

## **GENERAL PURPOSES AND LICENSING COMMITTEE**

Minutes of the meeting held at 6.00 pm on 30 July 2020

### **Present:**

Councillor Pauline Tunnicliffe (Chairman)  
Councillor Stephen Wells (Vice-Chairman)  
Councillors Gareth Allatt, Vanessa Allen, Mary Cooke,  
Robert Evans, Kira Gabbert, Josh King,  
Christopher Marlow, Russell Mellor, Tony Owen,  
Neil Reddin FCCA, Melanie Stevens and Harry Stranger

### **87 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillor Michael Turner.

### **88 DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **89 QUESTIONS**

No questions had been received .

### **90 CONFIRMATION OF MINUTES OF THE MEETINGS HELD ON 13TH AND 18TH MAY 2020**

A Member commented that she would have liked to have been updated regarding matters arising from the February meeting as a matter of principle - she was expecting an update regarding elections. The Democratic Services Manager stated that the Electoral Services Manager had sent a response on this matter following the February meeting, and he would resend this.

The minutes of the meeting held on the 13th of May were agreed as a correct record. The minutes of the meeting for the 18th of May were still pending and would be received shortly.

### **91 AUDIT OF FINANCIAL STATEMENTS 2018/19 Report FSD 20059**

Members received a report setting out the Council's statutory accounts for 2018 to 2019 for approval by the Committee. This approval was required by the Accounts and Audit Regulations 2015. Members further noted that the report dealt with the conclusions and significant issues arising from the additional work carried out in relation to the audit of the 2018/2019 accounts.

As the Committee was required to consider the external auditor's audit results, and to note the status of the auditor's conclusion on value for money, Ms Janet Dawson and Ms Hannah Lill from the Council's external auditors (Ernst and Young) attended the meeting to provide comment and to answer questions from Members. Similarly, officers attending from the Council to provide comment and answer questions were Mr Peter Turner (Director of Finance), and Mr David Dobbs (Head of Corporate Finance and Accounting).

Ernst and Young had substantially completed the audit and Ms Dawson expressed the view that the Committee was aware of the relevant issues that had been part of the audit. Ms Dawson highlighted the scope of Ernst and Young's work, and the materiality levels that had been decided upon for the audit. Materiality had been determined at £9.71 million. In its analysis of the accounts, it had also worked on a new area which Ms Dawson described as the 'restatement of portfolio analysis'. She mentioned that going forward, the Covid-19 pandemic would naturally impact on the Council's accounts. Ernst and Young expected to issue the Financial Statement opinion regarding the Council's accounts in a week or so.

Members noted that Ernst and Young had identified a significant risk in the Council's arrangements with respect to working with partners - this was particularly the case in relation to procurement and contract management. Ms Dawson reminded the Committee that objections had been raised with KPMG during 2016/17 and 2017/2018 with respect to the Council's financial statements. Until all of the objections had been determined, Ernst and Young were unable to provide a conclusion on the 2018/2019 accounts with respect to value for money.

The Director of Finance explained that KPMG was still working to resolve previous objections to the Council's accounts; this was ongoing. KPMG needed to make an onsite visit, and this had been delayed by the Covid pandemic. The Director of Finance also pointed out that the National Audit Office had issued new guidance for dealing with objections to accounts, including time limits; he was hoping for a speedy resolution to this matter. He commented that it was unfortunate that these objections were causing a delay for the external auditors in drafting its final Certificate of Completion, and in providing its opinion on the Council's value for money procedures for 2018/19.

A discussion took place regarding the Council's valuation of strategic property that took place in 2018/19 by Cushman and Wakefield. Ernst and Young had identified substantial errors in the valuation of the Council's land and buildings, and as a result, the Council had to account for the impact this had made on the financial statements; the valuations had to be revised, which required significant revaluation work to be undertaken.

A Member raised the issue of contingent liabilities and when it was possible that a numerical value could be attached to the amount concerned and when it should be just a note. Ms Dawson commented that these liabilities were potential and not actual, and so it would be difficult to put a value on them.

The Director of Finance agreed with this and said that generally speaking, contingent liability risk was low. However, the Council tended to adopt a prudent approach in its budgeting and would normally allow some reserve funding for contingent liabilities. This was a matter that he would normally discuss with the Director of Corporate Services.

A Member referred to page 149 of the pack regarding the statement that an unqualified opinion on the authority's financial statements had been made on 26th of July 2018. He asked what this meant. An explanation was provided by the Head of Corporate Finance and Accounting, who stated that this referred to the closure of the financial statements audit for 2017/18 which had been certified by KPMG.

