

Harrow Business Consultative Panel AGENDA

DATE: Monday 23 January 2017

TIME: 7.30 pm

VENUE: Meeting Room 5, Civic
Buildings 5&6, Harrow
Civic Centre

MEMBERSHIP (Quorum 3)

Chair: Councillor Aneka Shah-Levy

Councillors:

Ajay Maru

Kam Chana
Bharat Thakker

Reserve Members:

1. Jeff Anderson
2. Mrs Rekha Shah

1. Pritesh Patel
2. Susan Hall

Contact: Manize Talukdar, Democratic and Electoral Services Officer
Tel: 020 8424 1323 E-mail: manize.talukdar@harrow.gov.uk

AGENDA - PART I

1. ATTENDANCE BY RESERVE MEMBERS

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) the meeting notes at the start of the meeting at the item 'Reserves' that the Reserve Member is or will be attending as a reserve;
- (iv) if a Reserve Member whose intention to attend has been noted arrives after the commencement of the meeting, then that Reserve Member can only act as a Member from the start of the next item of business on the agenda after his/her arrival.

2. DECLARATIONS OF INTEREST

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Panel;
- (b) all other Members present.

3. APPOINTMENT OF VICE-CHAIR

To appoint a Vice-Chair for the 2016/17 Municipal Year.

4. MINUTES (Pages 5 - 8)

That the minutes of the meeting held on 26 January 2016 be taken as read and signed as a correct record.

5. PUBLIC QUESTIONS *

To receive any public questions received in accordance with Executive Procedure Rule 49 (Part 4D of the Constitution).

Questions will be asked in the order notice of them was received and there be a time limit of 15 minutes.

[The deadline for receipt of public questions is 3.00 pm, Wednesday 18 January 2017. Questions should be sent to publicquestions@harrow.gov.uk

No person may submit more than one question].

6. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 47 (Part 4D of the Constitution).

7. DEPUTATIONS

To receive deputations (if any) under the provisions of Executive Procedure Rule 48 (Part 4D of the Constitution).

8. INFORMATION REPORT: DRAFT REVENUE BUDGET 2017/18 AND MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2019/20 (Pages 9 - 84)

Report of the Director of Finance.

9. INFORMATION REPORT: DRAFT CAPITAL PROGRAMME 2017/18 TO 2019/20 (Pages 85 - 98)

Report of the Director of Finance.

10. ANY OTHER URGENT BUSINESS

Which cannot otherwise be dealt with.

AGENDA - PART II - NIL

*** DATA PROTECTION ACT NOTICE**

The Council will audio record item 4 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

[**Note:** The questions and answers will not be reproduced in the minutes.]

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HARROW BUSINESS CONSULTATIVE PANEL MINUTES

26 JANUARY 2016

Chair: * Councillor Keith Ferry

Councillors: † Jeff Anderson * Bharat Thakker
* Kam Chana

* Denotes Member present

† Denotes apologies received

7. Declarations of Interest

RESOLVED: To note that the following interest was declared:

Agenda Item 8 – Information Report – Draft Revenue Budget 2016/17 and Medium Term Financial Strategy 2016/17 to 2019/20 and Capital Programme 2016/17 to 2019/20

During the course of the meeting, Councillor Bharat Thakker declared a non-pecuniary interest in that his wife, who was a solicitor based in Harrow town centre, had had her office relocated outside of Harrow. He would remain in the room whilst the matter was considered and voted upon.

8. Appointment of Vice-Chair

RESOLVED: To appoint Councillor Kam Chana as Vice-Chair of the Harrow Business Consultative Panel for the 2015/2016 Municipal Year.

9. Minutes

RESOLVED: That the minutes of the meeting held on 27 January 2015 be taken as read and signed as a correct record.

10. Public Questions

RESOLVED: To note that no public questions were received.

11. Petitions

RESOLVED: To note that no petitions had been received.

12. Deputations

RESOLVED: To note that no deputations were received at this meeting under the provisions of Executive Procedure Rule 48 (Part 4D of the Constitution).

RESOLVED ITEMS

13. INFORMATION REPORT - Draft Revenue Budget 2016/17 and Medium Term Financial Strategy 2016/17 to 2019/20 and Capital Programme 2016/17 to 2019/20

Members received a report of the Director of Finance which set out the Council's proposals for the draft Revenue Budget 2016/17 and Medium Term Financial Strategy 2016/17 to 2019/20 and Capital Programme 2016/17 to 2019/20 for consultation.

The Chair welcomed local business representatives to the meeting. He explained that it was a statutory requirement that the Council consulted the business community before setting the budget and Council Tax for the forthcoming year.

The Interim Head of Strategic Finance and the Head of Collections and Benefits gave a presentation on the content of the report and outlined, in summary, the budget target and progress being made, the Capital Programme 2016/17 and the position in terms of business rates. The officers and Panel then received questions and comments from the business representatives present.

In response to a question as to how the trend in employers leaving Harrow could be reversed, the Chair advised that the Council did not have the economic levers to prevent this as it did not set the non domestic rate multiplier. The Council did, however, provide a number of services to the business community and the number of small businesses was on the increase.

The businesses representatives stated that the conversion of offices into residential use was a significant issue, particularly for small and medium businesses as it reduced the ability of businesses to grow due to space constraints. Harrow town centre was ideal in terms of business location due to its transport links with central London but due to the conversion of offices into residential, growth was difficult. The Chair advised that this problem was not unique to Harrow and that what the Council was losing in business rates would be gained in Council Tax.

In response to the concerns expressed by business representatives, a Member stated that, in his view, the Council could do more to retain businesses by using existing facilities and premises. He acknowledged that work was being done to look at other ways businesses could be supported.

A business representative emphasised the need for office space, referring to the change from office to residential in College Road which would, in turn, change the types of shop on offer. The Chair advised that retail premises, as well as offices, could now be converted to residential use due to permitted development.

The Interim Head of Strategic Finance confirmed that the Capital Programme included provision for the schools expansion programme due to the need for an increase in the number of school places. The revenue budget gap of £83m did not, however, include schools as they had a dedicated schools grant. Harrow had historically been poor in its leisure offer and the Council was looking to address this.

The Chair provided clarification on the location of the new Civic Centre in Wealdstone and the master planning for the existing Civic Centre site, which would include office space, a school and residential units.

The Panel and business representatives discussed the refurbishment of Harrow on the Hill Station and the need for step free access. The Chair confirmed that step free access was within the remit of Transport for London (TfL) but that the Council had offered to fund the development of lifts on either side of the station. Progress had, however, been slow on this issue with TfL estimating that the provision of five lifts would cost £20m. The Council had a provision of £3m in the Capital Programme as a contribution towards the project.

A Member stated that the developers of Jubilee House had offered to put in a lift at Stanmore Station and that perhaps developers could provide lifts at Harrow on the Hill Station as part of a larger development. The Member also urged caution in that Harrow could end up with a surplus of residential properties.

In response to a question as to whether Vaughan Road car park could be considered for office development, the Chair advised that consultation was on going with the local church and synagogue in relation to usage.

The Chair thanked those present for their attendance and contribution.

RESOLVED: That the report be noted.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.21 pm).

(Signed) COUNCILLOR KEITH FERRY
Chair

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REPORT FOR: CABINET

Date of Meeting:	08 December 2016
Subject:	Draft Revenue Budget 2017/18 and Medium Term Financial Strategy 2017/18 to 2019/20
Key Decision:	Yes
Responsible Officer:	Dawn Calvert – Director of Finance
Portfolio Holder:	Councillor Adam Swersky – Portfolio Holder for Finance and Commercialisation
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1A – Proposed savings and growth 2017/18 to 2019/20 Appendix 1B – Proposed savings 2017/18 to 2019/20 to be agreed from 2015/16 and 2016/17 MTFS Appendix 1C – Savings shown as amendments in Appendix 1B Appendix 2 - Medium Term Financial Plan 2017/18 to 2019/20 Appendix 3 - Schools Budget 2017/8 Appendix 4 - Draft Public Health Budget 2017/18

This report sets out the draft revenue budget for 2017/18 and draft Medium Term Financial Strategy (MTFS) for 2017/18 to 2019/20. The budget and MTFS will be brought back to Cabinet in February 2017 for final approval and recommendation to Council.

Recommendations:

Cabinet is requested to:

- 1) Note the Council's position in terms of the Multi Year Finance Settlement and Efficiency Plan, in that the Council have not applied to accept the four year offer. (paragraphs 1.8 to 1.11)
- 2) Approve the draft budget for 2017/18 and the MTFS 2017/18 to 2019/20 for general consultation as set out in Appendices 1a, 1b and 2.
- 3) Note the balanced budget position for 2017/18, the balanced budget for 2018/19 subject to £6.978m of proposals being developed, and the gap of £9.661m for 2019/20 (table 2).
- 4) Note the proposal to increase Council Tax by 1.99% in 2017/18 (Table 2 and paragraph 1.14)
- 5) Note the proposal to increase Council Tax by 2.0% in 2017/18 in respect of the Adult Social Care Precept (Table 2 and paragraph 1.14)
- 6) Approve the structure of the Schools funding formula for 2017/18 (unchanged from the 2016/17 formula agreed last year) as set out in Appendix 3.
- 7) Approve the draft Public Health budget for 2017/18 as set out in Appendix 4.
- 8) Authorise the Director of Finance, following consultation with the Portfolio Holder for Finance and Commercialisation, to agree Harrow's 2017/18 contribution to the London Borough's Grant Scheme (paragraph 1.37)

Final approval will be sought from Cabinet and Council in February 2017.

Reason: (For recommendations)

To ensure that the Council publishes a draft budget for 2017/18 and 3 Year MTFS to 2019/20.

Section 2 – Report

INTRODUCTION

- 1.0 The Government continues to reduce its funding to Local Government as part of its nationwide austerity programme. 2017/18 is the eighth year in which Councils have seen reductions in their grant funding. These funding reductions, a continued increase in demand for services and cost inflation mean that Harrow has to save an estimated £83m over the 4 year period 2015/16 to 2018/19. Harrow Council does not have large cash reserves, and spending them is not a responsible way to offset lost revenue. Harrow Council's gross budget for 2016/17 is £560m. A significant proportion of this funding is ring fenced for services such as housing benefit, schools and public health. The Council's net controllable budget is £165m in 2016/17 and this is the element of the budget that the Council can exercise more control over and from where savings must be found. Harrow's response to the financial challenges faced was to set a three year budget covering the period 2016/17 to 2018/19 to show the Council is being responsible with taxpayers' money, is ambitious for the borough and is prioritising the vulnerable in its spending decisions.
- 1.1 The Council has a statutory obligation to agree and publish the budget for 2017/18, and approval for this will be sought in February 2017. In preparing the 17/18 budget, and rolling forward the MTFS to cover the three year period 2017/18 to 2019/20, the current MTFS (approved by Council in 2016) has been the starting point for the process.
- 1.2 The draft budget set out in this report shows an updated MTFS with a number of changes Cabinet are asked to note. The changes achieve a balanced budget position for 2017/18, a balanced position for 2018/19 subject to £6.978m of proposals being developed and a gap of £9.661m for 2019/20. The MTFS will be subject to further adjustments following the Local Government Financial Settlement, which is due for announcement in early to mid December 2016. Whilst it is intended that Members will approve the MTFS in February 2017, this is subject to a number of assumptions in relation to grant settlements, council tax income, legislation and demographics. The Council will still be required to review the Council's budget on a yearly basis; however approval of the MTFS will allow officers to progress a number of important projects.

BACKGROUND

- 1.3 The budget process is designed to ensure that it is priority led so that resources are aligned with council priorities and statutory responsibilities including equalities implications. The Harrow Ambition Plan 2020 sets out the ambitious council vision of 'Working Together to Make a Difference for Harrow.' Between now and 2020 the Council's Strategy to deliver its vision is to:

- Build a Better Harrow
- Be More Business Like and Business Friendly
- Protect the Most Vulnerable and Support Families

The Council's values, developed by staff, are also a key part of the Harrow Ambition Plan:

- Be Courageous
- Do It Together
- Make It Happen

- 1.4 Harrow Council has taken a responsible approach to the significant financial challenges it faces. In 2016/17, for the first time, the Council approved a three year budget covering the period 2016/17 to 2018/19 to show its commitment to achieving financial sustainability through a period of unprecedented fiscal challenges. The Council's savings target for the 4 year period 2015/16 to 2018/19 is £83m. In balancing the 2015/16 budget, savings of £30.9m were agreed. The target for the three years 2016/17 to 2018/19 was £52.4m and the final position agreed by Council in February 2016 was a balanced position for 2016/17 and gaps of £985k and £789k for 2017/18 and 2018/19 respectively.

