

## HARROW BUSINESS CONSULTATIVE PANEL

2 FEBRUARY 2006

Chair: \* Councillor Choudhury

Councillors: \* Idaikkadar \* Myra Michael  
\* Kara

**[NB Attendance at this meeting by representatives of the business community and representatives of the Local Authority is recorded at Appendix 1]**

**PART I - RECOMMENDATIONS - NIL****PART II - MINUTES**12. **Attendance by Reserve Members:**

**RESOLVED:** To note that there were no Reserve Members in attendance at this meeting.

13. **Declarations of Interest:**

**RESOLVED:** To note that there were no declarations of interests made by Members in relation to the business transacted at this meeting.

14. **Arrangement of Agenda:**

**RESOLVED:** That all items be considered with the press and public present.

15. **Public Representations:**

**RESOLVED:** To note that no public questions were put, or petitions or deputations received at this meeting under the provisions of Consultative Forum and Advisory Panel Procedure Rules 15, 13 and 14 (Part 4E of the Constitution) respectively.

16. **Minutes:**

**RESOLVED:** That the minutes of the meeting held on 26 September 2005, having been circulated, be taken as read and signed as a correct record.

17. **Matters Arising from the Minutes:**

**RESOLVED:** To note that there were no matters arising from the minutes of the previous meeting.

18. **Budget Presentation 2006/7:**

The Panel received a presentation from the Director of Financial and Business Strategy, which outlined the Authority's draft budget proposals and the Business Rates for 2006/7.

**Draft Budget 2006/7**

The following points were included in the presentation:

- A breakdown of the Council's spending commitments and sources of funding, including the contribution of non-domestic ratepayers.
- Details of the final financial settlement with central government, announced on 31 January 2006. Changes in the way the grant was calculated had resulted in a two percent increase for Harrow, a figure which did not compare favourably with national average and London increases of three percent.
- As a result of the above, the Panel was informed that Council Tax would have to be increased by three percent before any new growth or savings could be made. Further to this, the Greater London Authority precept would require a seventeen percent or £42 a year increase on bills for Band D households.
- Matters relating to Council business areas were discussed, including Urban Living, People First and Corporate sections.
- Details of the new Local Area Agreement, a three year agreement which committed the Council to working with government and relevant stakeholders such as the local business community and voluntary and community organisations to

improve services in key areas. Extra funding of £950,000 was available if targets were met.

- Information on the schools budget. The Panel noted that funding per-pupil for Harrow was to increase by 6.6% in 2007/8 and 6.4% in 2008/9. In addition this money was to be ring-fenced in the coming financial year, comprising a separate direct grant to schools.
- The Panel was also briefed on the Council's housing stock, capital investment program and capital financing program.

The Director of Financial and Business Strategy outlined the steps taken to facilitate open budget consultation, and reminded the Panel that the 16 February 2006 meeting of Cabinet would be provided with details from consultations, before the meeting of Council on 23 February 2006 which would determine the budget for the forthcoming financial year.

#### Business Rate 2006/7

The Panel was informed that the Business Rate would increase in line with September 2005's Retail Price Index (RPI), at a rate of 2.7%.

Details of rate relief available to small businesses were outlined. The Panel was told that in 2005/6 814 small businesses in Harrow had received rate relief, exceeding £410,000 in total. Relief of 50% was available to businesses occupying properties worth less in rateable value than £5,000, the figure declining on a sliding scale thereafter to properties worth £10,000. It was explained that this relief was only available to businesses with one property, or with additional properties with a rateable value below £2,500. This relief was funded through a supplement on the rates of non-eligible businesses.

#### **Contributions/Comments from Business Community Representatives:**

##### Central Government Grant

A community representative queried the low figure of Harrow's direct government grant, pointing out its potentially detrimental effects when combined with high business rates, redistributing money out of Harrow and affecting local businesses as a result. The Director of Financial and Business Strategy explained that the grant was determined by a government-calculated formula, and so Harrow had no direct influence over its level. It was also explained that various parties including Harrow's Members of Parliament, the West London Alliance, and the Association of London Governments, were lobbying to improve the grant. It was added that Harrow collected less in Business rates than it received after government redistribution.

