

# Harrow Business Consultative Panel

## Minutes

### 23 January 2023

**Present:**

**Chair:** Councillor Norman  
Stevenson

**Councillors:** Natasha Proctor Sasi Suresh

**Absent:** Councillor Samir Sumaria

#### Resolved Items

**30. Draft Revenue Budget 2023/24 and draft Medium Term Financial Strategy 2023/24 to 2025/26**

Members received a report from the Director of Finance which set out the Council's proposed Draft Revenue Budget for 2023/24 and the draft Medium Term Financial Strategy (MTFS) for 2023/24 to 2025/26. In a presentation to the report, the Director of Finance provided a high-level overview of the budget consultation requirements and the process for setting the draft budget and MTFS. The following key points were highlighted:

- Harrow Council's financial position remained extremely challenging
- A Council Tax increase of 4.99% for 2023/24 was being proposed. This was expected to decrease by 1% per annum for 2024/25 and 2025/26 to 3.99% and 2.99% respectively
- Despite significant inflationary pressure, the Council had an obligation to maintain investment in statutory services such as Children's.

- The Council's budget gap for 2023/24 was estimated at £10.9m
- A number of actions required to achieve a legally balanced 3-year MTFs were being undertaken and would be presented to meetings of Cabinet and Full Council in February.

No questions were raised by Members on the presentation. However, before moving on with the discussion, the Chair clarified that the increase in Council Tax would be decided at the Full Council meeting on 23 February 2023.

The meeting continued with a presentation from the Divisional Director for Collections and Benefits on the revaluation of commercial property and impact to Harrow Business. The following key points were highlighted:

- Despite significant variations in valuations across London regions and business sectors, the overall Harrow rateable for 2023/24 was 8.3% which was below inflation for the year.
- Large package of support was available to business rates payers to support revaluations. This included a multiplier which was frozen for 2023/24; a transitional relief scheme, which would see most of Harrow's small and medium businesses having their business rates bills increases capped at between 5 and 15% depending on the size of the rateable value; a retail relief scheme where any in-person business will be able to receive 75% relief from the net rates payable (which will be worth £12m to businesses in Harrow on top of other support packages); supporting small business relief ensuring no eligible small business pays more than £600 in business rates extra compared to the previous year.
- Businesses would be able to challenge revaluations if they think their rateable value has unfairly increased by appealing to HMRC's Valuation Office Agency. Normal business rates would continue to apply until a decision on the appeal had been made and a new value set.

The Chair thanked officers for their presentation and invited questions from Members and Local Representatives. Following comments and questions from, the Panel was advised that:

- Compensation from lost business rates retention revenue was expected to be between £6-8m, as set out in the draft budget report. Officers offered assurance that Harrow was in a good position with any funds lost from retention of business rates would be regained through Section 31 grants.
- Responding to a question on the Council's energy budget and plans to decarbonise, officers advised that the Council was exploring several initiatives to reduce significant energy cost pressures and achieve carbon-neutral targets. Engagement with local businesses was seen as key part of the process and their views were welcomed.

- A Member commented on the sequence of committee meetings and suggested that in future Harrow Business Consultative Panel be scheduled after the Budget was published so that specific questions could be raised by businesses ahead of consultation.
- A meeting of the 'Wealdstone Change For All' group was scheduled in February and could discuss possible options for increasing pedestrian footfall to the Harrow and Wealdstone district centre. Businesses and local ward councillors were invited to attend.
- A number of forums existed that provided a platform for local businesses to engage in consultation such as Harrow's Traders Associations in local district centres and a quarterly Business Forum. Business could also sign up to the Council's monthly newsletter and raise any questions/concerns through their ward councillors.
- Further details on the Council's budget were set out in the report to the agenda for this meeting and any queries could be raised with the Director of Finance.

The Chair thanked officers and business representatives for taking part in the meeting and noted the huge amount of work the Council had done so far to support local businesses and put residents first.

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