EXTERNAL FUNDING POSITION

- 1.5 Harrow Council is one of the lowest funded councils in London. In 2015/16 Harrow's revenue spending power per head was £159 (or 17.3%) lower than the London average which ranked Harrow 26th out of 32 London Boroughs. A similar comparison with the England average shows Harrow's revenue spending power per head was £127 (or 14.3%) below average and ranked Harrow 105th out of 120 local authorities.
- 1.6 The Local Government Finance Settlement for 2016/17 did nothing to readdress this low funding position. The settlement was intended to protect authorities that were heavily dependent on central resources from the full impact of cuts in funding over the next four years. The Settlement allocated central funding in a way that ensured councils received the same percentage change in settlement core funding, i.e. Council Tax and central funding. This methodology therefore benefitted Councils who obtained a relatively small proportion of their income from Council Tax. Harrow has the third highest Council Tax in London and the effect of factoring in overall funding levels, rather than applying a simple percentage cut, result in Harrow losing £6.4m in Revenue Support Grant (RSG) in 2016/17, approximately £4m more than was planned under the previous methodology. Under the new methodology, Harrow was the sixth hardest hit amongst London Boroughs.
- 1.7 Linked to the revised methodology for RSG allocation, from 2016/17 Care Act Funding was subsumed within RSG and not allocated as a separate funding stream. As Harrow's overall RGS reduced so significantly in 2016/17, there was no capacity to allocate Care Act Funding to the Adult Services division (£1.271m in 2016/17).

- 1.8 Whilst the Council was grateful to receive Transition Grant funding (£712k in 2016/17 and £699k in 2017/18), the benefit was fully off set by reductions in the Public Health Grant.

DELIVERY OF THE 2016/17 BUDGET

- 1.9 Delivery of the 2016/17 budget is critical to maintaining the Council's financial standing and to do everything possible to protect front line services. The 2016/17 revenue budget includes a challenging savings target of £17.5m. At Quarter 2 (as at 30 September 2016) performance against the savings target is good in light of the challenging environment:

- £9.5m of savings (54%) are already achieved or on course to be achieved.
- £6.6m of savings (38%) are partially achieved or risks remain.
- £1.4m of savings (8%) will not be achieved.

The Quarter 2 forecast, subject to a separate report elsewhere on the agenda, indicates a directorate overspend of £8.539m net, the key pressures relating to homelessness and front line adults and children's social care budgets. After allocating the corporate contingency budget (£1.329m), centrally held budgets not applied (£766k), containment of Regeneration revenue expenditure within the Regeneration model (£595k) and £2m set aside for homelessness pressures, the forecast pressure is reduced to £3.849m. It is critical to balance the 2016/17 budget and to achieve this; a plan is in place to be as lean and efficient as possible. Specifically, this is the implementation of spending controls, a review of non-essential spend, the improved use of assets, and a range of other efficiency and effectiveness initiatives.

MULTI YEAR FINANCE SETTLEMENT AND EFFICIENCY PLAN

- 1.10 As part of the December 2015 Spending Review, the Secretary of State for Communities and Local Government (DCLG) made an offer to councils to take up a four year funding settlement for the period 2016/17 to 2019/20. To accept this offer an Efficiency Plan had to be prepared and published by 14 October 2016.
- 1.11 The offer made by the Government, as part of the Spending Review, was to any council that wished to take up a four year funding settlement up to 2019/20. The purpose of this offer is to help local authorities prepare for the move to a more self-sufficient resource base by 2020 and the devolution of business rates. The multi year settlement is intended to provide funding certainty and stability for the sector that will enable more proactive planning and support strategic collaboration with local partners. For those councils that chose not to accept the offer, they will be subject to the existing annual process for determining the local government finance settlement. Allocations could be subject to additional reductions dependent on the fiscal climate and the need for the government to make further savings to reduce the deficit.

1.12 In these initial stages the funding offer is limited to three funding streams. The current MTFs, agreed by Council in February 2016, incorporates the funding provided within the four year settlement offer as detailed in table 1 below:

Table 1: 4 Year Settlement Offer

	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
RSG	21,935	13,019	7,332	1,559
Transitional Grant	712	699	0	0
Rural Services Delivery Grant allocations	N/A	N/A	N/A	N/A
Cumulative reduction in RSG from 2016/17 (%)		41%	67%	93%

1.13 In light of the RSG reduction of 93% over the four year period, leaving a balance of £1.559m by 2019/20, the Council did not apply to accept the offer. A letter has been sent to the Secretary of State for Communities and Local Government explaining why Harrow's funding position does not put it in a position to apply to accept. There is further on going engagement with local MP's and DCLG in respect of the offer.

BUDGET PROCESS 2017/18

1.14 In February 2016 Council approved a three year budget. As the Council's financial position is dynamic and is affected by a number of financial uncertainties and adjustments that will impact upon its financial position over the long and medium term, in preparing the draft budget for 2017/18 the existing MTFs has been refreshed and rolled on a year and the adjustments are summarised in table 2 below, followed by an explanation of the more significant adjustments

Table 2: Changes to MTFS

(Pre December Local Govt Finance Settlement)	2017/18	2018/19	2019/20
	£000	£000	£000
Actual Gap at Feb Council 16 Report	985	789	0
Implications of 2016/17 Budget decisions into 2019/20			
Capital financing			2,800
New homes bonus			300
Education Services Grant estimated reduction	640	751	
Freedom Pass			414
Pay Award 1%			1,000
Employers pension increase - deficit reduction			700
National Minimum Wage		0	1,300
Impact of 2016/17 Budget savings			-312
Increased CT base			-107
Business Rates top-up			-708
RSG Reduction			5,772
Sub Total	1,625	1,540	11,159
Grant and Tax base Adjustments			
Estimated increase in band D properties by 1500	-1835		
Estimated increase in band D properties by 1500		-1839	
Collection Fund Surplus	-3500		
Estimated Public Health Grant Reductions	907	697	487
2% Adult Social Care precept	-2,133		
Increase in CT by 1%	-1071	0	0
Sub Total	-6,007	398	11,646
Growth			
Resources - Business Support	734		
Adults	4,629	-96	-90
Children's	2,838	200	
Community- Housing	2,996	-163	
Funding in base budget	-1,000		
Community - Environment	500		100
Prior MTFS Savings to be reversed or re-phased			
MTFS savings identified for refresh:			
Total Resources and Business Support	1,009	570	
Total Children's	514	651	
Total Adults	2,844	2,102	-4,100
Total Community	-110	-81	124
Total Regeneration	50		
Pan Org savings	1,100		
Savings from 2017/18 Budget Process			
Resources	-844	-557	-550
Adults	-1,120		

Children's	-255		
Public Health	-263	31	
Community and Culture	-896	-140	
Housing	-898	-469	-225
Regeneration	-47		
Sub Total	5774	2446	6905
Technical:			
Estimated cost of the Apprenticeship levy	400		
Capital Financing costs	-285	2,132	2,056
Application of current capital receipts to reduce MRP cost	-1,000	0	0
- Additional New Homes Bonus	-850	-1,639	700
- Budget planning contingency	-1,000	1,000	
Revised gap	3,039	3,939	9,661
Use of Capital Receipts Flexibility	-3,039	3,039	0
Sub total	0	6,978	9,661
Proposals to be developed to reduce gap	0	-6,978	0
	0	0	9,661

1.15 Implications of 2016/17 Budget decisions into 2019/20

- £2.8m is the revised estimated capital financing requirement for year 2019/20 of the existing Capital Programme, agreed by Council in February 2016.
- The current MTFS estimates the Education Services Grant (ESG) at £1.658m for 2017/18. The Department for Education (DFE) have announced changes to this grant. The general rate of the ESG provided to Local Authorities (LA's) and existing academies will cease from 01/09/17. This grant is provided to support LA responsibilities towards maintained schools and academies. LA's will continue to receive £15 per pupil for all pupils in state funded schools. However this grant will be transferred into the Dedicated Schools Grant (DSG) rather than being an un ring-fenced grant. Schools Forum will have responsibility for approving the value of the grant to be returned to the LA and will agree this at their meeting in either January or March 2017. The total reduction is estimated at £640k for 2017/18 and £751k for 2018/19.
- A 1% pay award has been assumed for 2019/20 (£1m). This is in line with Government pay policy for public sector awards to be no more than 1% up to 2019/20.
- The current MTFS includes additional contributions to the pension fund of £622k in 2017/18 and £664k in 2018/19. The results of the tri-ennial Pension Fund valuation will be known in early 2017 and any additional contributions for 2019/20 will be in line with the advice from the Pension Fund actuary. A contribution of £700k is currently assumed for 2019/20.

- The indicative Revenue Support Grant (RSG) for 2019/20 is £1.559m, a reduction of £5.8m (as detailed in table 1) and this is reflected in the MTFS.

1.16 Grant and Tax Base Adjustments

- Largely as a result of new properties, the tax base is assumed to increase, over current assumptions, by approximately 1,500 band D equivalent properties in both 2017/18 and 2018/19 generating approximately £1.8m additional income in each year.
- A marginal increase, generating income of £107k, is assumed for 2019/20 which will be refreshed in future MTFS processes.
- There is a report elsewhere on the agenda that estimates the surplus / deficit on the Collection Fund for 2016/17. The report details an overall net estimated surplus of £5.734m on the Collection Fund as at March 2017 of which Harrow's share is £3.760m which is now reflected in the MTFS.
- The Public Health Grant remains ring fenced to 2017/18 until further notice. Public Health England has notified Harrow that its grant for 2017/18 will be £11.093m, a reduction of £907k. Grant allocations for 2018/19 onwards have yet to be announced however further reductions of £697k in 18/19 and £487k in 2019/20 have been assumed in the budget to reflect the downward trend in Public Health funding.
- The current MTFS assumes no levying of the Adult Social Care Precept beyond 2016/17. This has been refreshed to assume the maximum 2% precept will be levied in 2017/18 to generate approximately £2.1m.
- The current MTFS assumes a 1% increase in Council Tax for 2017/18. This has been refreshed to assume an increase in Council Tax of 1.99%. No further increases are assumed for 2018/19 and 2019/20.

1.17 Budget Refresh, Growth & Savings

Budget Refresh

- When the three year budget was approved in February 2016, there was the commitment to refresh the budget when it was rolled forward a year to ensure it remained reflective of the changing Harrow and Local Government landscape. All savings in the current MTFS for year 2 and 3 have been reviewed and those savings that, for various circumstances, can no longer be taken forward are recommended for removal from the budget. These savings, which total £4.7m in 2017/18 are summarised in table 2 and shown in Appendix 1B against the original saving. They are also separately identified in Appendix 1C. In addition to savings being reversed, there are a number of savings which have been re-profiled between years and, in the case of the original Property Purchase Initiative to buy 100 homes (ref 16/17 MTFS CH9), this saving has been increased to reflect savings to be achieved.

- One of the savings being reversed in Table 5 relates to a saving of £1.1m (saving ref PO 04) for 2017/18 from 'additional commercialisation savings from projects in the pipeline'. This is additional to the individual commercialisation related savings included within the MTFs. Projects have successfully been identified to meet this target, including:

RES 01 – Customer Services and IT - Increase Harrow Helpline Income (£200k in 2017/18)

RES 14 – Procurement / HR – Early re-procurement of Agency Staff contract (£150k in 2017/18) and Re-procurement of Occupational Health Contract (£24k in 2017/18)

RES – Insurance Savings from re-tendering Insurance Contracts (£50k in 2017/18)

COM G05.3 – Housing / Homelessness – extension of property purchase initiative (£254k in 2017/18)

COM S01 – Commercial projects under Project Phoenix (£520k in 2017/18)

Savings identified as part of the 2017/18 Budget process

- The 2017/18 budget setting process has identified additional savings of £6.233m over the three years. These are summarised in table 3 below and detailed in Appendix 1A.

