

BUDGET CONSULTATION - NATIONAL NON-DOMESTIC RATEPAYERS

TUESDAY, 28 JANUARY 2014

PRESENT:- Councillors Juanb Ali, John Ballman, Garry Perkins (Cabinet Member for Economy, Regeneration and Culture) and David Renard (Leader of the Council).

Swindon Borough Council: Mr Stuart McKellar (Board Director Finance, Revenues, Benefits and Property).

Representatives of Swindon Non-Domestic Rate Payers: Councillor Neil Heavens (Abacus Accounts), Mr Les Durrant (DPDS Consulting), Mr Martin Eagles (Nationwide Building Society), Mr John Fletcher (Nationwide Building Society), Mr Richard Lay (White Horse Holding Group) and Mr David Morley (Zurich Insurance).

Apologies for absence were received from Councillors Mike Bawden, Russell Holland and Peter Watts. Rob Beale (Morris Owen), Jack Frost (Johnson Matthey Fuel Cells Limited), Patrick Hallgate (Network Rail), Rod Hebden (National Trust), David Henderson (Wind River UK Limited), Michael Hodgetts (Honda UK), Mark Hopwood (First Greta Western), Caroline Hopkins (John Lewis Plc), Paul Jenkins (Thamesdown Transport Limited), John Jackson (Hochtief (UK) Construction Limited), Robert Plumridge (Thames Water Limited), Julian Pugh (RWE npower), Craig Shuttleworth (Debenhams), Wendy Spooner (RWE npower) and Vijay Tanna (Baker Tilley Business Services Limited).

1. Welcome and Introduction

Councillor David Renard welcomed everyone to the meeting and thanked them for their attendance. He explained that the meeting was designed to inform local businesses of the Council's Budget proposals for 2014/15 and to set out the financial context for 2015 /16 and beyond.

2. Budget Management 2012-13 and Draft Budget 2013-14

Mr Stuart McKellar (Board Director Finance, Revenues, Benefits and Property) referred to the report, previously circulated to those attending, and that was to be considered by the Council's Cabinet on 11th December 2013.

He outlined the complexity of the Local Government financing system, the context of the Council's Budget for 2013/14, and the impact of this for the Council's finances and future spending. He explained that the Council was facing challenging times and drew attention to the following points:

- Central Government funding changes would continue to negatively impact on future budgets.
- Changes to Business rate Collection which meant that Swindon Borough Council could in future retain 28% of future business rates growth.
- Pressures being experienced against the budgets of Children and Young People and Adult Social Care in particular but across the Council more generally.

He also advised the meeting that the benefits of the retention of 28% of additional monies from Business Rate Collection needed to be set against the pressures of historic claims (since 2005) for refund/overpayment, which under the new regulations the Council is responsible for. It was anticipated that in the medium term the financial pressures of such appeals would lessen.

Mr Richard Lay referred to these appeals, likely costs as set against the potential for additional monies and the revaluation of Business Rates from 2015 (implementation 2017) and it was confirmed that resulting from this there was a need to have some flexibility in these figures as far as budget planning was concerned.

Mr Stuart McKellar (Board Director Finance, Revenues, Benefits and Property) also noted that the Council will have lost around 45% of its base Government Grant by 2015/16, including losing a further 13% of the grant in 2015/16 alone. Given this situation and the unknown elements of Business Rates he stressed the Council needed to be financially flexible in its consideration of service delivery and gave green waste collection as an example.

Mr Richard Lay (White Horse Group) referred to problems facing some business community sectors and indicated his belief that this might result in less Business Rate income. Mr Stuart McKellar (Board Director Finance, Revenues, Benefits and Property) acknowledged that some sectors of the business community were experiencing different rates of growth but that he felt that there was likely to be a small increase in Business Rate income in Swindon overall and highlighted the Regent Circus development as an example of growth.

The meeting noted examples of Business Rates varying with changes to the use of premise and how these affected local business and especially those trying to establish themselves. Mr Stuart McKellar (Board Director Finance, Revenues, Benefits and Property) set out the limited discretion the Council had in the operation of Business Rates which was a national scheme. He also noted that, for example where the Council might be able to offer discounts, this would have an effect on the Council's budgetary position and State Aid limits were a consideration and it was therefore a difficult challenge.

The meeting acknowledged that whilst the Council didn't have any flexibility in setting the national rate for Business Rates the consultation was valuable to the Council to allow it to reaffirm its understanding of the current issues facing businesses and to allow local business to understand the Council's financial position.

3. Proposed Changes to the Waste Collection Services

The Leader of the Council drew attention to the report on proposed changes to the Waste Collection Service set out on pages 45 to 100) of the agenda papers. He confirmed that this report related to domestic collections and that this was a move from a free to a buy in service. The Leader of the Council set out the context of this decision and noted that it had previously been a buy in service when residents bought green sacks for green garden waste. He also noted that this change would have no effect on the Council's statutory waste collection service and responsibilities for either domestically or the business community.

4. Proposed Changes to Waste Collection Services

The Leader of the Council referred to the proposed changes to Waste Collection set out in the report on pages 101 to 113 of the agenda papers and confirmed the changes set out had been approved following consideration of some issues raised by the Council's Scrutiny Committee.

5. Any Other Business

Mr Richard Lay (White Horse Group) asked how the Council would cope with the disincentive to entrepreneurs of opening new businesses when there was pressure from Central Government to collect as much Business Rates as possible.

The Leader of the Council noted the Government had recognised this issue. Locally it was in everyone's interest to help businesses to enable sustained growth in Swindon and Councillors were considering this. The Council was working with the Business Improvement District and Councillor Garry Perkins was a Board Member of that body. In addition Councillor Perkins and the Leader of the Council were meeting regularly with the Chair of the Business Improvement District.

The Council was asked about the two key issues of vacant properties and car parking. Councillor Garry Perkins (Cabinet Member for Economy, Regeneration and Culture) noted that vacant spaces had reduced in the last year and that Swindon compared favourably with other towns in the South West. Regarding Car parking the Council had last year introduced reduced car parking charges for the town centre and that following the success of this scheme, as evidenced by increased footfall figures, had maintained the reduced charges. He also referred to the free parking spaces available in the town centre. The Council was also in the process of modernising the Council's car parking and was removing two unpopular car cars to reduce the town centre surplus.

The Council had also worked closely with town centre businesses regarding parking for their staff and this had proven to be successful in retaining existing businesses in the area and also in attracting new companies. The Council's reduced charges and its tolerance regarding enforcement had given the Council very positive national coverage including a two page article in a national Sunday newspaper.

Councillor Neil Heavens raised the issue of parking issues that detrimentally affected businesses in Commercial Road. Councillor Garry Perkins (Cabinet Member for Economy, Regeneration and Culture) noted that as some of the pavement was owned by business and some was under Council ownership there was no straightforward solution. He was aware of some of the issues facing Commercial Road and asked that the Council's Parking Enforcement Team be advised of particular problems in order that these might be addressed.

The Leader of the Council thanked everybody for their attendance and for their input into the meeting.