback on draft wording for criteria 'iii' and it was suggested that this should be amended to 'Lot size of £1m - £10m but there must be multiple tenants for lots of over £5m.'

### Public Sector Equality Duty

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

Resolved: That

- a) the report be noted; and
- b) the following amendments to the Property Investment Strategy be recommended to Council
  - i. Amending the income yield to 3%+ above the Council's average treasury management return (currently 0.7%) when not borrowing or internally borrowing, and 3%+ above the

borrowing rate (currently 2.6% for 30 years) when externally borrowing, based on an average over 10 years. (Flexibility may be applied to those opportunities that show an acceptable social return on investment);

- ii. amending the lot size to £1m - £10m subject to multiple tenants for lots over £5m;
- iii. investment opportunities be restricted to those within a 50 mile radius of the Council's Argyle Road offices or within Kent and Medway, however recognising that this may need to be changed in future if legislation is amended.

## **Item 6(c) - Treasury Management Strategy 2019/20**

The attached report was considered by the Cabinet on 14 February 2019, and the relevant minute extract is below:

### Cabinet (14 February 2019, Minute 73)

The Principal Accountant presented the report which sought a recommendation to approve the Treasury Management Strategy 2019/20.

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 were 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 sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

Revised reporting was required for the 2019/20 reporting cycle due to revisions of the Ministry of Housing Communities and Local Government (MHCLG) Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes included the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011.

He advised that the Finance Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

### 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 the Treasury Management Strategy for 2019/20, be approved.





## **Item 6(d) - Capital Strategy 2019/20**

The attached report was considered by the Cabinet on 14 February 2019, and the relevant minute extract is below:

### Cabinet (14 February 2019, Minute 74)

The Principal Accountant presented the report which introduced the reporting of a Capital Strategy for 2019/20 in line with the new CIPFA Prudential Code and the CIPFA Treasury Management Code. The Capital Strategy formed part of the Council's policy and strategy documents, providing guidance on the Council's capital programme and the use of its capital resources, and required approval by Cabinet and Full Council.

Its aim was to ensure that Members fully understood the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. The guidance in the strategy complemented and supplemented the Medium Term Financial Plan, the Property Investment Strategy and the Treasury Management Policy and Strategy.

He advised that the Finance Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

### 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 the Capital Strategy for 2019/20 be approved.



## **Item 6(f) - Budget and Council Tax Setting 2019/20**

The attached report was considered by the Cabinet on 14 February 2019, and the relevant minute extract is below:

### Cabinet (14 February 2019, Minute 69)

The Chief Finance Officer presented the report which sought approval of the proposed budget and required level of Council Tax for 2019/20, and proposed a net expenditure budget of £15.251m in 2019/20 (£14.687m in 2018/19). Subject to any further changes this would result in a Council Tax increase of 2.97% in 2019/20, with the District's Council Tax being £215.01 for a Band D property for the year (£208.80 in 2018/19), an increase of £6.21.

The report also contained details on the Collection Fund position and an opinion on the robustness of the budget and the adequacy of the reserves.

The Chief Finance Officer reminded Members that the Council had an excellent track record in identifying, planning for and addressing financial challenges. In light of the challenging financial position facing all authorities eight years ago, for 2011/12 the Council had produced a 10-year budget together with a savings plan for the first time. This would be the ninth year this method had been used and provided the Council with a stable basis for future years.

### 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 Summary of Council Expenditure and Council Tax for 2019/20 set out in Appendix E be approved;
- b) the 10-year budget 2019/20 to 2028/29 which is the guiding framework for the detailed approval of future years' budgets set out in Appendix B to the report be approved, 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;
- c) the Capital Programme 2019/22 and funding method set out in Appendix H, be approved; and
- d) the changes to reserves and provisions set out in Appendix J, be approved.



## **Item 7(b) - Monitoring Officer's Annual Report**

The attached report was considered by the Standards Committee on 12 February 2019, and the relevant minute extract is below:

### Standards Committee (12 February 2019, Minute 3)

Members considered the fourteenth annual report of the Monitoring Officer, which included a breakdown of the complaints he had received from January to December 2018.

