

Report to the Council

Committee: Cabinet

Date: 20 April 2010

Subject: Finance & Economic Development

Portfolio Holder: Councillor C Whitbread

Item: 6(e)

Recommending:

That the report of the Finance & Economic Development Portfolio

Holder be noted

Accountancy

The Accountancy Division are now working on the Statutory Statement of Accounts for the year to 31 March 2010. There is a challenging timetable to meet to have these ready for the June Council and I must ask all Members who have not yet completed and returned their Related Party Disclosure forms to Mr Maddock to now do so as soon as is possible.

As part of the budget setting process an amount of £375,000 of income was allowed for in respect of a VAT reclaim scheme. Negotiations are still ongoing between the Council's external advisers and Her Majesty's Revenue and Customs but it appears likely that the final settlement will exceed the amount in the estimates by £200,000. This will place the District Development Fund in a stronger position than had been anticipated and once the exact amount has been confirmed and received, Cabinet will consider alternative uses for these funds.

Benefits

The external inspection of the Benefits Division has been completed but the report will not be released until mid May so there is nothing I can say about it at this time.

As part of a consultation exercise a thousand survey forms were sent out to claimants with the notifications for the new financial year. I am hoping that the public will engage with us and that the survey results will be useful in making sure the service meets claimant's needs.

Revenues

The final collection statistics are still being calculated for 2009/10, although it is likely that we will fall a little short of the 98% target for Council Tax. This is not surprising given the weakness of the recovery in the economy which continues to make it difficult to collect debts. Officers will continue their efforts to collect outstanding balances and I would urge anyone who is experiencing difficulty in paying their Council Tax not to ignore the problem but to discuss their circumstances with the Council as soon as they can.

Similarly, the collection rate for National Non-Domestic Rates is likely to fall slightly short of the 98.2% target. Amongst the measures announced in the Budget the

Chancellor included an additional scheme of relief for small businesses. Whilst welcoming any assistance for small businesses, it is regrettable that this could not have been done earlier. This Council passed a motion in November highlighting the plight of small businesses and calling for a review of the scheme. The delay in acting will create confusion for businesses and additional work for staff who will now have to re-bill. The scheme means that eligible rate payers will pay no rates on properties with rateable values up to £6,000, with a tapered relief between 100% and 0% for properties between £6,001 and £12,000. The new levels of relief will be available for 12 months from 1 October 2010 to 30 September 2011. Although of course the enactment of this relief, and the other Budget measures, will be dependant on the outcome of the General Election.

Economic Development

On 23 March officers from the Revenues and Economic Development sections worked with colleagues from the Chamber of Commerce, Business Link and the Federation of Small Businesses to put on another breakfast briefing. I am pleased to report that this, like the previous briefings, was well attended. The District Valuer was again in attendance to help answer questions about the rating revaluation, although at that time we were unaware of what was to come in the Budget.

A number of other events are planned throughout the year and these will be publicised in due course.