Growth identified as part of the 2017/18 Budget process

- Irrespective of funding reductions, the demand for front line Council services continues to increase and, in the main, shows no sign of reducing. Despite a strong performance against the 2016/17 savings target of £17.5m, there remains significant underlying pressures against the adults and children's social care budgets and the homelessness budget. The homelessness budget is showing signs of reducing as a result of Council initiatives such as the 100 homes programmes but, as at quarter 2, the reported pressure is still significant at £3m. The underlying pressures need to be addressed to ensure the budget is robust and financially sustainable as the Council moves forward into continued financially challenging times. Therefore growth of £10.648m has been allocated over the three years to address the underlying pressures. This growth is summarised in table 3 below and detailed in Appendix 1A:

Table 3: Savings and Growth from the 2017/18 Budget setting process

Directorate	2017/18	2018/19	2019/20	Total
Savings	£'000	£'000	£'000	£'000
Resources	844	557	550	1,951
Adult	1,120	0	0	1,120
Children and Family	255	0	0	255
Public Health	263	(31)	0	232
Community and Cultural services	896	140	0	1,036
Housing	898	469	225	1,592
Regeneration	47	0	0	47
Total	4,323	1,135	775	6,233
Growth				0
Resources	(734)	0	0	(734)
Adults	(4,629)	96	90	(4,443)
Childrens and Family	(2,838)	(200)	0	(3,038)
Community and Cultural services	(500)	0	(100)	(600)
Housing	(2,996)	163	0	(2,833)
Funding in Base Budget for homelessness	1,000			1,000
Total	(10,697)	59	(10)	(10,648)
Net Savings/Growth	(6,374)	1,194	765	(4,415)

1.18 Table 4 sets out savings proposed as part of the 2015/16 and 2016/17 budget setting process and which were included in the 2016/17 Budget report. Table 4, shows savings of £25.1m over the three year period and this is the net position after allowing for the savings referred to in the budget refresh section above and summarised at table 5, which total £4.7m. The savings totalling a net £25.1m over the three years are detailed in Appendix 1b. The savings in Table 5 are also detailed in a separate Appendix 1c for transparency purposes.

Table 4: Savings from 2015/16 and 2016/17 MTFS

Directorate	2017/18	2018/19	2019/20	Total
Savings	£'000	£'000	£'000	£'000
Resources	1,117	1,970	0	3,087
Adults	1,571	3,228	4,100	8,899
Childrens and Family	167	2,611	150	2,928
Public Health	462	2,295	0	2,757
Community and culture	1,163	2,432	0	3,595
Housing	1,041	353	38	1,432
Regeneration	100	0	0	100
Pan Organisation	350	2,000	0	2,350
Total	5,971	14,889	4,288	25,148

Table 5: Reversed Savings from 2015/16 and 2016/17 MTFS

Directorate	2017/18	2018/19	2019/20	Total
Savings	£'000	£'000	£'000	£'000
Resources	(1,009)	(570)	0	(1,579)
Children and Family	(514)	(651)	0	(1,165)
Adult	(2,844)	(2,102)	4,100	(846)
Community	110	81	(124)	67
Regeneration	(50)	0	0	(50)
Pan Organisation	(1,100)	0	0	(1,100)
Total	(5,407)	(3,242)	3,976	(4,673)

1.19 Technical Adjustments

- The Apprenticeship Levy is a charge being introduced by the government to help fund their plans to deliver a step change in apprenticeship numbers and their quality. The levy will be set at 0.5% of an employers pay bill, where the pay bill is in excess of £3m. The levy for the Council is estimated at £400k and discussions are currently in hand regarding how the levy will be managed within the Council.
- The draft Capital Programme 2017/18 to 2019/20 is subject to a separate report on the agenda, the capital financing implications of the new schemes are currently estimated at £3.9m over three years and the MTFS has been updated accordingly.

- Capital receipts of £6.6m from prior years are being applied to reduce capital financing costs by £1m.
- The New Homes Bonus (NHB) is based upon the number of additional dwellings each year and is payable for 6 years (4 years for more recent new properties.) As a result of additional properties the central government calculator shows additional NHB of £525k in 2017/18, a reduction of £940k in 18/19 and a further reduction of £1m for 2019/20 as the grant received in the earlier years of the scheme drops out. In 2017/18 the grant to be received is estimated at £5.774m. The figures in Table 1 are the additional changes to the NHB estimates since the 2016/17 budget was set and therefore the total amendments included from both the 2016/17 budget and the figures set out in Table 1 are those set out in the Technical Budget Changes section of Appendix 2.
- £1m of the budget planning contingency will be applied in 2017/18.

Capital Receipts Flexibility

- 1.20 In the Spending Review 2015, it was announced that to support local authorities to deliver more efficient and sustainable services, the government will allow local authorities to spend up to 100% of their fixed asset receipts on the revenue costs of reform projects. This flexibility is being offered to the sector for the three financial years 2016/17 to 2018/19.
- 1.21 The Council signified its intent to make use of this flexibility in its final budget report to Cabinet and Council in February 2016.
- 1.22 In terms of the required reporting requirements, DCLG recommend each authority disclose the projects that will be funded or part funded through capital receipts to full Council. This requirement can be satisfied as part of the annual budget setting process. In November 2016, Cabinet approved a number of asset disposals and the capital receipts from these disposals will be applied within the new flexibilities and will be reported to February Cabinet and finally approved by full Council in February 2017.

THE AUTUMN STATEMENT 2016

- 1.23 The Autumn Statement was released on 23 November 2016. There were a number of announcements in relation to Local Government, the financial implications of which are being evaluated or the detail will become known following receipt of the Local Government Financial Settlement which is due by mid December. This may result in further adjustments to the MTFs which will be reported to Cabinet and Council in February 2017.

SCHOOLS BUDGET 2016/17

- 1.24 The funding arrangements for the Dedicated Schools Grant and the Schools Budget for 2017/18 are detailed in Appendix 3. Cabinet is required to approve the structure of its funding formula for 2017/18, which it is not proposed to be changed from that in place in 2016/17 (as reported to the Schools Forum on 13th September).

The final cash values of each formula factor will be set following consultation with Schools Forum in January 2017 after the 2017/18 Schools Block funding has been announced which will be based on October 2016 census data.

PUBLIC HEALTH FUNDING

- 1.25 Following the comprehensive spending review in November 2015, Public Health England wrote to local authorities detailing average real terms savings of 3.9% each year to 2020/21 and notified allocations for 2016/17 and 2017/18. For Harrow this resulted in a reduction in the baseline allocation of £11.636m in 2015/16 down to £11.373m in 2016/17 and £11.093m in 2017/18.

- 1.26 Grant allocations for 2018/19 onwards have yet to be announced but annual reductions are anticipated to be at similar levels pending the outcome of consultation on options to fully fund local authorities' public health spending from their retained business rates receipts as part of the move towards 100% business rate retention.

- 1.27 The public health spending detailed in Appendix 4 of £11.093m and reflects the grant allocation published for 2017-18. It will be necessary for the Council to consider the most appropriate way for public health funding to be spent, taking account of the joint strategic needs assessment and the Council's overarching statutory duties including equalities duties.

- 1.28 The draft commissioning intentions (detailed in Appendix 4) will be presented to the Health and Wellbeing Board at its meeting on 12 January 2017.

BETTER CARE FUND

- 1.29 The Better Care Fund (BCF) in 2016-17 has national funding of £3.9bn.

- 1.30 The agreed value of the Better Care Fund in Harrow is £16.258m, £1.181m of which reflects the capital funding in relation to Disabled Facility (the Community Capacity Grant having been discontinued). The balance of £15.077m allocated to revenue funding supports two agreed schemes – Protecting Social Care (£6.558m) and Whole Systems and Transforming Community Services (£8.519m).

- 1.31 The comprehensive spending review in November 2015 announced that an additional £1.5bn will be made available to the Better Care fund by 2019/20. The funding allocations announced in December 2015

indicated that additional funding of £1.9m would be allocated to Harrow in 2018/19 and £2.2m in 2019/20. The relationship between the existing negotiated BCF and the levying of the ASC precept is not clear and as a result this additional funding cannot be assumed within the MTFS.

- 1.32 The minimum funding requirements for the 2017-18 BCF will be notified in December and the Council and the CCG must agree how the BCF resources are allocated to deliver the national conditions, including the protection of social care services.
- 1.33 The draft budget currently assumes that the current funding transfer to the Council of £6.558m will continue in 2017/18. The Adult Social Care budget pressures are considerable and the wider Council savings proposals are significant.

HEALTH INTEGRATION

- 1.34 Sustainability Transformation Plans (STPs) were introduced by NHS England (NHSE) to support delivery of their Five Year Forward View strategy and represent geographic areas (footprints) across England. Harrow falls under the North West London (NWL) footprint.
- 1.35 The STP is an opportunity to radically transform the way health and social care is provided, and across NWL both the NHS and local authorities have agreed to work together to deliver a sustainable health and care system. The NWL STP (submitted to NHSE on 21st October 2016) describes the shared ambition across health and local government to create an integrated health and care system that enables people to live well and be well.
- 1.36 There is a commitment in principle from NHSE / NWL that transformation should enable funding to be provided to cover local authority Adult Social Care funding gaps. Work is underway to establish both the funding gaps and the ability to redirect resources to local authorities arising from health and social care transformation. It is too early to assume additional funding as part of the draft budget and will be included in the future if appropriate and when the extent of any additional funding can be confirmed with reasonable certainty.

RESERVES AND CONTINGENCIES

- 1.37 Reserves and contingencies need to be considered in the context of their need to protect the Council's good financial standing and in the context of the overall risks that the Council faces during a continuing period of economic uncertainty. The MTFS reflects the Council's need to ensure an adequate level of reserves and contingencies which will enable it to manage the risks associated with delivery of the budget including equalities impacts and unforeseen events. As at the time of writing this report general non earmarked balances stand at £10m and those for specific purposes are detailed:

- Unforeseen contingency £0 (£1.329m currently applied to in year revenue pressures)
- Budget Planning contingency (£2m one off for 2016/17)
- Rapid Response reserve (£75k)
- Standing Up for Those in Need (£800k)
- Welfare Reform / Homelessness £0 (£2m currently applied to in year revenue pressures)
- Commercialisation Reserve £430k
- Transformation and Priorities Initiative Fund £2.429m
- Business Risk Reserve £2.029m
- MTFs Implementation Costs £2.355m

1.38 The Director of Finance will report on the adequacy of the Council's reserves as required in the budget setting report in February.

LONDON BOROUGH GRANTS SCHEME

1.39 Harrow's contribution to the London Borough's Grant Scheme was £245,298 in 2016/17. At the time of writing this report the Council has not been notified of the recommended contribution for 2017/18. To ensure that the Council can respond to London Council's when contribution rates are notified, it is recommended that Cabinet authorise the Director of Finance to agree Harrow's 2017/18 contribution to the London Borough's Grant Scheme, in consultation with the Portfolio Holder for Finance and Commercialisation. The contribution rate will be reported to Cabinet in February 2017 as part of the final budget.

2.0 CONSULTATION

2.1 As a matter of public law the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in 4 circumstances:

- Where there is a statutory requirement in the relevant legislative framework;
- Where the practice has been to consult or where a policy document states the council will consult then the council must comply with its own practice or policy;
- Exceptionally, where the matter is so important that there is a legitimate expectation of consultation and
- Where consultation is required to complete an equalities impact assessment.

Regardless of whether the council has a duty to consult, if it chooses to consult, such consultation must be carried out fairly. In general, a consultation can only be considered as proper consultation if:

- Comments are genuinely invited at the formative stage;
- The consultation documents include sufficient reasons for the proposal to allow those being consulted to be properly informed and to give an informed response;
- There is adequate time given to the consultees to consider the proposals;

- there is a mechanism for feeding back the comments and those comments are conscientiously taken into account by the decision maker / decision making body when making a final decision;
- The degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting and;
- The consultation is clear on the reasons why extent to which alternatives and discarded options have been discarded. Are required to be consulted on.

2.2 Public consultation on the overall budget for 2017/18 will commence after 8 December 2016 before the final savings are recommended to Full Council on the 23 February 2017. The public consultation will give residents an opportunity to comment on the 2017/18 overall budget before final decisions are formalised in the council's annual budget.

2.3 In terms of service specific consultations, the council has a duty to consult with residents and service users in a number of different situations including where proposals to significantly vary, reduce or withdraw services. Consultation is also needed in other circumstances, for example to identify the impact of proposals or to assist with complying with the council's equality duties. Where appropriate, separate service specific consultations have already taken place or are currently taking place for the 2017/18 savings.