##### Small Business Rate Relief

A representative expressed surprise at what was perceived to be a low-take up on small business rate relief, in view of the large majority of businesses in Harrow which employed fewer than five people. It was queried what actions were being taken by the Council to promote the scheme. An officer explained that information was available through the Council's website and business portal, and that all eligible businesses would receive an application form. To this end, a representative suggested that officers send application forms to the North West London Chamber of Commerce, who could help undertake their distribution. Officers thanked the chamber for its support.

##### Parking Fines on Delivery Vehicles

A representative queried parking fines which were being levied on delivery vehicles, and pointed out the high cost of appeal. In response to a question regarding what proportion of the Council's funding came from such fines, the Director of Financial and Business strategy stated that she was unaware of precise figures, but offered to research the query and inform the representative in due course.

##### Business Improvement Districts (BIDs)

The Panel then discussed the BIDS scheme, which would allow the Council to levy a separate charge to spend on local issues. Officers explained that consultations with local businesses about this scheme had previously been conducted, but had found that it had little support amongst the business community in Harrow. As a result, no projects had been undertaken. A representative suggested that officers look to Westminster for a positive example of such a scheme.

In response to queries concerning the services offered to businesses for existing rates, a member highlighted the following projects:

- Later licensing hours;
- Introduction of the 'Cleaner and Greener' scheme;
- Community policing officers;
- Efforts to reduce the fear of crime;
- Improvements in traffic flow and parking facilities.

#### Housing Benefit

A representative queried what proportion of houses in Harrow received public sector support. The Director of Financial and Business Strategy offered to give a written response, but stated that the budget for housing benefits was a separate government grant.

**RESOLVED:** That the above be noted.

19. **Presentation on Crime Reduction:**

The Panel received a presentation on the Crime Reduction Strategy 2005 – 2008, in which the officer outlined the role and purpose of the Crime Reduction Unit (CRU), and its creation as a result of the Crime and Disorder Act 1998, and the Police Reform Act 2002. It was explained that the CRU used the 'Scanning & Analysis, Response and Assessment' (SARA) approach to crime reduction, which comprised the following elements:

Scanning and Analysis: The use of Geographical Information Systems (GIS) to collate information on and map crime at postcode level, as well as the production of Safer Neighbourhood Reports, the CCTV report, the Domestic Violence Common Monitoring Form Report, and the Anti-Social behaviour report.

Response: As detailed in yearly action plans, and included the Anti-Social Behaviour (ASB) unit, a Hate-Crime Coordinator, and a Domestic Violence Coordinator. The Panel was informed that all these elements undertook to coordinate multi-agency responses to their areas of concern, as well as to perform functions relating to victim support and crime prevention.

Assessment: Conducted through the Crime Reduction and Strategy Audit, as well as annual and quarterly performance reports to the Home Office. The Panel was informed that monitoring and evaluation of action plans was also carried out through the Safer Harrow Management Group.

In addition, the Panel was briefed on measures directed at tackling Business Crime. Neighbourhood Watch was identified as an integral element of this, as well as the Harrow Businesses Against Crime initiative, with the latter composed of three parts:

- the construction of a retail radio link, giving business access to a CCTV control room and police intelligence;
- a National Business Information System, recording offenders of business crime;
- installation of the 'Ringmaster' early warning system, allowing businesses to report and alert other businesses of occurring crimes.

It was explained that radios for the above scheme cost £300. Harrow had purchased a quantity to lease to small businesses at a low rate to facilitate the scheme's extension.

The Panel was also informed of the launch of Harrow Community Television, which was being piloted across eight sites, with plans to eventually expand to ten sites.

