

## CEREDIGION COUNTY COUNCIL

**Report to:** Council

**Date of meeting:** 17<sup>th</sup> June 2021

**Title:** Notice of Motion regarding holiday homes and second homes

**Purpose of the report:** To provide Council with a summary of the discussions and recommendations of the Thriving Communities Overview and Scrutiny Committee and the Language Committee

**For:** Consideration when discussing the Notice of Motion

**Cabinet Portfolio and  
Cabinet Member:** N/A

### **1. Council meeting, 10<sup>th</sup> December 2020:**

At the Council meeting held on 10<sup>th</sup> December 2020, the following Notice of Motion was considered by Council:

*Ceredigion County Council calls on the Welsh Government to:*

- 1. add a new clause to the Planning Act so that it is compulsory to make a planning application before obtaining the right to convert a residential home into a holiday home or a holiday let.*
- 2. adapt the policy framework to allow for maximum thresholds to be set with regard to the number of holiday homes in a given area.*
- 3. make it compulsory for second-home owners to ask for planning permission before turning a second home into a holiday business or an AirBnB business.*

Proposed by: Councillor Mark Strong

Seconded by: Councillor Ellen ap Gwynn

No decision was made regarding the Motion and the following was agreed by Council:

*Several Members noted that they were supportive of the Motion in principle; however, it was recommended that greater evidence was required in relation to data and the nature and ownership of second and holiday homes in Ceredigion. It was recommended that the Motion be re-submitted in the new year, following the production of a background report from Officers and consideration by Scrutiny.*

*Both the proposer and seconder agreed to the recommendation, and it was RESOLVED to withdraw the Motion and bring back in January 2021.*

## **2. Thriving Communities Overview and Scrutiny Committee, 3<sup>rd</sup> March 2021**

The matter relating to second homes was considered by the Thriving Communities Overview and Scrutiny Committee on 3<sup>rd</sup> March (see below for a link to the report).

The minutes relating to this item were as follows:

*Points noted during discussion included the following:*

- I. Many 'Buy to let' houses are owned by local people.*
- II. There is currently no legislation in place that landlords may only rent out their properties to local people. However letting agencies, according to an internal qualitative survey undertaken in Ceredigion, noted that they prefer to let houses to local people rather than those from further away unless they are returning to live in the area. Most estate agents noted that most houses were bought by people to improve on their present residence or by people relocating to the area, although they had seen an increase in interest in second homes.*
- III. The WG Future Wales The National Plan 2040 would need to be considered in future decision making.*

*The Thriving Communities Overview and Scrutiny Committee agreed to endorse the Motion proposed to Council:*

*Ceredigion County Council calls on the Welsh Government to:*

- 1. add a new clause to the Planning Act so that it is compulsory to make a planning application before obtaining the right to convert a residential home into a holiday home or a holiday let*
- 2. adapt the policy framework to allow for maximum thresholds to be set with regard to the number of holiday homes in a given area*
- 3. make it compulsory for second-home owners to ask for planning permission before turning a second home into a holiday business or an AirBnB business .*

*Following consideration of the report the Committee agreed to recommend to Council that a 100% increase is levied on the council tax of holiday homes in the county.*

## **3. Language Committee, 17<sup>th</sup> May 2021**

The matter relating to second homes was considered by the Language Committee on 17<sup>th</sup> May (see below for a link to the report).

*Following questions from the floor, Members thanked the officer for a comprehensive and well written report. It was AGREED to support the recommendation of the Thriving Communities Overview and Scrutiny Committee to Council.*

### **Statutory Officers' advice:**

The Thriving Communities Overview and Scrutiny Committee recommendation to Council:

*"to recommend to Council that a 100% increase is levied on the council tax of holiday homes in the county"*

does not form part of the Notice of Motion.

If Council is minded to consider the recommendation it cannot be incorporated into the Motion. This is a separate decision for Council to make and the recommendation should therefore be considered separately following due process.

The Chief Finance officer/S151 officer has not been consulted on this recommendation. The Functions of the Chief Finance officer/S151 Officer include:

“11.4.1 Ensuring lawfulness and financial prudence of decision-making. After consulting with the Head of Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the full Council or to the Cabinet in relation to a Cabinet function and the Council’s external auditor if he or she considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.

11.4.2 Administration of financial affairs. The Chief Finance Officer will have responsibility for the administration of the financial affairs of the Council.

11.4.3 Contributing to corporate management. The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.

11.4.4 Providing advice. The Chief Finance Officer will, in conjunction with the Monitoring Officer, provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all Councillors and will support and advise Councillors and officers in their respective roles. Give financial information. The Chief Finance Officer will provide financial information to the media, members of the public and the community as appropriate.” (Constitution Article 11).”

The Council has processes for conducting open and transparent well informed decision making that is impartial, legally compliant, affordable and within budget, and diligently carried out.

Assessments should always include adherence to the legislative requirements and implications, including Wellbeing of Future Generations and Socio-economic duty within with an Integrated Impact Assessment, and include reasons for decisions and financial / legal Implications.

The internal processes will include preparation of a Business Case, and Due Diligence assessment. Internal reporting may include Member Workshops. In addition, public engagement and consultation may be required. Also, pre-decision consideration by the relevant Overview and Scrutiny Committee and Cabinet, with appropriate recommendations to Council.

The recommendation has policy implications, which affect several service areas. The policy framework adopted by Council will be based on that proposed by Cabinet.

Matters placed before Council should contain all necessary advice to enable Members to take a decision. If there is a need for further detailed legal or financial advice to be provided, the matter should be adjourned and a decision cannot be made until such information is available for effective decision making.