The Monitoring Officer advised that there had been ten complaints to the Local Government and Social Care Ombudsman during the year. Four related to Planning and Development, two to Environmental Services, two to Benefits and Tax and one each to Housing and Highways/Transport. He advised that five had been referred back for local resolution and two were closed after initial enquiries. He also advised that he as Monitoring Officer had received nine complaints against District, Town and Parish Councillors, six of which failed the initial intake test. Of the remaining three complaints, one was withdrawn and two were assessed as cases for no further action.

Members queried the term of office for an Independent Person and how difficult was it to recruit to such a role.

The Monitoring Officer advised that the Independent Person was appointed for an indefinite amount of time and that although some authorities found it hard to fill a vacancy, the Council had not experienced significant difficulties.

The Monitoring Officer advised that the Committee on Standards in Public Life had recommended that legislation be amended to provide for the appointment of Independent Persons for a maximum of two years, renewable once.

A Member also queried if, going forward, the Monitoring Officer's report could be made gender neutral. The Monitoring Officer agreed this would happen from the next annual report.

A Member indicated she wished to consider the recent report from the Committee on Standards in Public Life and indicated her view that the Committee should look at implementing some recommendations. In particular, she indicated that she felt Local Government Association corporate peer reviews should also include mandatory consideration of a local authority's processes for maintaining ethical standards. The Monitoring Officer advised Members that this could not yet be lawfully imposed. As some Members had not seen the recommendations, the Monitoring Officer advised he would send these out after the meeting.

*Action 1 - Monitoring Officer to provide Members of the Committee with the list of recommendations from the Committee on Standards in Public Life.*

Members also discussed whether another meeting could be arranged in June or July 2019. The Monitoring Officer confirmed that this could be arranged, but was dependent on whether there was any business and whether the Chairman of the Committee required the extra meeting to be added.

#### 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 and it be recommended to Council that the report be noted.

### **Item 7(c) - Amendments to the Constitution: Licensing Sub-Committee Hearing Procedures**

The attached report was considered by the Governance Committee on 12 February 2019, and the relevant minute extract is below:

#### Governance Committee (12 February 2019, Minute 12)

The Committee was advised that Officers had recently undertaken a review of Licensing Committee procedures, initiated by the possibility of requiring a hearing for a Sex Entertainment Venue application. Part 8 of the Council's Constitution was found to be lacking a tailored sub-committee hearing procedure. The Committee considered the draft Licensing Committee Appendix attached to the report.

Members identified areas for further amendment within the draft procedure which the Head of Legal and Democratic Services noted and agreed to consider those changes.

Resolved: That

- a) 'Part 8 - Licensing Committee' of the Council's Constitution be amended as set out in Appendix A; and
- b) delegated authority be granted to the Head of Legal & Democratic Services, to draft further amendments to Part 8 of the Council's Constitution to include hearing procedures under the Gambling Act 2005 and the Town Police Clauses Act 1847, Public Health Act 1875 and Local Government (Miscellaneous Provisions) Act 1976, for consideration at Council on 30 April 2019 after consultation with the Chairman of Governance.

**PLEASE NOTE** that the printed version of the main Council agenda along with the papers considered by the Governance Committee were missing the very last page of the Appendix to the report. A complete version of the Appendix to the report is now attached to this minute reference and has been replaced on the website.





## PART 8 - LICENSING COMMITTEE

### 1. Licensing Committee

1.1 Composition: Thirteen Members of the District Council reflecting the political proportionality of the Council

1.2 Terms of Reference

- (a) Except as provided in the Licensing Act 2003 and the Gambling Act 2005, the discharge of all functions of the District Council as licensing authority prescribed by those acts;
- (b) the issue, renewal, transfer, suspension and revocation of hackney carriage, private hire vehicle, driver and operator licenses;
- (c) ~~the discharge of relevant functions relating to applications for~~ the licensing of sex establishments
- (d) the discharge of relevant functions relating to the Police Reform and Social Responsibility Act 2011; and
- (~~e~~) the discharge of all other functions relating to licensing and registration in so far as they are the responsibility of the District Council.

