

**NATIONAL NON-DOMESTIC RATEPAYER  
CONSULTATIVE PANEL**

**5 FEBRUARY 2004**

Chair: \* Councillor Choudhury

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

\* Denotes Member present

Attendance by NNDR Representatives:-

Mr D Greenwood - Harrow and Hillingdon Branch, Federation of Small  
Businesses  
Susan Hall - Chair, Wealdstone Traders' Association  
Jayn Lee Miller - Chair, Harrow and Hillingdon Branch, Federation of  
Small Businesses

**PART I - RECOMMENDATIONS - NIL**

**PART II - MINUTES**

11. **Appointment of Chair:**

**RESOLVED:** To note the appointment of Councillor Choudhury as Chair of the Panel for the Municipal Year 2003/04.

12. **Attendance of Reserve Council Members:**

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

13. **Apologies:**

**RESOLVED:** To note the following apology:

NNDR Representative: Apology was noted on behalf of Mr S Parsons, 'Harrow Music'.

14. **Declarations of Interest:**

**RESOLVED:** To note that there were no declarations of interest on behalf of Council Members present.

15. **Arrangement of Agenda:**

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

16. **Minutes:**

**RESOLVED:** That the minutes of the meeting held on 3 February 2003, having been circulated, be taken as read and signed as a correct record.

17. **Public Representations:**

**RESOLVED:** To note that there were no petitions, deputations or public questions (Committee Procedure Rules 15, 16 and 18) submitted to this Panel meeting.

18. **Budget Options 2004/05 for Consultations:**

At the invitation of the Chair, the Council's Executive Director (Business Connections) provided the Panel meeting with an overview of the Authority's draft budget proposals for 2004/05. In the course of the presentation, the following elements were covered:

- the basic principles/considerations underlying the approach to setting the 2004/05 budget and that there had been no real change to the provisional financial settlement received from Central Government and therefore no major refinements

were necessary;

- an overview of the 2 stage consultation process, the different methods used to consult and that the consultation would end on 6 February 2004;
- an overview and make-up of the options for growth and savings encapsulated in the leaflet 'Your Money Your Choice', and the implications of these options on the level of Council Tax set;
- the charges made by Central Government in the funding of services such as housing benefit and the flood levy payments and the resultant benefits to Harrow;
- the Council Tax increase of around 3.9% (excluding the options) within the Medium Term Budget Strategy;
- the savings proposed and how these would be achieved.

The Executive Director (Business Connections) informed the Panel that Cabinet, at its meeting on 17 February 2004, would be provided with feedback from all the consultations carried out prior to making a recommendation to full Council meeting, which would approve the final Budget and set the Council Tax for 2004/05 on 26 February 2004.

The Executive Director (Business Connections) also briefed the Panel on the work being carried out by the Council with small business enterprises in Harrow.

He explained the work done by 'Harrow in Business' in supporting business to improve their viability and competitiveness and the support provided by the Council. The Executive Director (Business Connections) informed the Panel that the work done by 'Harrow In Business' was communicated through various channels and that any suggestions to improve further the line of communications would be welcomed. The Panel was informed that the Council had also streamlined its procurement strategy in order to allow local businesses to tender and that more work was being done in this area.

The Panel was also informed of the basis for the National Non-Domestic Rates and that the rates poundage was set nationally by the Government. It was explained that the Non-Domestic Rate, the means by which local businesses contribute to the cost of providing local authority services, was collected by Local Authorities and paid to the Government, which then redistributed the monies to Authorities depending on the number of residents each authority has. The Government had indicated that the rate in the pound for 2004-05 was likely to be 45.6p.

In addition, the Government was consulting on introducing

- 'Local Authority Business Growth' whereby local authorities would keep a small proportion of the business rate collected if there was an increase in the business rates in their area, the incentive being to increase growth and sustainability of businesses locally.

The Panel was also informed about the Council's new powers to create 'Business Improvement Districts' with a view to help tackle local issues identified by businesses as key to them. This would mean businesses in any such districts agreeing to a supplemental business rate which would be ringfenced for the purposes agreed with those businesses.

**RESOLVED:** (1) That the Budget Options and other relevant information be received and noted;

(2) That the timescales for the consultations and determining the Budget for 2004/05 be noted.

19. **Contributions/Comments from NNDR Representatives:**

Further to the presentation from the Executive Director (Business Connections) and discussion arising, the following contributions, issues and comments were raised by NNDR Representatives:

Options for Savings

An NNDR Representative was critical of the amount of money being wasted by the Council and stated that provision of Home Care and Meals on Wheels services ought

to be the responsibility (a core function) of local government and that these were not realistic options on which residents should have been asked to vote upon. The Representative was of the view that the option to increase charges and/or reduce these services would affect the disposable income of the recipients, which in turn would have a detrimental impact on local businesses.

#### Refurbishment Works – Civic Centre

An NNDR Representative was also critical of the expenditure on refurbishment works to the Civic Centre, particularly the improvements which were underway for Chief Officers. The Representative was informed that the cost of the refurbishment works was funded from the Capital budget through a combination of capital receipts and borrowing and not the Revenue budget and therefore did not have a direct impact on the Council Tax rate. The refurbishment was not solely for the purpose of Chief Officers and other staff would be relocated from other buildings which were costly and that the relocation would provide a net saving in the long term. This was the first part of a major refurbishment of the Civic Centre which would enable space to be used more effectively and promote better working between individual Units.

The NNDR Representatives were informed that, in addition, the works would improve staff morale and assist the Council's recruitment and retention policy. It was noted that all political parties had been involved in this process and that the costs of the overall works to the Civic Centre this year would be in the region of £400k, although that attributable to the new offices was significantly less than this figure.

