

Business Budget Discussion 12 February 2018

Meeting notes

Attendees: Patrick Hogan, Director, Hogan Music, Michelle Smith, CEO, Education Business Partnership, Andy Walker, WBC, Head of Finance and Property, Iain Bell, WBC, Revenues and Benefits Manager, Janet Duffield, WBC, Economic Development

1. Apologies

Cllr Anthony Chadley and over 100 business representatives were invited to meeting but were unable to attend.

2. Welcome and Introductions

AW gave an overview of the meeting and its purpose and introductions were made.

3. Business Rate Retention Scheme

AW provided an explanation of the Business Rate Retention Scheme. IB explained that West Berkshire is one of 10 pilot areas that has been selected to retain 100% of business growth locally. The Government set a baseline based on existing business rates and anything above the baseline is considered to be growth. This retention money equates to additional funding of £35 million across the 6 Berkshire local authorities. Thames Valley Berkshire Local Enterprise Partnership (LEP) will manage £25 million of this for Berkshire-wide schemes. WBC will receive an estimated £1.5 million directly.

The pilot is initially for 1 year from April 2018-March 2019. The Government has the intention to roll the scheme out nationally with 75% retention of growth from April 2020. It is uncertain at this stage what the situation will be for 2019/2020.

4. Council Budget Proposals 2018/19

AW gave an overview of the Council Budget proposals for 2018/2019. AW explained that inflation is starting to affect the council's budget and explained that the Government's Revenue Support Grant has decreased by £23 million in 5 years. A staff pay rise of 2% is also being proposed which equates to an additional £1 million.

£5 million of savings has been proposed. The proposals also include a 5.99% increase in domestic Council tax which is 2.99% from WBC and additional 3% for the Adult Social Care precept. The second proposal is to charge for garden waste collection bins from July 2018. This is expected to generate around £900,000. MS was concerned about this figure as it would require 18,000 households to register for the scheme. AW was asked whether WBC could simply increase Council Tax more to eliminate the administration and payment scheme required for the green bins. AW explained that WBC is legally unable to increase any further without the need for a referendum. MS also pointed out that the proposals state that the garden waste collection service "is currently delivered free" but this is not the case as it is paid for through Council Tax. AW noted this and agreed.

Action: AW to amend wording of proposal to reflect MS's comments.

Thirdly, street cleansing could be reduced to the statutory minimum and the impact is likely to be more noticeable in urban areas of West Berkshire than in rural ones. The final proposal is to reduce funding to the Citizens' Advice Bureau (CAB). This proposal is likely to be discussed in detail at the Council Meeting on 1 March 2018. MS said that this may be a false economy as it may cost WBC more to address issues that may be brought to the council if CAB are unable to help. IB mentioned that more residents are coming to the council since the introduction of Universal Credit benefit but WBC employees are not qualified debt counsellors.

PH asked if the BID levy would be able to pay for town centre cleaning but AW didn't think this would be the case. However, the BID may be investing a new street cleaning machine which specifically targets things like chewing gum removal.

5. Business Rate Relief Schemes

IB gave an overview of the different Business Rate reliefs currently available. In total there are 6 different schemes but 3 new ones for 2017/18 were introduced. However, the take up for the schemes from local businesses has not been as high as would have been expected. The Pub Relief Scheme, which gives £1000 relief to eligible pubs, has only had a 67% take up. This scheme continues for 2018/19. There is also the Supporting Small Business Scheme which is limited to £600 of relief. 63% of forms have been returned. Finally, Discretionary Rate Relief was introduced to help those businesses facing the greatest rate increase following re-evaluation. WBC received £500k to help. 300 businesses were identified after criteria were set and individually targeted. Only 27% returned forms.

Also to note is that Small Business Rate Relief has been doubled because of the re-evaluation exercise.

PH pointed out that his music schools is now set up as a charity, The Hogan Academy, so could possibly qualify for rate relief.

Action: IB to give PH his contact details so PH can investigate further.

6. A.O.B

There was no additional business and the meeting closed at 19:00.