### 2. Licensing Hearing Sub-Committees

2.1 ~~Each municipal year~~ ~~the~~ Licensing Committee ~~will~~ ~~has~~ established four Licensing Hearing Sub-Committees. The Chief Executive will call a meeting of one of the sub-committees whenever there is business to be transacted.

Composition: Each Sub-Committee will contain three Members of the Licensing Committee. Any member of the Licensing Committee may act as a substitute on any of the Licensing Sub-Committees. ~~Democratic Services must be notified by the members concerned of any substitutions at least one working hour prior to a sub-committee meeting.~~

2.2 Terms of Reference

Licensing Act 2003:

- (a) determination of application for the grant/ renewal of a personal licence where an objection notice has been given by the Police;
- (b) consideration of Police objection notice following conviction of personal licence holder;

- (c) determination of application for the variation of a designated premises supervisor where a notice has been received from the Police;
- (d) determination of application for the transfer of a premises licence where a notice has been received from the Police;
- (e) determination of application for:
  - (i) premises licence;
  - (ii) club premises certificate;
  - (iii) provisional statement;
  - (iv) variation of premises licence / club premises certificates;
  - (v) review of a licence following an application by a senior police officer;where relevant representations have been made;
- (f) determination of application for the review of a premises licence/club premises certificate;
- (g) determination on review of premises licence following closure order;
- (h) consideration of Police or Environmental Health objection notice given in response to a temporary event notice; and
- (i) consideration of Police notice given in response to an interim authority notice.

Gambling Act 2005:

- (a) determination of application for the grant/ variation/ transfer/ reinstatement of premises licence where relevant representations have been received.;
- (b) determination on review of premises licence;
- (c) determination of application for provisional statement where relevant representations have been received;
- (d) consideration of notice of objection to temporary use notice;
- (e) determination of application for the grant/ renewal of family entertainment centre gaming permit, club gaming permit, club machine permit, licensed premises gaming machine permit, gaming

machine permit where relevant representations have been received;  
and

- (f) cancellation of club gaming permit, club machine permit, licensed premises gaming machine permit where relevant representations have been received.

Local Government (Miscellaneous Provisions) Act 1982 (as amended by Section 27, Policing and Crime Act 2009

- (a) determination of application for the grant/- renewal/ transfer/variation or revocation of a sex shop, sex cinema or sexual entertainment venue licence

Town Police Clauses Act 1847, Public Health Act 1875 and Local Government (Miscellaneous Provisions) Act 1976

- (a) to exercise the Council's powers and duties in relation to the licensing of hackney carriages and private hire vehicles, including the licensing of vehicles, drivers and operators, the control of numbers of hackney carriages, the licensing of private hire operators and the granting of permits for small buses where the matter has been referred by the delegated officer.

### **3. Procedures at Sub-Committees of the Licensing Committee** ~~(established in accordance with Section 9 of the Licensing Act 2003)~~

~~3.1 In accordance with Section 9 (1) of the Licensing Act 2003, the Licensing Committee has resolved to establish four Sub-Committees, each consisting of three members of the Committee.~~

~~3.2 The Sub-Committees have delegated authority to determine those functions that are reserved for decision by the Sub-Committees in accordance with Appendix B of the Council's Statement of Licensing Policy dated 7<sup>th</sup> January 2011.~~

#### 3. Licensing Act 2003

**3.13** Hearings shall be conducted in accordance with this Procedure Note and The Licensing Act 2003 (Hearings) Regulations 2005 subject to the right of the Sub-Committee to vary that procedure at their absolute discretion if considered in the public interest.