A Member referred to the additional audit fees that the Council would be liable for - due to the inaccurate property valuations made by the original valuer. He asked if these costs could be recovered. The Director of Finance responded that a claim was progressing with the previous valuers, but this was not a matter that could be discussed in any detail in the public section of the meeting.

The recommendations of the report required the Chairman to sign and date the Statement of Accounts and to sign a letter of representation for 2018/19 on behalf of the Council, along with the supporting schedule which was detailed as Appendix 4. It was suggested that a suitable date and time should be agreed so that simultaneous signings of all the documents could take place.

The Chairman expressed her thanks to Ms Dawson for attending the meeting, presenting, and answering the Committee's questions.

**RESOLVED that:**

- 1) The Council's statutory accounts and the annual governance statement for 2018 to 2019 be approved.**
- 2) The Chairman be authorised to sign and date the Statement of Accounts as a formal record of the Committee's approval.**
- 3) The findings of the external auditor's Audit Results Report are noted.**
- 4) The status of the external auditor's conclusion on Value for Money be noted.**
- 5) The Committee confirms the agreement with the external auditor's conclusion regarding their independence and objectivity.**
- 6) The Committee notes the objections to the accounts.**
- 7) The Chairman be authorised to sign the letter of representation for 2018/19 on behalf of the Council.**

**92 LICENSING ACT 2003: STATEMENT OF LICENSING POLICY  
FOR 2021-26**  
Report ES 20034

Mr Steve Phillips (Head of Health and Safety and Licensing) attended the meeting to update the Committee on the draft statement of licencing policy for 2021 to 2026.

Reference was made to page 267 of the agenda pack, and the paragraph which read as follows:

*'Large scale events are generally dealt with on time limited premises licences. They are not granted on an open-ended licence for repeated events year on year without recourse to a new application being made.'*

It was agreed that this paragraph be amended to read as follows:

**'Large Scale Events are generally dealt with on time limited premises licences. They are not granted on an open-ended basis.'**

A Member stated that he welcomed the amendment, expressing the view that now, large-scale events could be worded into longer contractual events. A Member said that she would have liked to have seen the sections and paragraphs in the draft policy document bookmarked and numbered, as it was difficult to comment on a document if one could not identify the relevant paragraph - this would be done.

The public consultation would run until the end of August. It was expected that the final draft document (post consultation) would be presented to the Committee at its next scheduled meeting on September 30<sup>th</sup>.

The Chairman asked whether there was generally much public response to such consultations, and it was confirmed that generally there were few responses - the previous consultation had only received 6 responses.

A discussion took place concerning how much notice should be provided to the Council for Temporary Event Notices, and whether it should be 3 months or 6 months. It was agreed that the amount of notice required should be the same on the policy document and the Council website.

(At this point, Cllr Melanie Stevens declared an interest as she was planning to hold an event in Biggin Hill in November.)

Reference was made to the age verification policy and the reference to those who appeared to be under 18 being required to provide relevant proof of age. It was suggested that 18 should be changed to 25 so that this aligned with the Challenge 25 policy. It was explained that the reference to the age of 18 in the draft policy document was to comply with relevant statutory guidance which

LBB could not change. It might be possible to add something to the document expressing the fact that the Council preferred a Challenge 25 policy to be in place.

With respect to the licencing policy for garages, the question was raised as to whether or not the Council had a specific definition of the term 'primary' as it applied to the sale of alcohol at garages and was there any case law in this regard. The term 'primary' would normally refer to over 50% of the business activity of the garage.

A Member commented that the information on the document relating to the Beckenham Purple Flag award was out of date and needed to be amended.

**RESOLVED that:**

- 1) The wording in the document relating to large scale events be amended as noted above.**
- 2) The report be noted and the draft Statement of Licensing Policy be released for public consultation.**
- 3) The results and comments received from the draft consultation be presented to the Committee at the next scheduled meeting on 30<sup>th</sup> September 2020.**

**93           WORK PROGRAMME AND MATTERS OUTSTANDING**  
Report CSD20051

Members noted the Work Programme.

A Member enquired if there should be an item on the Work Programme relating to election preparation. The Democratic Services Manager commented that there was generally a follow up report regarding elections written after each election. This would normally be around May time. The Chairman said that she would update on this later.

**RESOLVED that the Work Programme be noted.**

The Meeting ended at 7.08 pm

Chairman