

Committee: Finance and Administration
Date: 26 March 2009
Title: Lead Officer's report
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Agenda Item

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Item for
information

Summary

This report updates Members on matters arising from the minutes that are not otherwise on this Agenda and other items of interest.

Recommendations

That the report is noted.

Background Papers

None

Situation/Update

Great Dunmow CIC move to the library

Following approval at the last meeting, the Head of Customer Support & Revenue Services is in the process of consulting affected staff on their redeployment to the library and or Saffron Walden CSC. Points of detail, such as the reception counter and telephony needs, are also being actively discussed with Essex County Council's Project Manager. Many more points of detail need to be clarified in the coming weeks and it is likely that there will be some further delay with the library now reported to be opening in late Spring/early Summer.

Council Offices, 46 High Street, Great Dunmow

Arrangements to test the market for selling the Council Offices are progressing well. The Head of Customer Support & Revenue Services is finalising points of detail with the Council's agent. This includes preliminaries such as producing an Energy Performance Certificate, soil contamination report and a planning & development brief for prospective purchasers. The Council's agent has produced draft marketing material and anticipates being able to go to the market in the next few weeks. Discussions with the voluntary sector and CAB, who are currently tenants within the offices, are ongoing. It is likely

that Members will need to consider a report on the Council's position regarding voluntary sector accommodation in the near future.

Lodge House at Council Offices, London Road, Saffron Walden

The Lodge House will shortly become empty as staff move to within the main office building. This will provide an opportunity to consider how to manage that asset to best advantage in the future.

Revenue collection rates and claims for housing benefits

Members have previously been advised that collection rates for council tax and business rates were marginally down on profile/target despite increased recovery activity. The period after Christmas has seen a further decline against profile/target. This post Christmas trend has also been reported by other nearby councils and generally reflects the consequences of the economic downturn. Applications for Housing and Council Tax Benefit have continued to increase each month with many claimants finding they do not qualify because redundancy payments generate excess capital. The Council actively contributed to an Essex County Council initiative on 4 March intended to promote benefit take up.

Historical Balances

Members will recall that during the audit of the 2007/08 accounts, three historical balances were identified that required resolution or writing off. The current position on the three items is as follows:

- HMRC have ruled that the overpaid VAT of £130,000 cannot be refunded under law because the error is more than 3 years ago. Advice has been obtained from an independent VAT consultant that there are no grounds in law to challenge the HMRC decision and that the only course of action open to the Council is to apply political pressure. Accordingly letters will be sent to the Chancellor of the Exchequer, Local Government Minister and local Member of Parliament. The prudent course of action is to write this balance off to the General Fund; this has been done.
- The historical balances relating to Council Tax and NNDR have been resolved and correcting entries made to the Collection Fund. This does not directly affect the Council's financial position except to the extent that in due course the Council will benefit from a higher balance on the Collection Fund.