3.0 PERFORMANCE IMPLICATIONS

3.1 The in-year measurement of the Council is reported in the Strategic Performance Report. The Corporate Plan, which will be developed alongside the Budget Report, will have measures within it which will set out how Council delivery in 2017/18 will be measured and this again will be reported through the Strategic Performance Report.

4.0 RISK MANAGEMENT IMPLICATIONS

4.1 As part of the budget process the detailed budget risk register will be reviewed and updated. This helps to test the robustness of the budget and support the reserves policy. This will be reported to February Cabinet.

5.0 LEGAL IMPLICATIONS

5.1 Section 31A of the Local Government Finance Act 1992 requires billing authorities to calculate their council tax requirements in accordance with the prescribed requirements of that section. This requires consideration of the authority's estimated revenue expenditure for the year in order to perform its functions, allowances for contingencies in accordance with proper practices, financial reserves and amounts required to be transferred from general fund to collection fund.

5.2 Local authorities owe a fiduciary duty to council tax payers, which means it must consider the prudent use of resources, including control

of expenditure, financial prudence in the short and long term, the need to strike a fair balance between the interests of council tax payers and ratepayers and the community's interest in adequate and efficient services and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers.

- 5.3 Cabinet is approving these proposals for consultation after which a cumulative equalities impact will be drafted. These proposals will be referred to Council so that Council can approve the budget envelope and set the Council Tax. There will be contingencies within the budget envelope so that decision makers have some flexibility should any decisions have detrimental equalities impacts that cannot be mitigated.

6.0 FINANCIAL IMPLICATIONS

- 6.1 Financial Implications are integral to this report.

7.0 EQUALITIES IMPLICATIONS / PUBLIC SECTOR EQUALITY DUTY

- 7.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;*
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;*
- (c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.*

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) *Tackle prejudice, and*
- (b) *Promote understanding.*

Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- *Age*
- *Disability*
- *Gender reassignment*
- *Pregnancy and maternity*
- *Race,*
- *Religion or belief*
- *Sex*
- *Sexual orientation*
- *Marriage and Civil partnership*

7.2. Directorate proposals will be subject to an initial equalities impact assessment followed by a full assessment where appropriate. These will be published along with the final budget and MTFs report to February Cabinet. An assessment will also be carried out on the whole budget, when all proposals have been identified, to ensure that decision makers are aware of any overall equalities impact on the protected characteristics listed above..

8.0 COUNCIL PRIORITIES

8.1 The Council's draft budget for 2017/18 has been prepared in line with the Council's vision:

Working Together to Make a Difference for Harrow

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	on behalf of the * Chief Financial Officer
Date: 29.11.16		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	on behalf of the * Monitoring Officer
Date: 29.11.16		

Ward Councillors notified:	No, as it impacts on all Wards
EqIA carried out:	To be reported on as Part of the Feb Budget report
EqIA cleared by:	n/a

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels, Head of Strategic Finance and Business (Deputy S151), tel: 0208 424 1332, sharon.daniels@harrow.gov.uk

Background Papers: [Final Revenue Budget 2015/16 and MTFB 2015/16 to 2018/19](#)

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

Call in applies

*(for completion by Democratic
Services staff only)*

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* Please Note, all SAVINGS shown as POSITIVE and Growth as Negative

Total Savings & Growth - 2017/18 Budget Process					Appendix 1a						Key Stakeholders to Consult	
Item No	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	2016/17 Service Budget	2017/18	2018/19	2019/20	Total	EQIA Required Yes/NO	Does this proposal impact on another directorate? Y/N	Consultation Required (Y/N)	
(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)				
				£000	£000	£000	£000	£000				
Resources												
								-				
1	RES_01	Customer Services and IT	Increase Helpline Income Developing a robust multi-channel marketing plan to build the brand and promote the Helpline service to generated additional income through the existing service.	(544)	200	500	500	1,200	N	Y	N	
2	RES_13	Customer Services and IT	Technology and Transformation Services Reduce level of support on SAP.	300	64	-	-	64	N	Y	N	
3	RES_14	Procurement / HR	Early re-procurement of Agency Staff Contract	£21 million spend across services	150			150	Y - as part of the report to Cabinet on 17th November	Y	N	
4	RES_15	Procurement / HR	Re-procurement of Occupational Health contract delivering an overall cheaper pricing model on the service.	114	24			24	Y	Y	N	
5	RES_16	Strategic Commissioning	VCS funding - This saving reduces community grants and transfer funding from the emergency relief fund, to support the information and advice strategy as the December cabinet report.	1,446	110	57	50	217	Y- separate report to December 2016 Cabinet	Y- separate report to December 2016 Cabinet	Y- separate report to December 2016 Cabinet	
6	RES_17a	Strategic Commissioning	Member Development Reducing the frequency in spend of the member development budget.	31	26	-		26	N	N	N	
7	RES_10	Legal	Political Office Support Councillors are supported by a variety of administrative arrangements. The proposal reduces the amount allocated to each member /group office.		100			100	Y	N	Y - will follow HR procedures	
8	RES 18	Finance	Finance - 'Insurance Savings from re-tendering of Insurance contract.		50			50	N	N	N	

Total Savings & Growth - 2017/18 Budget Process

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Key Stakeholders to Consult

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
			Total Resources excluding Business Support		724	557	550	1,831			
Business Support								£0			
9	BSS_02	Business Support	PA Support The creation of a new Central PA Hub to support the Chief Executive, Corporate Directors and Directors offering a fixed catalogue of services.		100			100	Y	Y	Y - will follow HR procedures
10	BSS_07	Business Support	Community Hub A reorganisation of the Community hub will re-allocate a prioritised workload over a smaller team.		20			20	Y	Y	Y - will follow HR procedures
			Total Business Support	-	120	-	-	120			
			Resources Total		844	557	550	1,951	-	-	-

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People Services											
Adults											
11	PA_01	Adults	Voluntary Sector - cessation of all services other than those required under the Care Act. There is a separate cabinet report to the December 2016 cabinet in respect of this saving.	799	420			420	Y- separate report to December 2016 Cabinet	N	Y and has been widely consulted on as part of the report to Dec Cabinet,
12	PA_03	Adults	Commissioning - Cessation of Adults commissioning function (2.6FTE) from People's commissioning team resulting in spot purchasing only, and limited strategic commissioning for the Adult's services.	303	187			187	Y		Y - will follow HR procedures
13	PA_04	Adults	Management - further reduction in strategic management function, reducing by 1FTE (Head of Service) from 4FTE down to 3FTE i.e.; DASS plus 2 Heads of Service	564	127			127	Y		Y - will follow HR procedures

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
14	PA_05	Adults	Contracts & Admin - in line with the voluntary sector proposals and move to personalisation model, the function of this team (4FTE) will be deleted. Any residual duties will be accommodated within already stretched social work teams.	161	161			161	Y		Y - will follow HR procedures
15	PA_06	Adults	Reduce Safeguarding Quality Assurance Team - Deletion of 2 FTE – reduction in ability to visit all 750 Community Providers and over 300 Care Homes in the year and respond to safeguarding alerts.	410	112			112	Y		Y - will follow HR procedures
16	PA_08	Adults	Reduce Occupational Therapy Team - Deletion of 4FTE – will increase the current 6 month waiting list with more vulnerable people delayed in hospital, and an increased number of vulnerable people placed unnecessarily in costly residential and nursing units	494	113			113	Y		Y - will follow HR procedures
			Total Adult		1,120	-	-	1,120			

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Childrens											
17	PC_S05	Education Services	Virtual School Transfer funding for 1fte PEP Co-ordinator and 0.88fte Education Welfare Officer to external grant funding	179	90			90	N	N	N
18	PC_S06	Children & Young People	Children & Young People Services Additional Savings Reduction 1.3fte posts and cessation of procurement contract	267	165			165	Y	N	Y
			Total Childrens Services		255	-	-	255			

Public Health											
19	PH	PH	Reduction in wider health improvement function.	456	107			107	Y		N
20	PH	PH	Reversal of Public Health wide growth to deal with small projects.	456	60			60	Y		N

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
21	PH_01	PH	Wider Health Improvement - bring forward approved 2018/19 savings in relation to wider determinants of health to 2017/18. Warmer Homes £50k retained until 2018/19.	117	96	(96)		-	Y		N
22	PH_02	PH	Wider Health Improvement - breast feeding - saving scheduled for 2018/19 to allow service to develop alternative model.	65		65		65	Y for 2018/19		Y - 2018/19
			Total Public Health		263	(31)	-	232			
			People Total		1,638	(31)	-	1,607			

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Community											
Community and Culture											
23	COM_S01	Commissioning & Commercial	Commercial projects under Project Phoenix - The Revenue Maximisation business case has identified commercial opportunities in parking, waste services, events, advertising and increased rental income. Implementation Costs: Projects will start during 16/17, and it is anticipated that implementation costs can be met from income raised in 16/17 achieving a break-even position.	(115)	520			520	Y	N	Y for some of the proposals
24	COM_S04	Environment & Culture	Sports & Physical Activity - 2 options: either cease all activities or seek alternative funding to meet the costs including the use of S106 funding and/or funding the post by working together with other funding partners.	48	48			48	Y	N	This is dependant on the final option.
25	COM_S13	Commissioning & Commercial	Additional cost recovery in Network Management - Additional cost recovery from street works by having better use of traffic orders to manage street works	(268)	50			50	Y	N	N

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
26	COM_S08	Environment & Culture	Phase 2 of Environment & Culture Review - Regulatory Services Review of Enforcement functions across the Division and the Council. Revised approach to prioritise commercial / cost recovery generating work and health and safety issues and to undertake all other services at minimum standards meeting the minimum level of Food Standards Agency and other regimes.	1,587		200		200	Y	Y	Y but for 2018/19
27	COM_S12	Environment & Culture	Route Optimisation on food waste collection	900	-	150		150	Y	N	N
28	COM_S11	All	Reduce staff training, stationery and conference budgets across the directorate	131	68			68	Y	N	N
29	COM_S10	Commissioning & Commercial Division	Neighbourhood Investment Scheme (NIS) - cease funding. This is already an agreed MTFs saving for 18/19. This proposal is to bring forward the saving to 17/18.	210	210	(210)		-	Y		N
Total Community & Culture					896	140	-	1,036			

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Housing											
								-			
30	COM_S09	Housing	Supporting People - savings from contract renegotiation and/or review of service delivery	610	50			50	Y	Y	Y
31	COM_S02	Housing	Home Improvement Agency - increase in fee income as a result of increased capital expenditure on Disabled Facilities Grants - savings are conditional on capital budget increases being approved with additional amounts being administered by HIA.	445	100			100	N	N	N

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Key Stakeholders to Consult

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
32	COM_G05.3	Housing	Homelessness - Extension of Property Purchase Initiative (Additional 50 homes) - Purchase of a further 50 homes for use as TA to reduce pressure on B&B.		254	469	225	948	N	N	N
33	COM	Housing	Homelessness Invest to save - Reduction in expenditure resulting from work undertaken by temporary additional staff resources taken on to undertake additional prevention work, local procurement of properties and areas recovery.		494			494	N	N	N
			Total Housing		898	469	225	1,592			
			Community Total		1,794	609	225	2,628			

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Regeneration											
34	REP_S01	Development Control	Planning income - Increase of pre-application charges to a competitive level (subject to the approval as part of annual F&C review process)	(1,377)	20			20	Y	N	N
35	REP_S03	Economic Development	Economic Development & Regeneration – Reduction in activity to support economic development and regeneration	598	27			27	Y	N	N
			Regeneration Total		47	-	-	47			

			Total Savings		4,323	1,135	775	6,233			
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GROWTH											
	Resources							-			

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
1	BSS_G01	Business Support	Business Support required for growth in Childrens Services. Significant case load pressures on the front line of Childrens Services have resulted in the need to increase Business Support staffing levels. A new model for Early Intervention Services also requires higher levels of Business Support and these pressures lie behind the growth being put into the service.		(734)			(734)	N		N
			Resources Total		(734)	-	-	(734)			
People Services											
2	Adults		Growth - Underlying ongoing pressure less identified mitigation		(4,353)			(4,353)			
3	Adults		Growth - reinstatement of an operational budget for The Bridge to be phased out over a three year period so that by 2020/21, the service can be provided at nil cost.		(276)	96	90	(90)			
			Total Adults		(4,629)	96	90	(4,443)			
Childrens											
4	PC_G01	Education Services	Special Needs Transport There are significant pressures on SEN Transport of over £1.2m. There is a savings target in the current MTFS for £514k. An updated travel assistance policy was approved by Cabinet in September 2016 however It is not anticipated that there will be any significant changes as the regulations have remained largely unchanged. However, discretionary travel arrangements will be removed for under 5's. Since 2014 a new SEN Code has led to an increased demand Post 19 as well as the pressures of the additional demand from the 5-19 demographic growth. There has been an increase in post 18 young people of nearly 40%	3,040	(1,000)			(1,000)	N	N	