**3.42** The quorum for a Sub-Committee shall be two members.

- 3.53 At the commencement of each hearing the Sub-Committee shall elect one of its members as Chairman.
- 3.64 The order of business at hearings shall be:
- (a) Election of Chairman.
  - (b) Declarations of interests.
  - (c) Chairman explains the procedure to be followed at the hearing, including the setting of equal time limits for all parties and the granting of adjournments.
  - (d) Chairman ascertains who is assisting or representing the parties.
  - ~~(d)~~(e) Officer presentation of report
  - ~~(e)~~(f) Applicant (or his/her representative) addresses the Sub-Committee.
  - ~~(f)~~(g) Applicant questioned by members. At the discretion of the Sub-Committee, other parties may be permitted to question the applicant.
  - (h) Any representatives of Public or Statutory Bodies who have made representations in respect of the application (or their representative) address the Sub-Committee. No issues other than those relevant to their representations may be raised.
  - (i) Members question each party at the conclusion of their address. At the discretion of the Sub-Committee, the applicant may be permitted to question other parties.
  - ~~(g)~~(j) Other pPersons who have made representations in respect of the application (or their representative) address the Sub-Committee. No issues other than those relevant to their representations may be raised.
  - ~~(h)~~(k) Members question each party at the conclusion of their address. At the discretion of the Sub-Committee, the applicant may be permitted to question other parties.
  - ~~(i)~~(l) Sub-Committee may offer the parties a short adjournment to discuss in the absence of the Sub-Committee whether a solution acceptable to all the parties can be put to the Sub-Committee.
  - ~~(j)~~(m) Applicant (or his/her representative) makes closing address.

~~(k)~~(n) Sub-Committee may grant a short adjournment. The parties may not speak to members regarding the application during adjournments.

~~(t)~~(o) The Sub-Committee considers the application and motions put to accept or reject the application in the terms requested or to grant the application subject to specified conditions. Reasons are to be given for motions.

~~(m)~~(p) The parties will be informed of the decision at the hearing or thereafter in accordance with Regulation 26 of the 2005 Regulation.

Local Government (Miscellaneous Provisions) Act 1982)

4.1 Hearings shall be conducted in accordance with this Procedure Note and the Local Government (Miscellaneous Provisions) Act 1982 (as amended by Section 27, Policing and Crime Act 2009) subject to the right of the Sub-Committee to vary that procedure at their absolute discretion if considered in the public interest.

4.2 Objectors' names or addresses will not be revealed to an Applicant without consent. However attendance at a hearing by any Objector implies consent (Local Government (Miscellaneous Provisions) Act 1982 Schedule 3, para10 (17))

4.3 The quorum for a Sub-Committee shall be two members.

4.4 At the commencement of each hearing the Sub-Committee shall elect one of its members as Chairman.

4.5 The order of business at hearings shall be:

(a) Election of Chairman.

(b) Declarations of interests.

(c) Chairman explains the procedure to be followed at the hearing, including the setting of equal time limits for all parties and the granting of adjournments.

(d) Chairman ascertains who is present, including all parties, representatives and witnesses assisting or representing the parties.

- (e) Presentation of report by Licensing Officer
- (f) The Sub-Committee will hear from:

  - a. the Applicant (or his/her representative);
  - b. any Public or Statutory Bodies who have made representations;
  - and
  - c. any other objectors
- (g) All parties may use witnesses and supporting documentation, so long as these have been detailed to the Sub-Committee prior to the hearing.
- (h) No Public or Statutory Body or other objector may raise issues other than those relevant to their written objection, unless with the agreement of the Sub-Committee and provided that the Applicant is permitted an opportunity to deal with the objections.
- (i) Members will ask questions of each party (including their representative or witness) after they have spoken. At the discretion of the Sub-Committee the Applicant will be entitled to ask questions of the other parties or their witnesses after they have spoken. At the discretion of the Sub-Committee the other parties will be entitled to ask questions of the Applicant or their witnesses after they have spoken.
- (j) Sub-Committee may offer the parties a short adjournment to discuss in the absence of the Sub-Committee whether a solution acceptable to all the parties can be put to the Sub-Committee.
- (k) Applicant (or his/her representative) makes closing address.
- (l) Sub-Committee may grant a short adjournment to deliberate. The parties may not speak to Members regarding the application during adjournments.
- (m) The Sub-Committee considers the application and motions put to accept or reject the application in the terms requested or to grant the application subject to specified conditions. Reasons are to be given for motions.
- (m) The parties will be informed of the decision in writing within 7 working days of the hearing.

References to the “Applicant” should be read as “Licensee” when appropriate.