

HARROW BUSINESS CONSULTATIVE PANEL MINUTES

23 JANUARY 2017

Chair: * Councillor Aneka Shah-Levy

Councillors: * Ajay Maru * Bharat Thakker
* Pritesh Patel (1)

* Denotes Member present

(1) Denotes category of Reserve Members

14. Attendance by Reserve Members

RESOLVED: To note the attendance at this meeting of the following duly appointed Reserve Members:-

Ordinary Member

Reserve Member

Councillor Kam Chana

Councillor Pritesh Patel

15. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Items 8&9 – Information Report: Draft Revenue Budget 2017/18 and Medium Term Financial Strategy 2017/18 to 2019/20 & Information Report: Draft Capital Programme 2017/18 to 2019/20

Councillor Ajay Maru declared a non-pecuniary interest in that he owned a business in Harrow. He would remain in the room whilst the matters were considered.

Councillor Pritesh Patel declared a non-pecuniary interest in that he was Director of a local non-profit organisation. He would remain in the room whilst the matters were considered.

16. Appointment of Vice-Chair

RESOLVED: To appoint Councillor Ajay Maru as Vice-Chair of the Harrow Business Consultative Panel for the 2016/2017 Municipal Year.

17. Minutes

RESOLVED: That the minutes of the meeting held on 26 January 2016 be taken as read and signed as a correct record.

18. Public Questions, Petitions & Deputations

RESOLVED: To note that none were received.

RESOLVED ITEMS

19. Information Report: Draft Revenue Budget 2017/18 and Medium Term Financial Strategy 2017/18 to 2019/20 & Information Report: Draft Capital Programme 2017/18 to 2019/20

Members received two reports of the Director of Finance which set out the Council's proposals Draft Revenue Budget 2017/18 And Medium Term Financial Strategy 2017/18 To 2019/20 and the Draft Capital Programme 2017/18-2019/20 For Consultation.

The Chair welcomed a local business representative to the meeting. She explained that the Council had a statutory duty to consult the business community before setting the Budget and Council Tax for the forthcoming year.

Following comments and questions from Members, officers advised that:

- the draft Business Rates list has been issued at the end of 2016 and local businesses would have been informed of their new rateable values. The final list will be issued on 1 April 2017 but business rates bills will be sent out in early March 2017 based on the draft list. Whilst rateable values have generally gone up in London and in Harrow too, the amount of additional business rates payable will be capped under the transitional relief scheme;
- 98% of business rates are collected annually, 30% of which (approximately £14.5m) is retained by Harrow Council as part of its budgeted income. The Council's gross budget for 2016/17 amounted to £560m, a significant proportion of which was ring-fenced to meet the Council's statutory responsibilities in the areas of public health, housing benefit, schools etc. The Council's net controllable budget, the

element that the Council had control over and where the savings would need to be found, amounted to £165m in 2017/18;

- the Government was consulting on proposals where Council's would retain 100% of business rate revenues by 2020 in order to enable them to fund local services;
- the number of Business ratepayers in Harrow has been declining steadily over a number of years. This had in part been due to permitted development rights under planning law which allowed office space to be converted to domestic use, resulting in a loss of jobs and business rates. This loss of income was in part offset by an increase in council tax revenue due to more domestic properties being built;
- consultation was ongoing regarding the specifics for future 100% rates retention, including the mechanism for top-up and tariff and the 'level of need' assessment process.

RESOLVED: That the reports be noted.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.12 pm).

(Signed) COUNCILLOR ANEKA SHAH-LEVY
Chair