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Key Stakeholders to Consult

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(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
5	PC_G02	Children & Young People	Children & Young People Staffing There is a rise in demand on children's social care which is on an upward trajectory based on all the metrics available. In order to meet this demand additional staffing across the children's social care pathway from MASH through to Leaving Care at the cost of £0.944m which is based on ensuring there are enough practitioners and managers to support the service. This would include 3 team managers, 5 deputy team managers and 9 social workers	7,664	(944)			(944)	N	N	
6	PC_G03	Children & Young People	Children's Placements & Accommodation and No Recourse to Public Funds & Other Client Spend Increase in the number of children in high cost residential placements. A number of these placements have been needed in response to significant risks relating to child sexual exploitation and gangs involvement. Increase in number of families with NRPF supported by the Council. The welfare reforms, along with stricter enforcement of Asylum Legislation are the main causal factors for this demand, which is unpredictable in terms of volume and costs.	6,935	(894)	(200)		(1,094)	N		
			Total Children and Family		(2,838)	(200)	-	(3,038)			
			People's Total Growth		(7,467)	(104)	90	(7,481)			
Community & Culture											
Community and Culture											
7	COM_G01	Environment & Culture	West London Waste Authority (WLWA) - increase in disposal levy arising from waste growth and population growth	8,093			(100)	(100)			

Total Savings & Growth - 2017/18 Budget Process

Appendix 1a

											Key Stakeholders to Consult
Item No	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	2016/17 Service Budget	2017/18	2018/19	2019/20	Total	EQIA Required Yes/NO	Does this proposal impact on another directorate? Y/N	Consultation Required (Y/N)
(1)	(2)	(3)	(4)	(5)	(8)	(9)	(10)	(11)			
				£000	£000	£000	£000	£000			
8	COM	Environment & Culture	Dry recycling disposal costs – Significant pressure is anticipated in this area when the contract is re-procured, based on some benchmarking data and recent market conditions.		(500)			(500)			
			Total Environment		(500)	-	(100)	(600)			
Housing											
9	COM	HGF	Homelessness growth - growth required to build the ongoing homelessness pressure into the base budget.	-	(2,996)	163	-	(2,833)			
			Total Community		(3,496)	163	(100)	(3,433)			
10	RES		Funding in Budget from 2016/17 - LEP top slice		1,000			1,000			
			Total Growth		(10,697)	59	(10)	(10,648)			
Net Savings/Growth					(6,374)	1,194	765	(4,415)			

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Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
1	16.17 MTFS Review	RES_SC01	Strategic Commissioning	Income from Communications Through Gain Share Model	0	25	25	13		38	N	Not required	N
2	16.17 MTFS Review	RES_SC02	Strategic Commissioning	Additional Income from Communications Provider and Further Savings	375	0		107		107	N	Not required	N
3	16.17 MTFS Review	RES_SC03	Strategic Commissioning	Alternative Funding of domestic violence budget			21	61		82	N	Not required	N
4	16.17 MTFS Review	RES_SC04	Strategic Commissioning	Proposed savings in Health watch Funding	112	13		50		50	N	Not required	N
5	16.17 MTFS Review	RES_SC05	Strategic Commissioning	SIMS Team Contribution to Overheads and Additional Income	0	30	20	20		40	N	Not required	N
6	16.17 MTFS Review	RES_SC06	Strategic Commissioning	Commissioning Capacity in the Council	861	371	10	50		60	N	Not required	N
7	15.16 MTFS Review	RES16	Strategic Commissioning	Retender of the Communications Service to take account of reductions in spend phased in the following way: 2015/16 - 20% reduction, 2016/17 - 10% reduction, 2017/18 - 10% reduction.			57			57	N	Not required	N
Total Strategic Commissioning					1,348	439	133	301	0	434			

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
8	16.17 MTFS Review	RES_HR01	HR	Shared HR Service with Buckinghamshire County Council - Business Case Under Development	837		140	110		250	Y	Not required as submitted as a separate Cabinet report in Feb 2016.	Consultation will be done in accordance with HR policies
9	16.17 MTFS Review	RES_HR03	HR	Organisational Development - Review existing shared OD service provision	244	0	155			155	N	Not required	N
				Total Human Resources & Shared Services	1,081	0	295	110	0	405			
10	16.17 MTFS Review	RES_F02	Finance & Assurance	Improved Treasury investment return from increased Risk appetite (Primarily lending for longer and to institutions with lower credit ratings)		180	595	625		1,220	N	Not required	N
11	16.17 MTFS Review	RES_F03b	Finance & Assurance	Audit and Fraud - deletion of Fraud Investigation Officer post		30	15			15	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies
12	16.17 MTFS Review	RES_F04	Finance & Assurance	Investment Portfolio			350	350		700	N	Not required	N
				Total Finance & Assurance	0	210	960	975	0	1,935			
13	16.17 MTFS Review	RES_LG02	Legal & Governance	Committees - Savings reversed	640		100			100	N	Not required	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
14	16.17 MTFS Review	RES_LG02	Legal & Governance	Reversal of saving - 'This was a proposal to consolidate the Committee structure, which is not being progressed.			(100)			(100)	N	Not required	N
15	16.17 MTFS Review	RES_LG04	Legal & Governance	Expansion of the Legal Practice	(116)	140	210	210		420	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies
16	16.17 MTFS Review	RES_LG05	Legal & Governance	Delayed implementation of land charges transfer of service	(656)	350	(250)	(250)		(500)	N	Not required	N
17	15.16 MTFS Review	RES12	Legal & Dem Services	Reduction in Legal cost, in the initial instance by growing the business		0	144	144		288	N	Not required	N
18	15.16 MTFS Review	RES14	Legal & Dem Services	Local land charges growth pressure. An element of the land charge function (including chargeable services) is expected to move to the Land Registry during 2015		0				0	N	Not required	N
				Legal & Governance	(132)	490	104	104	0	208			
19	16.17 MTFS Review	RES_CP01	Commercial, Contracts & Procurement	Selling services through shared procurement arrangements.			(19)	29	0	10	Y	Not required as submitted Feb 2016 Cabinet.	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
20	15.16 MTFS Review	RES15	Procurement	Restructuring of the Commercial, Contracts and Procurement Division's function.	864	108	201	151		352	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies
				Commercial, Contracts & Procurement	864	108	182	180	0	362			
21	16.17 MTFS Review	RES_CS02	Customer Services and IT	Revenues and Benefits - Domestic and NNDR Site Review and Collection Rate				250		250	N	No - saving is reversed	N
22	16.17 MTFS Review	RES_CS02	Customer Services and IT	Reversal of saving - 'Revenues and Benefits - Domestic and NNDR Site Review and Collection Rate. This saving come through as additional collection Fund income and therefore the saving cannot be made in the Directorate Budget.				(250)		(250)	N	Not required	N
23	16.17 MTFS Review	RES_CS06	Customer Services and IT	Assumed savings from the completion of the roll out of universal credit and the opportunity this provides to simplify the CTS scheme.	1,378			300		300	N	Not required	N
				Total Customer Services & IT	1,378	0	0	300	0	300			
24	16.17 MTFS Review	BSS 01	BSS	Business Support Review.	2,957	649	352	320		672	N	Not required	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
Childrens													
27	16.17 MTFS Review	PC12	Children & Young People	Review of posts in Quality Assurance & Improvement Service	802			223		223	N	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies for 47,49,50,51,52,53, will need to check impact on the service provision other consultation may be needed
28	16.17 MTFS Review	PC13	Children & Young People	Early Intervention & Youth Development Integration and restructure of childrens centres, early intervention and youth development service	2,463	416	266			266	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be required
29	16.17 MTFS Review	PC14	Children & Young People	Review of Adoption Contract	223			86		86	Y	Not required for 2017/18 budget	N
30	16.17 MTFS Review	PC15	Children & Young People	Review of posts in MASH	319			100		100	N	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
31	16.17 MTFS Review	PC16	Children & Young People	Review of posts in Family Information Service	61			61		61	Y	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies
32	16.17 MTFS Review	PC17	Children & Young People	Review of posts in Access to Resources	599			57		57	Y	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies
33	16.17 MTFS Review	PC19	Children & Young People	Review of Leaving Care, Children Looked After & Unaccompanied Asylum Seeking Children Teams				173		173	Y	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies
34	16.17 MTFS Review	PC24	Education & Commissioning	Enhancing Achievement within Education Strategy Post should be 75% funded by grant management fees from April 2016, post holder redundant from August 2016	99	61	8			8	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies
35	16.17 MTFS Review	PC28	Cross Service	Non-pay inflation	150	150	150	150	150	450	N	Not required	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
36	16.17 MTFS Review	PC33	Special Needs Service	Review of Special Educational Needs Transport	3,070	257	257			257	n/a		Will be required depending on impact on service
37	16.17 MTFS Review	PC33	Special Needs Service	Reversal of Savings - Special Educational Needs Transport There are significant pressures on SEN Transport of over £1.2m. There is a savings target in the current MTFS for £514k. An updated travel assistance policy was approved by Cabinet in September 2016 however It is not anticipated that there will be any significant changes as the regulations have remained largely unchanged. However, discretionary travel arrangements will be removed for under 5's. Since 2014 a new SEN Code has led to an increased demand Post 19 as well as the pressures of the additional demand from the 5-19 demographic growth. There has been an increase in post 18 young people of nearly 40%.		(257)	(514)			(514)	n/a		
38	16.17 MTFS Review	PC36	Children & Young People	Review of posts in Quality Assurance & Service Improvement.	922			248		248	Y	Not required for 2017/18 budget	Will need to follow Hr policies

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
39	16.17 MTFS Review	PC38	Children & Young People	Review of Children Looked After & Placements Service.	8,733			1,000		1,000	Y	Not required for 2017/18 budget	Will need to follow Hr policies
40	16.17 MTFS Review	PC42	Special Needs Service	Review of Special Needs Service	2,483			1,164		1,164	Y	Not required for 2017/18 budget	Will need to follow Hr policies
41	16.17 MTFS Review	PC42	Special Needs Service	Reversal of Savings - Special Educational Needs Placements In respect of PC41 approved February 2016. New funding regulations mean there will no longer be flexibility to further charge these costs to grant				(651)		(651)	n	Not required	N
Total Childrens Savings					19,924	627	167	2,611	150	2,928			

Adults													
42	16.17 MTFS Review	PA_3	Adults	Wiseworks - commercialisation opportunities and to be self financing by end of MTFS period	175	50	69	56		125	Y	Not required as submitted Feb 2016 Cabinet.	N
43	16.17 MTFS Review	PA_4	Adults	Milmans Community tender	359		175	184		359	Y	Y	Y

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
44	16.17 MTFS Review	PA_5	Adults	New Bentley [formerly Byron NRC] Community Tender	446		446			446	n/a		Y
45	16.17 MTFS Review	PA_5	Adults	Full reversal of saving - following the unsuccessful Community Tender at Kenmore it is not currently possible to deliver savings via this route. The commercialisation approach now being considered for Kenmore may indicate the potential for future savings to be explored for New Bentley if the approach is successful.			(446)			(446)	n/a		
46	16.17 MTFS Review	PA_6A	Adults	Vaughan NRC - service review to identify efficiencies in supporting the most complex	634		100			100	Y	Y	Y
47	16.17 MTFS Review	PA_9	Adults	Sancroft - contract management and service renegotiation	1,691	166	334			334	Y	Not required as submitted Feb 2016 Cabinet.	Completed
48	16.17 MTFS Review	PA_10A	Adults	Transport - review transport provision	1,079	200	200	350		550	Y	Not required as submitted Feb 2016 Cabinet.	Completed
49	16.17 MTFS Review	PA_11A	Adults	MOW/Catering Service - review of service	(13)		65			65	Y	Y	Completed
50	16.17 MTFS Review	PA_14	Adults	Shared Lives - commercialisation through selling model to neighbouring boroughs.	427	50	150			150	Y	Not required as submitted Feb 2016 Cabinet.	Completed