#### **Contributions/Comments from Business Community Representatives**

##### Police Response Times

A representative of the business community asked what the police response times were for the Borough. An officer explained that whilst Harrow was statistically the safest London Borough, police forces were comparatively under-resourced, and so response times may not be as fast as desired.

##### CCTV Cameras

The effectiveness of CCTV cameras was queried, with a representative asking how many arrests and convictions could specifically be attributed to these devices. An officer responded that CCTV cameras were effective as part of a range of measures on crime reduction, and helped provide information on the dispersal and movement of crime across the Borough.

A representative raised the issue of alleged inappropriate usage of CCTV cameras, stating that film was absent in cameras which could have been used to prevent a burglary, but that cameras in parking zones contained film and were operative. It was alleged that police officers had been disparaging about the system's effectiveness. An officer responded that different bodies were responsible for cameras assigned to different roles, and that individual officers might not be aware of the contribution CCTV made to crime prevention.

#### The Use of Radio Systems

A representative asked whether the radio systems outlined above had reached Wealdstone. In response, an officer stated that currently the scheme was focused on Harrow town centre, but that it was a new initiative and so should be given time to extend to other wards.

The use of a radio-based system was also queried, and a representative asked how businesses may report crimes. Officers responded that there were a range of methods in addition to the radios, including email and text messaging.

#### Business Crime

A representative raised concerns relating to business crime, stating that offences such as fraud were costing businesses in Harrow more than offences such as theft, and asked that the Council consult with local businesses on this issue. An officer noted the representative's concerns, and acknowledged that a consultation might be desirable. To facilitate this, a representative of the business community offered access to premises for such a consultation.

**RESOLVED:** That the above be noted.

20.

#### **Presentation on Transport Policy:**

The Panel received a presentation of the Interim Head of Public Realm Infrastructure which addressed Harrow's transport policy and the use of controlled parking zones.

It was brought to the Panel's attention that whilst Harrow was a unitary authority, it was bound to implement both the national transport strategy as well as the Mayor for London's own strategy. It was also pointed out that Harrow Council was not the public transport authority for the Borough.

The following points were included in the presentation:

- that traffic growth in the Borough was unsustainable, currently representing a figure of 1 to 2% a year with roads at or near full capacity in the peak hours;
- that there were many competing demands on traffic policy, including requirements of safety, vehicle and pedestrian access and standards of air quality, as well as competitiveness;
- the Traffic Strategy included attempts to reduce the need for travel as well as balancing improvements in public transport and car usage;
- transport programmes to be delivered focused on safety, such as 20mph zones and safer routes to schools, as well as bus priority, congestion, pedestrian and cycling improvements, and education and travel awareness;
- the use of controlled parking zones was demand led, and used only when problems occurred, and that currently there were 19 zones;
- the purpose of controlled parking zones was to ensure, amongst other factors, adequate access and safety standards, the management of competing demands, and to encourage the use of sustainable transport;
- that on street business permits for controlled parking zones in the Harrow area cost £300 for operational vehicles. Annual, half yearly and quarterly permits were available.

#### **Contributions/Comments from Business Community Representatives**

##### Controlled Parking Zones

A representative questioned the clarity of the signs used to alert road users of controlled parking zone times, claiming that they were confusing and gave insufficient information. Officers responded that they were aware of this problem, and that efforts were underway to rectify the situation. However, in view of the costs required to alter the signage, the Panel was told that this process might take two to three years.

A Member questioned the success of current efforts to divert users onto public transport, including the effect of controlled parking zones. An officer responded that he was unsure of the exact figures in this regard, but referred the Member to earlier evidence that traffic was increasing by 1 to 2% a year. It was also added that controlled parking zones were a small element of the Council's overall strategy and that the most effective means of achieving a shift to public transport were fiscal measures and the quality of public transport, both of which were outside the Council's control.

#### CCTV Usage

The issue of the cost to the business community of enforcement using CCTV was again brought to the Panel's attention. In reply, it was stated that officers had received a petition and would be examining the matter. However, it was also stressed that the purpose of CCTV in this regard was to attain a balance between the needs of competing road users.