#### Council's Management Structure/Council Workforce/Agency Staff/Consultancy Work

Some enquiries were made by an NNDR Representative regarding the cost of the new Management Structure and the total number of staff employed by the Council and whether any increases in the numbers could be justified.

The Representative was informed that the Council had restructured its top management structure in order to meet new challenges and to provide a customer focused service. The Representative was assured that the overall cost of the new structure would be no more expensive than the old structure.

It was agreed that information on the total number of Council employees would be provided in writing. The Representative was informed that staffing in Internal Audit had been increased in order to ensure that the Council managed its risks better and to meet issues raised by the Comprehensive Performance Assessment (CPA) carried out by the Audit Commission.

Following further questions, the NNDR Representatives were advised that it was estimated that the NHP restructuring would lead to a saving of £370k per year over 3 years and that a review of the sickness absence scheme would lead to further savings of £200k per year over 3 years. It was further stated that the latter would lead to a reduction in the use of agency staff and payments made for overtime work.

The NNDR Representatives were informed that the Council did not hold budget(s) for agency staff; however should use of agency staff become necessary, the costs would have to be met from savings elsewhere in the budget.

The NNDR Representatives were also informed of the areas in which it was seen to be prudent to use the services of a Consultant, particularly when negotiating on Private Finance Initiatives (PFI) Contracts in order to ensure that the contractual arrangements were financially and legally viable and that the Council was not exposed to unnecessary risks.

#### Capital Funding/Boundary Roads

An NNDR Representative asked for details about the payments made to other boroughs.

The Representative was informed that the transfers between Harrow and adjoining boroughs related partly to payments made for the maintenance of boundary roads and costs incurred for the crematorium in Hillingdon which was used by Harrow.

#### Council Tax

The NNDR Representatives were critical of the burden placed on the ratepayer and stated that the increases in Council Tax could result in a revolt. They highlighted the

recent protests by pensioners whose incomes did not increase at the rate of increases in Council Tax. They called for a fairer system and were of the view that Councils ought to be more 'business like' and cut their costs when expenditure exceeded income.

An NNDR Representative pointed out that the joint initiatives between businesses and the Council from the previous year had led to mutual benefits and savings for the Council. The Representative sought assurances that the Council would not compete with local businesses in service delivery. The Representative added that local businesses would be keeping a close eye on the Council's activities in this area.

The NNDR Representatives were informed that the law allowed local authorities to compete with businesses in the provision of certain services and pointed out that Harrow Council did compete with local businesses in the collection of trade waste.

#### Consultation with Business Representatives

The Chair and other Council Members of the Panel were of the view that the consultation process with Business Representatives needed reviewing and that it was necessary to ensure that more Business Representatives attended the consultation meetings. It was suggested that perhaps more meetings/exhibitions between the NNDR Representatives and the Council would help to improve dialogue. It was also suggested that lead Members on Finance could be invited by Businesses to their meetings, if possible in a convenient business premises away from the Civic Centre. The NNDR Representatives were invited to write in with their suggestions.

#### Public Meeting

There was some criticism from Members of the Panel that the venue for the public meeting held on 27 January 2004 was unsuitable and had prevented many people from attending and that it was essential to ensure that in the future, such meetings were held in a central part of the Borough.

#### Wealdstone Town Centre

An NNDR Representative was of the view that Wealdstone Town Centre was 'dying' and called for the pedestrianised section of the road to be opened up. The Representative added that generally the Council appeared not to be listening and therefore the Business Community was not interested in attending meetings. The Representative pointed out that this was evident here by the apparent lack of attendance from other business representatives. The Chair mentioned that Wealdstone Town Centre matters should be raised and discussed with the Wealdstone Regeneration Advisory Panel.

The NNDR Representatives were informed that the Council was working with Acton Housing association on redeveloping the library site in Wealdstone with a view to energising that part of Wealdstone Town Centre. The Representatives were also informed that the relocation and refurbishment of the library would be financed by the sale of land to Acton Housing Association. An NNDR Representative sought details of the Section 106 Agreement and details of the project for which the money would be ring-fenced. The NNDR Representatives were concerned that concentration of large numbers of affordable housing could lead to an increase in crime in the area. They were also critical of such developments where there were no provisions made for a children's play area.

#### Environmental Issues

There was general concern about the amount of litter which in turn led to problems of infestation. It was essential that businesses and local residents were educated on this anti-social behaviour. The work done by street wardens to improve the situation was noted. An NNDR Representative felt that it was unfair that businesses had to pay for the anti-social behaviour of local residents.

An NNDR Representative enquired about the shortfall in the recycling income. The Representative was informed that the Council was required to meet Central Government targets on recycling and that Harrow had not met the target(s). It was therefore important that residents were encouraged to recycle more which would help to reduce the shortfall. The shortfall was also due to the need for greater participation by residents and the landfill levy that the Council was required to pay.

Traffic Issues

An NNDR Representative was of the view that Controlled Parking Zones (CPZ's) in residential areas had a knock-on effect on the 'corner' shops in the area. The Representative was informed that CPZs in residential areas had been introduced to stop the streets being clogged by commuters and assured that the Council was listening to the business community and, where practical, business permits and other traffic measures would be introduced to assist businesses.

Questions from an NNDR Representative

An NNDR Representative stated that he had a number of questions to ask and that these would be provided to officers in writing. The Executive Director (Business Connections) and the Director of Professional Services (Urban Living) agreed to respond to those questions and it was noted that a copy of the questions (when received) and answers provided would be sent to Council Members and NNDR representatives present at the meeting.

(Note: The meeting having commenced at 2.40 pm, closed at 4.16 pm)

(Signed) COUNCILLOR MRINAL CHOUDHURY  
Chair