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
51	16.17 MTFS Review	PA_15	Adults	Bedford House / Roxborough Park - review provision within Bedford House	1,286	150	650			650	Y	Not required as submitted Feb 2016 Cabinet.	Completed
52	16.17 MTFS Review	PA_15	Adults	Reversal of £400k of the saving in 2017/18 - given the complexity of the client group attending the merged facility it is not possible to deliver the level of savings originally estimated			(400)			(400)	n/a		N/a
53	16.17 MTFS Review	PA_16	Adults	7 Kenton Road - review provision through supporting living and shared lives	228		228			228	Y	Y	Y
54	16.17 MTFS Review	PA_26	Adults	My Community ePurse - commercialisation of My Community ePurse			1,000	600		1,600	N	Not required	N/a
55	16.17 MTFS Review	PA_26	Adults	Rephasing - remove original phasing			(1,000)	(600)		(1,600)	N	Not required	N/a
56	16.17 MTFS Review	PA_26	Adults	Rephasing - add in new phasing				1,000	600	1,600	N	Not required	N/a
57	16.17 MTFS Review	PA_27	Adults	Our Community ePurse - explore new commercialisation opportunities			998	1,250		2,248	N	Not required	N/a
58	16.17 MTFS Review	PA_27	Adults	Re-phasing - remove original phasing			(998)	(1,250)		(2,248)	N	Not required	N/a

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
59	16.17 MTFS Review	PA_27	Adults	Re-phasing - add in new phasing				998	1,250	2,248	N	Not required	N/a
60	16.17 MTFS Review	PA_28	Adults	Community Wrap - explore new commercialisation opportunities				640		640	N	Not required	N/a
61	16.17 MTFS Review	PA_29B	Adults	Total Community ePurse - explore new commercialisation opportunities				2,250		2,250	N	Not required	N/a
62	16.17 MTFS Review	PA_29B	Adults	Re-phasing - remove original phasing				(2,250)		(2,250)	N	Not required	N/a
63	16.17 MTFS Review	PA_29B	Adults	Re-phasing - add in new phasing.					2,250	2,250	N	Not required	N/a
				Total Adult Savings	6,312	616	1,571	3,228	4,100	8,899			

Public Health													
64	16.17 MTFS Review	PH_3	PH	Sexual Health - consolidation of activity within new contract efficiency 17-18	714		105			105	n/a	n/a	N/a
65	16.17 MTFS Review	PH_3	PH	Reversal of Sexual Health saving - procurement and wider London Sexual Health Transformation will determine savings in future years	714		(105)			(105)	n/a	n/a	N/a

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
66	16.17 MTFS Review		PH	Contract Efficiencies within Health Visiting contract	2,848		105			105	N	N	N
67	16.17 MTFS Review	PH_5	PH	Tobacco Control & Smoking Cessation - reduction of service	299		279			279	Y	Y	Y
68	16.17 MTFS Review	PH_9	PH	Health intelligence & Knowledge - reduction in staff costs	211		48			48	Y	Y	N
69	16.17 MTFS Review	PH_10	PH	Staffing & Support - reduction in budget & deletion of additional procurement support	134	54	30			30	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies
70	16.17 MTFS Review	PH_11	PH	Drug and Alcohol - reduction in service (contract related costs. Employee costs included in PH_12)	2,480	0		1,500		1,500	Y	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies
71	16.17 MTFS Review	PH_12	PH	Reduction to service - staffing reductions	4,603	41		795		795	Y	Not required for 2017/18 budget	Consultation will be done in accordance with HR policies
				Public Health Total	12,003	95	462	2,295	0	2,757			
				Net Savings People	38,239	1,338	2,200	8,134	4,250	14,584			

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			

Community													
72	16.17 MTFS Review	CE_5	Directorate Wide	Reduction of supplies & services budget	300	31	50	50		100	N	Not required	
73	16.17 MTFS Review	CE_8	ESD - Technical Services	Staff efficiency once Towards Excellence fully embedded - Deletion of 2 posts.	382	0	34	34		68	Y	Y	Consultation will be done in accordance with HR policies
74	16.17 MTFS Review	CE_9	ESD - Public Protection	Efficiencies arising from Selective Licensing - Through full cost recovery and reduction in failure demand. Net income.	(503)	200	35			35	Y	Y	
75	16.17 MTFS Review	CE_10.2	ESD - Management	Management savings Savings on a management post across the Environmental Service Delivery division.	150	0	75			75	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
76	15.16 MTFS Review	E&E_18	Directorate wide	Staff Efficiencies following the merger of the Business & Service Development and Commissioning Services Divisions - Delete one performance management officer post and a cemetery superintendent post as of 31 March 2015. In addition, further efficiencies to be achieved in Environmental Services Delivery and Commissioning Divisions in 17/18.			30	50		80	Y	Not required as submitted Feb 2015 Cabinet.	Consultation will be done in accordance with HR policies
77	15.16 MTFS Review	E&E_20	Directorate-wide	Contractual/commissioned/SLA savings - To seek maximum value in savings from existing contracts, Service Level Agreements and all services commissioned, from third parties by re-negotiating terms that will yield cashable savings. To secure on-going cashable benefits from gain share and third party income arrangements.		0	200			200	N	Not required	
78	16.17 MTFS Review	CE_12	Commissioning Services	Project Phoenix - Commercialisation projects	19,000	40	0	1,525		1,525	N	Not required	Yes - depending on project
79	16.17 MTFS Review	CE_14	Commissioning Services	Highways Services - revenue savings on utilities and maintenance costs due to acceleration of the Street Lighting replacement programme and extension of the variable lighting regime.	1,001	70	10			10	Y	Not required as submitted Feb 2016 Cabinet.	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
80	16.17 MTFS Review	CE_15	Commissioning Services	Highways Services - Reduction in revenue budget for reactive maintenance due to accelerated capital investment from 2014/15.	1,033	60	20	20		40	Y	Not required as submitted Feb 2016 Cabinet.	N
81	16.17 MTFS Review	CE_16	Commissioning Services	Staff efficiencies in Parking and Network Teams - reduction in team leader and inspector posts. Staff consultation completed in June 15. The reduction in posts will be phased over the next 2 years to ensure minimal impact on service level.	2,103	75	80	20		100	Y	Not required as submitted Feb 2016 Cabinet.	Consultation will be done in accordance with HR policies
82	16.17 MTFS Review	CE_17	Commissioning Services	General efficiencies across the Division (Policy, Community Engagement, Facilities Management and Contracts Management) - including capitalisation of senior contracts officer post, removal of some supplies & services budget.	1,009	12	9	80		89	Y	Not required as submitted Feb 2015 Cabinet.	Consultation will be done in accordance with HR policies
83	16.17 MTFS Review	CE_18	Commissioning Services	Income Generation - Facilities Management Service Level Agreements (SLAs) and Energy SLAs to schools.	(190)	46	20	20		40	N	Not required	N
84	16.17 MTFS Review	CE_19	Commissioning Services	Road safety officer post - externally funded by Transport for London (TfL)	40	0	40			40	Y	Y	N
85	16.17 MTFS Review	CE_20	Commissioning Services	Further contract efficiencies following the re-procurement of Facilities Management contract.	3,200	0	80			80	N	Not required	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
86	15.16 MTFS Review	E&E_01	Commissioning Services	Trading Standards - Further cost reduction in Trading Standards service by re-negotiating the Service Level Agreement with London Borough of Brent		0	40			40	N	Not required	N
87	15.16 MTFS Review	E&E_05	Commissioning Services - Contract Mgt & Policy	Staff Efficiencies across the Division - Deletion of 3 posts			86			86	Y	Not required as submitted Feb 2015 Cabinet.	Consultation will be done in accordance with HR policies
88	15.16 MTFS Review	E&E_06	Commissioning Services - Facilities Mgt	Reduction in Facilities management costs - reduce the controllable budget by 20% in the first 2 years through re-structuring and changing ways of service delivery and a further 5% over Years 3 & 4 through additional efficiencies post re-structuring. Consultation with staff already underway and it is proposed to delete 8 posts, 3 of these are currently vacant.		0	44	22		66	Y	Not required as submitted Feb 2015 Cabinet.	Consultation will be done in accordance with HR policies
89	15.16 MTFS Review	E&E_08	Commissioning Services - Highway Services	Reduce highways maintenance budget - Changes to the response times on non urgent works i.e. respond to these in 48 hours instead of existing 24 hours.		0	45			45	Y	Not required as submitted Feb 2015 Cabinet.	Completed
90	15.16 MTFS Review	E&E_09	Commissioning Services - Highways	Highways Contract - Extend the scope of the Highways Contract to include scheme design and / or inspection services when the contract is re-procured (current contract will expire in 16/17).			120	120		240	Y	Y	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
91	15.16 MTFS Review	E&E_10	Commissioning Services - Highways	Review salary capitalisation of highway programme & TfL funded projects		0	50	50		100	N	Not required	N
92	15.16 MTFS Review	E&E_11	Commissioning Services - Network Mgt	Additional income - from street works		0	10			10	N	Not required	N
93	15.16 MTFS Review	E&E_12	Commissioning Services - Street Lighting	Changes in Street Lighting Policy to include variable lighting solutions.		0	10	12		22	N	Not required	N
94	15.16 MTFS Review	E&E_13	Commissioning Services - Street Lighting and Drainage	Street lighting and Drainage budgets - capital investment allows for lower maintenance costs		0	40			40	N	Not required	N
95	15.16 MTFS Review	E&E_14	Commissioning Services - Winter Gritting	Reduction in winter gritting budgets - renegotiation of winter gritting contract - adopt a risk sharing approach and move away from the current fixed pricing for the service		0		10		10	Y	Not required for 2017/18 budget	N
96	16.17 MTFS Review	CE_21	NIS	Neighbourhood Investment Scheme (NIS) - a base budget of £210K is available for all 21 wards. A one-off saving has been offered as part of the early year saving. It is now proposed that the full budget is removed from 16/17 onwards.	210	0		210		210	Y	Not required for 2017/18 budget	N
Total Communities					27,735	534	1,128	2,223	0	3,351			

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
97	16.17 MTFS Review	CC_2	C&C	Library Strategy Phase 2 - delivery of network of libraries and library regeneration	2,138	180	108	209		317	Y	Not required for 2017/18 as EQIA agreed for 2016/17 budget setting	Y
98	16.17 MTFS Review	CC_4	C&C	Arts & Heritage - delivery of business plan (reallocation of savings based on Cabinet report May 2015)	623	(342)	282			282	N	Not required	N/a
99	16.17 MTFS Review	CC_4	C&C	Arts & Heritage Services - Total saving in the original MTFS proposal in relation to the proposed transfer of the services to Cultura London was £455k (£173k of which was profiled in 16/17). At this stage the service remains in-house, subject to any further decisions regarding the future of the arts centre and therefore at this stage the saving is being reversed. Should this position change, adjustments would be made to the MTFS and be reflected in the Final Budget report.			(455)			(455)	N	Not required	N/a

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
100	15.16 MTFS Review	CHW12	C&C	Redevelopment Harrow Leisure Centre Site. This will need to link with Regeneration Programme. 17/18 saving is expected to be met from one-off income through the improvement to playing pitches at Bannister Sports Centre.			100			100	Y	Y	Y
Total Cultural Services					2,761	(162)	35	209	0	244			
101	16.17 MTFS Review	CH_3	HGF	Supporting People - cessation of funding for Handyperson Scheme, which is intended to become self-supporting through commercialisation	678	62	25			25	Y	Not required for 2017/18 as EQIA agreed for 2016/17 budget setting	Y
102	16.17 MTFS Review	CH_4	HGF	Supporting People - Sheltered Housing floating support - savings assumed to result from contract renegotiation or review of service delivery.	678		60			60	Y	Y	N/a
103	16.17 MTFS Review	CH_7	HGF	Watkins House - Options review	402	(25)	100	100		200	n/a		N/a

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
104	16.17 MTFS Review	CH_7	HGF	Full reversal of saving - as part of the review It became apparent that rather than savings being made as a result of the closure of Watkins House, additional costs would need to be incurred to ensure an appropriate level of care was being provided to residents of the scheme. This is now in place and will continue until such time as the scheme is completely vacated. It is not yet clear what the costs of the care needs of the existing residents will be, so it was felt prudent to remove the assumed savings so as not to reduce the level of funds available to provide this care. £25k growth was allowed in 2016/17 and therefore the net reduction of £175k is required.			(75)	(100)		(175)	n/a	n/a	N/a
105	16.17 MTFS Review	CH_8	HGF	Private lettings agency - projected income from establishing a lettings agency	0	54	130	174	120	424	n/a	n/a	N/a
106	16.17 MTFS Review	CH_8	HGF	Full reversal of saving - the business plan for the lettings agency indicates that as a result of a slower than anticipated start and an increased level of overhead costs compared with those originally envisaged, it is unlikely to be able to deliver the level of benefits to the Council assumed in the MTFS calculations within the MTFS period.			(130)	(174)	(120)	(424)	n/a	n/a	N/a