#### Long-Stay Car Parking

The number and capacity of long-stay car parks in the Harrow area was questioned, and it was asked whether the Council had a particular policy regarding this issue. Officers explained that national and Mayor for London policy in this regard was not to encourage long stay parking. Current emphasis, it was explained, was on space management and short-term parking. It was added that punitive charges were only in place for stays of 5-6 hours.

**RESOLVED:** That the above be noted.

21. **Presentation on Business Mapping:**

The Panel heard a presentation of the Director of 'Harrow in Business' on Business Mapping. It was brought to the Panel's attention that Harrow remained in the top twenty for national enterprise hotspots, as measured by the number of new business accounts opened in the Borough per annum. It was added that 96% of these businesses employed less than ten people, and that these employees in turn comprised 41% of Harrow's employees.

The Panel was informed that the purpose of business mapping was to update information on Harrow's changing business demographic, as this was considerably out of date. This was to be a two-stage process, comprising an initial stage of core data collection whereby the accuracy of existing records would be checked, and a secondary stage where the issues and priorities of the business community would be collated.

This information gathering exercise was deemed particularly necessary in view of the large number of businesses operating out of resident's homes, as currently no data existed on these organisations. It was also added that Business Mapping would aid in forward planning services, providing a reliable source of evidence on the current needs of local businesses.

#### **Comments/Contributions from Business Community Representatives**

##### Insolvency Rates

A representative queried the high figure of new business accounts being opened in Harrow, suggesting that this may have negative connotations if it was a reflection of high insolvency rates. In response, it was stated that the number of VAT registered business in Harrow had been in decline, but that this was not necessarily a reflection of insolvency as many businesses operating in the Borough had their VAT registered officers outside the Borough. However, it was added that businesses experienced difficulty growing in Harrow, and that this and the above issue were to be addressed in the Business Mapping exercise.

A member expressed concern that, whilst Harrow was still classed as innovative by virtue of its top twenty position in the enterprise table, this figure still represented a decline of some 10% from previous positions. In response, a Member stated that Harrow was disadvantaged in comparison to other boroughs in this regard, with a relatively low proportion of commercial and industrial sites, and that this may go some way to explaining the trend.

**RESOLVED:** That the above be noted.

22. **Any Other Business:**  
A representative of the business community congratulated the Director of 'Harrow in Business' on the success of the business incubation scheme in the Harrow area.

It was announced to the Panel that the incubation scheme was split into three stages, and that results from the first stage – demand measurement – having been collated, endorsed a simultaneous progression of the second and third stages, namely an overview of the services to be provided under the scheme, and finally a business plan.

**RESOLVED:** That the above be noted.

23. **Extension and Termination of the Meeting:**  
In accordance with Advisory Panel and Consultative Forum Rule 12.1 (Part 4E of the Constitution) it was

**RESOLVED:** (1) At 10.00 pm to continue until 10.30 pm;

(2) at 10.30 pm to continue until 10.45 pm.

(Note: The meeting having commenced at 7.30 pm, closed at 10.32 pm)

(Signed) COUNCILLOR MRINAL CHOUDHURY  
Chair

## APPENDIX 1

**Harrow Business Consultative Panel – 2 February 2006****(1) Representatives of the Business Community who Attended**

A Pluck	Harrow in Business
D Greenwood	Federation of Small Businesses (FSB)
R Morse	Federation of Small Businesses (FSB)
S Hall	Chair, Wealdstone Trader's Association
E Diamond	North West London Chamber of Commerce
G Caloia	North West London Chamber of Commerce

**(2) Officers who Attended**

Myfanwy Barrett	Director of Financial and Business Strategy
Chander Vasdev	Business Community Manager
Fern Silverio	Manager, Group Revenues
Ian Pearce	Crime Reduction Manager
Steve Swain	Transportation Manager
Kevin Unwin	Democratic Services Officer