## “12.2 PRINCIPLES OF DECISION-MAKING

All decisions of the Council will be made in accordance with the following principles:

12.2.1 Proportionality (i.e. any action taken must be proportionate to the aim being pursued);

12.2.2 due consultation and the taking of professional advice from officers;

12.2.3 respect for equality and human rights;

12.2.4 a presumption in favour of openness; and

12.2.5 clarity of aims and desired outcomes.

12.2.6 Proper recording of reasons for the decision, any personal and prejudicial interests declared as well as any dispensations to speak granted by the Council's Ethics and Standards Committee

12.2.7 Taking all reasonable steps to meet the principles and goals set out in the Well-being of Future Generations (Wales) Act 2015, in carrying out its function. (Constitution Article 12).

### Conclusion

Consideration of the recommendation by the Thriving Communities Overview and Scrutiny Committee recommendation to Council:

*“to recommend to Council that a 100% increase is levied on the council tax of holiday homes in the county.”*

should therefore be deferred until an appropriate process is implemented to consider the recommendation, to enable Members to be fully informed of all relevant facts and implications, following due process.

	<b>Has an Integrated Impact Assessment been completed? If, not, please state why</b>	N/A – This is a report summarising discussions relating to the Notice of Motion
<b>Incorporate the Wellbeing of Future Generations:</b>	<b>Summary:</b> Long term: N/A Integration: N/A Collaboration: N/A Involvement: N/A Prevention: N/A	
<b>Recommendation(s):</b>	<b>For Council to :</b> <b>1. consider the Notice of Motion;</b> <b>2. note the recommendations made by the Thriving Communities Overview and Scrutiny Committee and the Language Committee; and</b> <b>3. agree an appropriate process to be implemented to consider the recommendation if Council agrees that it wishes to consider the recommendation made by the Thriving Communities Overview and Scrutiny Committee regarding the Council Tax premium.</b>	

**Reasons for decision:** • **To enable Council to consider the Notice of Motion.**

- **To adhere to the Council’s principles and procedures of decision-making**

**Overview and Scrutiny:** and Thriving Communities Overview and Scrutiny Committee, 3<sup>rd</sup> March 2021

**Policy Framework:** Notice of Motion – as per the Council’s Constitution

**Corporate Priorities:** N/A

**Finance and Procurement implications:** N/A

**Legal Implications:** N/A

**Staffing implications:** N/A

**Property / asset implications:** N/A

**Risk(s):** N/A

**Statutory Powers:** N/A

**Background Papers:** [Report to the Thriving Communities Overview and Scrutiny Committee, 3<sup>rd</sup> March 2021](#)

[Report to the Language Committee, 17<sup>th</sup> May 2021](#) (item 6)

**Appendices:** None

**Corporate Officer:** **Lead**

- Stephen Johnson, Corporate Lead Officer: Finance and Procurement (Chief Finance Officer / Section 151 Officer)
- Elin Prysor, Corporate Lead Officer: Governance and Legal (Monitoring Officer)
- Lowri Edwards, Corporate Lead Officer: Democratic Services (Head of Democratic Services)

**Reporting Officer:** N/A

**Date:** 28<sup>th</sup> May 2021

## Cyngor Sir CEREDIGION County Council

<b>REPORT TO:</b>	<b>Council</b>
<b>DATE:</b>	<b>17 June 2021</b>
<b>LOCATION:</b>	<b>ZOOM</b>
<b>TITLE:</b>	<b>Feedback from the Thriving Communities Overview and Scrutiny Committee on the Ceredigion second homes and holiday lets data</b>
<b>PURPOSE OF REPORT:</b>	<b>To provide feedback from the Thriving Communities Overview and Scrutiny Committee held on 3 March 2021</b>

The Thriving Communities Overview and Scrutiny Committee considered the data on Ceredigion second homes and holiday lets. This was to follow up the motion to Council and to further investigate the number, spread and impact of second homes on the County of Ceredigion.

Councillor Mark Strong proposed the following Motion at the Council meeting held on 10 December 2020 submitted under Rule 3 10.1 of the Council's Rules of Procedure. This motion was seconded by Councillor Ellen ap Gwynn.

*Ceredigion County Council calls on the Welsh Government to:*

- 1. add a new clause to the Planning Act so that it is compulsory to make a planning application before obtaining the right to convert a residential home into a holiday home or a holiday let*
- 2. adapt the policy framework to allow for maximum thresholds to be set with regard to the number of holiday homes in a given area*
- 3. make it compulsory for second-home owners to ask for planning permission before turning a second home into a holiday business or an AirBnB business*

At the Council meeting several Members noted that they were supportive of the Motion in principle; however, it was recommended that greater evidence was required in relation to data and the nature and ownership of second and holiday homes in Ceredigion. It was recommended that the Motion be re-submitted in the new year, following the production of a background report from Officers and consideration by Scrutiny.

The report presented to the Overview and Scrutiny Committee including the data is contained in Appendix A.

Points noted during discussion included the following:

- I. Many 'Buy to let' houses are owned by local people.
- II. There is currently no legislation in place that landlords may only rent out their properties to local people. However letting agencies, according to an internal qualitative survey undertaken in Ceredigion, noted that they prefer to let houses to local people rather than those from further away unless they are returning to live in the area. Most estate agents noted that most houses were bought by people to improve on their present

residence or by people relocating to the area, although they had seen an increase in interest in second homes.

- III. The WG Future Wales The National Plan 2040 would need to be considered in future decision making.

Following consideration of the report the Committee agreed to recommend to Council that a 100% increase is levied on the council tax of holiday homes in the county.

**Councillor Marc Davies**  
***Chairman of the Thriving Communities Overview and Scrutiny Committee***