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
107	16.17 MTFS Review	CH_9	HGF	Property purchase initiative - net benefit to Council of proposals to purchase 100 homes, per Cabinet report appendix. Homelessness savings are part of the equation.	0	230	31	(2)	42	71	N	Not required	
108	16.17 MTFS Review	CH_9	HGF	Additional income - 'Property purchase initiative - net benefit to Council of proposals to purchase 100 homes, per Cabinet report appendix. Homelessness savings are part of the equation.			770	355	(4)	1,121	N	N	N
109	16.17 MTFS Review	CH_10	HGF	Home Improvement Agency - savings arising from a combination of reducing the service and increasing the charge to the HRA in respect of the Occupational Therapist service	378	(10)	130			130	Y	Y	
				Total Housing	2,136	311	1,041	353	38	1,432			
	Net Savings Community and Culture				32,632	683	2,204	2,785	38	5,027			

Regeneration													
110	15.16 MTFS Review	E&E_36	Planning - Development Mgt	Planning Fees: following an increase in 2013, the government may increase the statutory planning fees at some point over the next four years			100			100	Y	Y	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings						EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total			
Resources & Commercial					£000	£000	£000	£000	£000	£000			
111	16.17 MTFS Review	REG_6	Economic Development	Commercialisation of work space, subject to agreement with St Edwards (income net of running costs)	0	0	50			50	n/a	n/a	N
112	16.17 MTFS Review	REG_6	Economic Development	Full reversal of saving - The opportunity to acquire Stanmore Place Innovation Centre no longer exists as St Edward has sold the property to a 3rd party, albeit several attempts to reach an agreement with St Edward over the last 12 months.			(50)			(50)	n/a	n/a	N
Net Savings Regeneration					0	0	100	0	0	100			
113	16.17 MTFS Review	PO 04	Pan Organisation	Additional Commercialisation savings from projects in the pipeline		1,100	1,100			1,100	n/a	n/a	N
114	16.17 MTFS Review	PO 04	Pan Organisation	Full reversal of saving - Savings on commercialisation have been proposed as part of the directorate savings proposals and therefore need to be reversed as a pan organisation saving.			(1,100)			(1,100)	n/a		N
115	14.15MTFS Review	PO 03	Pan Organisation	Regeneration - Indicative net income realised from a long term regeneration strategy for the borough, to be formalised following consultation launched in early 2015.	0	350	350	2,000	0	2,350	N	Not required	N

Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1b								
					Savings								
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total	EQIA Required	EQIA already submitted Yes/ No	Key Stakeholders to consult 'Yes/No Completed
Resources & Commercial					£000	£000	£000	£000	£000	£000			
	Net savings Pan Organisation				0	1,450	350	2,000	0	2,350			
			Total Net Savings		78,367	5,367	5,971	14,889	4,288	25,148			

Reversed Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1c						
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	Savings				Total
							2017/18	2018/19	2019/20		
					£000	£000	£000	£000	£000	£000	£000
Resources & Commercial Directorate											
1	16.17 MTFS Review	RES_LG02	Legal & Governance	Reversal of saving - 'This was a proposal to consolidate the Committee structure, which is not being progressed.			(100)				(100)
2	16.17 MTFS Review	RES_CS02	Customer Services and IT	Reversal of saving - 'Revenues and Benefits - Domestic and NNDR Site Review and Collection Rate. This saving come through as additional collection Fund income and therefore the saving cannot be made in the Directorate Budget.				(250)			(250)
3	16.17 MTFS Review	BSS 01	BSS	Reversal of saving - 'A thorough review of Business Support has been undertaken in the last year, as a result of which over £1m of savings have been identified that are being delivered. However it has been decided that further reduction in these areas are not appropriate, and therefore savings proposed in previous budgets will not be progressed and need to be reversed. This is reversing the 2017/18 and 2018/19 savings.			(352)	(320)			(672)
4	16.17 MTFS Review	BSS 01	BSS	Reversal of saving - 'A thorough review of Business Support has been undertaken in the last year, as a result of which over £1m of savings have been identified that are being delivered. However it has been decided that further reduction in these areas are not appropriate, and therefore savings proposed in previous budgets will not be progressed and need to be reversed. This is reversing £557k of the 2016/17 saving of £649k.			(557)				(557)
Total Resources					0	0	(1,009)	(570)	0		(1,579)
People's Directorate											
Childrens											

Reversed Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1c						
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16	Total	Savings				
					Service Budget	Saving in Current MTFS	2017/18	2018/19	2019/20	Total	
					£000	£000	£000	£000	£000	£000	
5	16.17 MTFS Review	PC33	Special Needs Service	<p>Reversal of Savings - Special Educational Needs Transport</p> <p>There are significant pressures on SEN Transport of over £1.2m. There is a savings target in the current MTFS for £514k. An updated travel assistance policy was approved by Cabinet in September 2016 however It is not anticipated that there will be any significant changes as the regulations have remained largely unchanged. However, discretionary travel arrangements will be removed for under 5's. Since 2014 a new SEN Code has led to an increased demand Post 19 as well as the pressures of the additional demand from the 5-19 demographic growth. There has been an increase in post 18 young people of nearly 40%.</p>		(257)	(514)				(514)
6	16.17 MTFS Review	PC42	Special Needs Service	<p>Reversal of Savings - Special Educational Needs Placements</p> <p>In respect of PC41 approved February 2016. New funding regulations mean there will no longer be flexibility to further charge these costs to grant</p>				(651)			(651)
Total Children Savings					0	(257)	(514)	(651)	0	(1,165)	
Adult										0	
8	16.17 MTFS Review	PA_5	Adults	<p>Full reversal of saving - following the unsuccessful Community Tender at Kenmore it is not currently possible to deliver savings via this route. The commercialisation approach now being considered for Kenmore may indicate the potential for future savings to be explored for New Bentley if the approach is successful.</p>			(446)				(446)

Reversed Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1c					
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	Savings					
					2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total
					£000	£000	£000	£000	£000	£000
9	16.17 MTFS Review	PA_15	Adults	Reversal of £400k of the saving in 2017/18 - given the complexity of the client group attending the merged facility it is not possible to deliver the level of savings originally estimated			(400)			(400)
10	16.17 MTFS Review	PA_26	Adults	Re-phasing - remove original phasing			(1,000)	(600)		(1,600)
11	16.17 MTFS Review	PA_26	Adults	Re-phasing - add in new phasing				1,000	600	1,600
12	16.17 MTFS Review	PA_27	Adults	Re-phasing - remove original phasing			(998)	(1,250)		(2,248)
13	16.17 MTFS Review	PA_27	Adults	Re-phasing - add in new phasing				998	1,250	2,248
14	16.17 MTFS Review	PA_29B	Adults	Re-phasing - remove original phasing				(2,250)		(2,250)
15	16.17 MTFS Review	PA_29B	Adults	Re-phasing - add in new phasing.					2,250	2,250
Total Adult Savings					0	0	(2,844)	(2,102)	4,100	(846)
Community										0
16	16.17 MTFS Review	CC_4	C&C	Arts & Heritage Services - Total saving in the original MTFS proposal in relation to the proposed transfer of the services to Cultura London was £455k (£173k of which was profiled in 16/17). At this stage the service remains in-house, subject to any further decisions regarding the future of the arts centre and therefore at this stage the saving is being reversed. Should this position change, adjustments would be made to the MTFS and be reflected in the Final Budget report.			(455)			(455)

Reversed Savings Proposed from 2015/16 and 2016/17 Budget Setting					Appendix 1c					
					Savings					
Item Number	Savings Year	Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction	2015/16 Service Budget	Total Saving in Current MTFS	2017/18	2018/19	2019/20	Total
					£000	£000	£000	£000	£000	£000
20	16.17 MTFS Review	REG_6	Economic Development	Full reversal of saving - The opportunity to acquire Stanmore Place Innovation Centre no longer exists as St Edward has sold the property to a 3rd party, albeit several attempts to reach an agreement with St Edward over the last 12 months.			(50)			(50)
Total Regeneration					0	0	(50)	0	0	(50)
21	16.17 MTFS Review	PO 04	Pan Organisation	Full reversal of saving - Savings on commercialisation have been proposed as part of the directorate savings proposals and therefore need to be reversed as a pan organisation saving.			(1,100)			(1,100)
Total Pan Organisation					0	0	(1,100)	0	0	(1,100)
										0
Total Reversed Savings					0	(257)	(5,407)	(3,242)	3,976	(4,673)

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MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2019/20

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Budget Requirement Brought Forward		164,987	162,955	156,106
Corporate & Technical		-2,435	16,211	9,757
People		3,629	-7,999	-4,340
Community		-1,502	-3,557	-163
Resources & Commercial		-1,227	-2,527	-550
Regeneration		-147	0	0
Pan Organisation		-350	-2,000	0
Total		-2,032	128	4,704
FUNDING GAP		0	-6,978	-9,661
Total Change in Budget Requirement		-2,032	-6,850	-4,957
Revised Budget Requirement	164,987	162,955	156,106	151,148
Collection Fund Deficit/-surplus	-3,494	-3,760	0	0
Revenue Support Grant	-21,935	-13,019	-7,332	-1,560
Top Up	-21,113	-21,529	-22,164	-22,872
Retained Non Domestic Rates	-13,189	-13,189	-13,189	-13,189
Amount to be raised from Council Tax	105,256	111,458	113,421	113,527
Council Tax at Band D	£1,283.61	£1,334.83	£1,334.83	£1,334.83
Increase in Council Tax (%)	3.99%	3.99%	0.00%	0.00%
Tax Base	82,000	83,500	84,970	85,050
Collection rate	97.75%	98.00%	98.00%	98.00%
Gross Tax Base	83,887	85,204	86,704	86,786

MTFS 2017/18 to 2019/20 – Proposed investments / savings

TECHNICAL BUDGET CHANGES			
	2017/18	2018/19	2019/20
	£000	£000	£000
Capital and Investment			
Capital financing costs and investment income			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	3,747	7,994	4856
Application of Capital Receipts to reduce borrowing costs	-1,000		
One of use of MRP capacity	-500	500	
Total Capital and Investment Changes	2,247	8,494	4,856
Grant Changes			
New Homes Bonus			
Estimated Grant changes	-525	940	1000
Top slice allocated to homelessness	0	0	
<i>Total New Homes Bonus</i>	-525	940	1,000
Better Care Fund			
<i>Estimated additional grant from 2016/17</i>			
Education Support Grant.			
Projected reduction in grant received	1,285	751	0
<i>Total ESG</i>	1,285	751	0
Transition grant	13	699	
Public Health Grant Reduction	907	697	487
Total Grant Changes	1,680	3,087	1,487
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London	380	390	
Amendment 2016/17 review - extension to 2019/20	0	0	414
<i>Total Freedom Pass Levy change</i>	380	390	414
<i>Remove original energy price contingency</i>	-350	0	
<i>Increase energy contingency</i>	260	-64	
<i>Contingency - reduction back to £1.248m</i>	-81		
Estimated Cost of the Apprenticeship Levy	400		
Budget planning contingency.	-2,000	370	0
One off use from 2016/17	-1,000	1,000	TBC
<i>Total Budget planning contingency.</i>	-3,000	1,370	0
Total Other Technical Changes	-2,391	1,696	414
Pay and Inflation			
Pay Award @ 1% pa	1,000	1,000	1,000
Pay inflation total	1,000	1,000	1,000
National Minimum Wage			1,300
Employer's Pension Contributions lump sum increases agreed with actuary			
Required to reduce the pension deficit	622	664	700
Inflation on goods and services @ 1.3% p.a.	1,270	1,270	0
Reduction in inflation provision	-870	0	TBC
<i>Inflation Provision total</i>	400	1,270	0
Total Pay and Price Inflation	2,022	2,934	3,000
OTHER			
Contribution to MTFS Implementation Reserve - one off in 2016/17	-2,954		
Capital Receipts Flexibility	-3,039	0	
Total Corporate & Technical	-2,435	16,211	9,757

