

REPORT FROM THE EXECUTIVE MEMBER FOR RESOURCES TO THE MEETING OF FULL COUNCIL ON WEDNESDAY, 8 JULY 2015

Business Rates Review

A government consultation on possible changes to the business rates system closed in mid-June. The council made a contribution to the consultation which identified some of the pressures the council faces because of the current system for funding local government and the pressures we are having to contain.

Disposal of the site of the former Bembridge Primary School

I was pleased that the Executive agreed to the disposal of the former primary school site to Vectis Housing Association in a deal that not only produces a capital receipt for the council, but also secures the construction of thirteen affordable housing units. I hope that it might be possible to do similar deals with other Island based housing associations to the benefit of the council and the community.

Visit of Nick Bittel, Chief Executive of Sport England

I was pleased to organise and host a visit from Nick Bittel of Sport England to the Island on 21 May. We discussed a number of issues in relation to Island sport and specifically looked at how Sport England could support the community group now managing Ryde Ice rink. It would appear there are opportunities to bid for funds to help improve the toilet and changing rooms. I would congratulate the community for their initiative and am pleased to hear about some of the funding they have already secured to undertake much needed repairs to the roof.

Disposals coming forward

As well as asset disposals such as the former Bembridge school, the council is also discussing the transfer of some of its now surplus community buildings, in particular the former youth centres, to local groups and organisations seeking to take over ownership and manage the buildings for community benefit. I hope to bring a paper to the August Executive dealing with this in more detail.

Report from Finance

- Internal Audit - The council has reviewed the provision of its statutory duty to ensure that it conducts an internal audit of its operations. Since 2010, the service has been provided by an external contractor, PricewaterhouseCoopers LLP. Following the latest round of competition, PwC has been awarded the contract for a further three years. Competition was strong and a number of high quality bids were received. PwC values the Isle of Wight business highly and its bid was very competitively priced. That has resulted in financial savings to the council which exceed the target set in the budget strategy. Savings over and above the target will be retained and

possibly re-invested if there are issues that require more resource to investigate;

- Treasury management – annual report on treasury management activity in 2014/15 to the Audit Committee on 25 June 2015;
- Draft outturn statements 2014/15 – report and appendices on both capital and revenue to Audit Committee on 25 June 2015; the same information was considered by the Joint CMT/Executive Board, the Scrutiny Budget Task and Finish Group and the Scrutiny Committee on 18 June 2015;
- Reports to Audit Committee – Annual Report of Head of Internal Audit, council's risk profile, annual fraud report 2014/15 and draft annual governance statement 2014/15 were all submitted to Audit Committee on 25 June 2015.

Report from Revenues and Payments

Revenues

- The team have been focusing on “in year” collection rate for Council Tax and achieved 20.66 per cent (Target 20per cent) at the end of May. This represents an increase in cash terms of £477,000 collected over the previous year as the net collectable debt has increased by approximately £2.4million when compared with the previous year.
- The “in year” collection rate for business rates for May was 25.31per cent (target 23per cent). There is £516,000 less collected, with £167,000 more collectable debt than the previous year.
- The temporary visiting officer recruited to business rates in March has identified 339 properties on the Island not included in the valuation list. All have a potential for rating. These properties are currently being reviewed but include three large industrial units situated on farms housing a number of tenants. The business rates team are working closely with the valuation officer to include these properties within the rating list thereby increasing revenue collection.
- The collection rate for Sundry Debt for May was 92.9per cent (Target 70per cent).
- All monies received by the council were allocated within 48 hours by the income and reconciliation team during May.
- The revenues manager is working with the parking team developing more automated processes in readiness for the rollout of the new parking system in September. Permit applications will be online and parking permits, like the DVLA tax disc will be digital, which hopefully will reduce the administration work undertaken in the team.

- Parking operations issued 1988 penalty charge notices during May, 1374 were paid in full by the end of the month. In total, 1106 items of correspondence were received and 1125 responses issued. One appeal was received this month and 356 representations/informal challenges received.
- The revenues team are continuing to work with Capacity Grid, the company assisting with the review of long term empty properties and static mobile homes. Capacity Grid has identified 23 properties which should no longer be classed as empty which will enable the council to earn more New Homes grant

Payments

- 99per cent of invoices were processed within the 30 day statutory deadline.
- Payment officers focused this month on adult social care debts over three months old and were successful in collecting £38,170.
- A review of homecare orders also released £5,600 of committed funds which were no longer required thereby returning these monies back to the budget enabling forecasting to be more accurate.

Councillor Ian Stephens
Executive Member for Resources