MTFS 2017/18 to 2019/20 – Proposed investments / savings

PEOPLE DIRECTORATE			
	2017/18	2018/19	2019/20
	£000	£000	£000
Children & Families			
Proposed Savings - see appendix 1a	-255	0	0
Proposed Growth - see appendix 1a	2,838	200	
Proposed Savings - see appendix 1b	-167	-2,611	-150
Sub total Children & Families	2,416	-2,411	-150
Adults			
Proposed Savings - see appendix 1a	-1,120		0
Proposed Growth - see appendix 1a	4,629	-96	-90
Proposed Savings - see appendix 1b	-1,571	-3,228	-4,100
Sub total Adults	1,938	-3,324	-4,190
Public Health			
Proposed Savings - see appendix 1a	-263	31	0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-462	-2,295	0
Sub total Public Health	-725	-2,264	0
Total People Directorate	3,629	-7,999	-4,340

MTFS 2017/18 to 2019/20 – Proposed investments / savings

COMMUNITY			
	2017/18	2018/19	2019/20
	£000	£000	£000
Environmental Services			
Proposed Savings - see appendix 1a	-896	-140	0
Proposed Growth - see appendix 1a	500		100
Proposed Savings - see appendix 1b	-1,128	-2,223	0
Sub total Environmental Services	-1,524	-2,363	100
Cultural Services			
Proposed Savings - see appendix 1a			0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-35	-209	0
Sub total Community & Culture	-35	-209	0
Housing - General Fund			
Proposed Savings - see appendix 1a	-898	-469	-225
Proposed Growth - see appendix 1a	2,996	-163	
Growth funded from topslice	-1,000		
Proposed Savings - see appendix 1b	-1,041	-353	-38
Sub total Housing General Fund	57	-985	-263
Total Community	-1,502	-3,557	-163

MTFS 2017/18 to 2019/20 – Proposed investments / savings

RESOURCES & COMMERCIAL			
	2017/18	2018/19	2019/20
	£000	£000	£000
Resources & Commercial			
Proposed Savings - see appendix 1a	-844	-557	-550
Proposed Growth - see appendix 1a	734		
Proposed Savings - see appendix 1b	-1,117	-1,970	0
Total Resources & Commercial	-1,227	-2,527	-550

MTFS 2017/18 to 2019/20 – Proposed investments / savings

REGENERATION			
	2017/18	2018/19	2019/20
	£000	£000	£000
Proposed Savings - see appendix 1a	-47		
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-100		
Total Regeneration	-147	0	0

MTFS 2017/18 to 2019/20 – Proposed investments / savings

Pan Organisation			
	2017/18	2018/19	2019/20
	£000	£000	£000
Proposed Savings - see appendix 1b	0	0	0
Proposed Savings - see appendix 1a	-350	-2,000	0
Total Pan Organisation	-350	-2,000	0

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1. Introduction

The Dedicated Schools Grant (DSG) is a ring fenced grant of which the majority is used to fund individual school budgets. It also funds certain central services provided by the local authority such as Early Years (private and voluntary sector and maintained nurseries) and Special Educational Needs (SEN) including fees for out of borough pupils at independent special schools.

2. School Funding for 2017-18

There are minimal changes proposed to how local authorities can fund schools through their individual funding formulae. However, in July 2016 the EFA carried out an exercise to 're-baseline' the blocks of the DSG for each local authority to make sure that the starting point is the pattern of planned spending by local authorities within their annual DSG allocation rather than how central government has allocated funding since 2013. The new 2016-17 baselines have then been used to calculate allocations for the schools block and high needs block in 2017-18.

As a result of this exercise, the Schools Block Unit of Funding (SBUF) which is the funding generated per pupil on the October census has been reduced for 2017-18 to reflect the actual funding allocated through the Schools Block in 2016-17. The revised SBUF will be £4,845.80. This is a reduction of £68.82 per pupil. This therefore limits the amount of funding which can be top-sliced from the Schools Block to fund pressures in High Needs.

3. Setting 2017-18 Budgets

In 2015-16 and 2016-17 the schools funding formula has been set at a deficit of £1.6m and £2.07m respectively. In 2016-17 it is proposed to fund the deficit from the schools brought forward contingency totalling £5.5m. Beyond 2016-17 there will be limited funds to set a school funding formula with a deficit position. The schools brought forward contingency is a one off sum of money and therefore it is not sustainable to continue to use this to support a budget gap.

In March 2016 the DfE launched a first stage consultation with proposals for a new National Funding Formula (NFF) for Schools and High Needs to be introduced from April 2017. On 21st July 2016 the government announced that the full response to the first stage of the consultations will be published in autumn 2016. At the same time the proposals for a second stage consultation will also be published and decisions made in the new year. Therefore the new system will be delayed and instead apply from April 2018. With limited information as to how a NFF will impact on school funding and school budgets there are few changes proposed to the 2017-18 schools funding formula.

Schools are protected annually by the Minimum Funding Guarantee (MFG) from *per pupil* losses capped at -1.5% of the per pupil budget from the previous financial year. This means that schools cannot lose more than -1.5% of their previous years' per pupil budget. This will continue into 2017-18.

Cabinet is required to approve the structure of the funding formula for 2017-18 in relation to the factors applied within the formula. The values attached to each factor will be decided in consultation with Schools Forum in January 2017 in order to minimise the formula deficit. There are no changes proposed for the funding formula structure from the current 2016-17 formula. The current factors in the school funding formula are:

- Basic per pupil entitlement (Age Weighted Pupil Unit)
- Free School Meals
- Income Deprivation Affecting Children Index (IDACI)
- Looked After Children
- English as an Additional Language (EAL)
- Mobility
- Prior Attainment
- Lump Sum
- Rates
- Private Finance Initiative (PFI) Funding

Schools will also receive the Pupil Premium Grant in respect of pupils who have ever been eligible for Free School Meals (FSM) in the last six years.

Central Services

Services currently funded from centrally retained DSG are included in either the High Needs Block or Early Years Block where appropriate, with the remaining falling into the Schools Block. All the funding in the schools block has to be passed to schools apart from the following named exceptions which can still be retained but are frozen at 2012-13 levels:

- Co-ordinated Admissions
- Servicing of Schools Forum

Schools Forum has agreed to continue to de-delegate funding in respect of Trade Union Facilities Time.

Additional Class Funding

At its meeting in October 2016 Schools Forum agreed to continue to maintain a ring fenced Growth Fund from the DSG in order to fund in year pupil growth in relation to additional classes in both maintained and academy schools but not Free Schools, which create additional classes at the request of the local authority.

High Needs Block

In line with the SEND Reforms being introduced from September 2014, the high needs funding system is designed to support a continuum of provision for pupils and students with special educational needs (SEN), learning difficulties and disabilities, from their early years to age 25. The following are funded from the High Needs Block:

- Harrow special schools & special academies
- Additional resourced provision in Harrow mainstream schools & academies
- Places in out of borough special schools and independent special schools

- High value costed statements in mainstream schools & academies
- Post 16 SEN expenditure including Further Education settings
- SEN Support services and support for inclusion
- Alternative provision including Pupil Referral Units and Education Other than at school

In 2016-17 high needs pupils are funded on a mixture of places and pupils, the “place-plus” approach. This will continue in 2016-17. There are continued concerns about the financial risks posed by the changes to the funding for SEN provision. Harrow has seen significant growth in the number of places through the expansion of the three special schools and the addition of three SEN units at mainstream schools from Sept 2015. There was no additional DSG funding awarded for these places and therefore they have been funded from a top slice from the Schools Block, which limits the funding available to distribute to schools. High Needs pupils in special schools, specialist provision and pupil referral units do not attract funding through a census, unlike pupils in mainstream settings. The DfE have also carried out a ‘re-baseline’ exercise on the High Needs Block and confirmed that no local authority will see a reduction in 2017-18, based on its 2016-17 baseline.

Early Years Block

3 and 4 year old nursery entitlement

The DfE launched its Early Years National Funding Formula consultation in August 2016.

The main principles of the funding reform are to:

- Maximise funding to early years providers
- Allocate funding fairly to Local Authorities and different types of providers
- Distribute funding efficiently and effectively to ensure value for money
- Allocate funding transparently so LAs and providers can understand how their funding rates were derived.
- Target effectively additional funding to those children who need it
- Allow adequate time to transition to the new funding arrangements

As the implementation date is proposed to be 1st April 2017 local authorities have to consult on its local Early Years Single Funding Formula in advance of the outcome of the DfE consultation. Harrow launched its consultation on 14th October 2016, which closes on 30th November 2016. The outcome of the consultation and proposed new funding formula will be reported to Cabinet for approval in January 2017.

Early Years Pupil Premium Grant

In addition to the funding through the funding formula settings also receive Early Years Pupil Premium Grant (EYPPG) for eligible children. In 2016-17 this is £302 per year for each eligible child that takes up the full 570 hours (pro rata for children who take up fewer hours). The eligible groups for the EYPPG are children from low income families (defined as meeting the criteria for free school meals); children that have been looked after by the local authority for at least one day; have been adopted from care; have left care through special guardianship; and children subject to a child arrangement order setting out with whom the child is to live (formerly known as residence orders).

2 year old nursery entitlement

From September 2013 free entitlement became a statutory requirement for eligible two year olds. In 2016-17 the funding is based on participation being 5/12ths of the January 2015 census and updated for 7/12ths of the January 2016 census. Harrow currently receives £5.53 per hour per eligible child. The hourly rate for 2016-17 will be confirmed after the spending review in December 2016.

Draft Public Health Funding

Appendix 4

Mandatory Services

Sexual Health (incl Family Planning)	2,641,502	
Health Visiting	2,898,000	
Health Checks	76,450	
Supporting Child Health	<u>673,509</u>	
		6,289,461

Discretionary Services

Tobacco Control	0	
Drug & Alcohol Misuse	2,445,632	
Physical Activity	<u>0</u>	
		2,445,632

Staffing & Support Costs

Staffing	990,781	
Non-Staffing	47,941	
Overheads	<u>245,525</u>	
		1,284,247

Health Improvement	129,000	
Wider Determinants of Health	<u>945,161</u>	
		<u>1,074,161</u>
Total Expenditure		<u><u>11,093,501</u></u>

Funded by

Department of Health Grant	<u>11,093,501</u>	
Total Income		<u><u>11,093,501</u></u>
		0

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REPORT FOR: CABINET

Date of Meeting:	8 December 2016
Subject:	Draft Capital Programme 2017/18 to 2019/20
Key Decision:	Yes Involves expenditure in excess of £1m
Responsible Officer:	Dawn Calvert, Director of Finance
Portfolio Holder:	Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1 – Draft of Proposed New(additions) to Capital Programme 2017/18 to 2019/20 Appendix 2 – Draft of revisions to the Existing Capital Programme 2016/17 to 2019/20

Section 1 – Summary and Recommendations

This report sets out the new draft General Fund capital programmes which have been proposed as part of the 2017/18 budget process and also sets out budgets within the existing Capital Programme which have been re-profiled between 2016/17 and 2019/20 and where virements are proposed between projects.

Recommendations:

1. Cabinet is requested to note the new draft capital proposals, as detailed within Appendix 1 which will be brought back to Cabinet in February for approval,
2. Cabinet is asked to approve the amendments to the budgets set out in Appendix 2.

The final version of the Capital Programme 2017/18 to 2019/20 will be brought back to Cabinet in February for recommendation to Council in February.

Reason: To enable the Council to have an approved capital programme for 2017/18 to 2019/20 and to enable preparation work to be undertaken for future years.

Section 2 – Report

Development of the Capital Programme

1. The purpose of this draft Capital Programme report is to set out the Council's draft additional capital proposals for investment over the next three years 2017/18 to 2019/20 which have been proposed as part of the Annual budget setting process. It also sets out the existing Capital Programme budgets which need to be re-profiled between years and between projects between 2016/17 to 2019/20 in order to reflect revised expenditure plans.
2. The final Capital programme report which will be presented to Cabinet in February 2017 will show the total Capital Programme for 2017/18 to 2019/20 incorporating the new capital proposals as well as the reprofiling of existing capital budgets set out in this report.

New Capital proposals 2017/18 to 2019/20

3. The new capital proposals have been prepared in the current climate of increased demand pressures and reduced external funding from Central Government.

4. Service directorates were invited to bid for capital resources, as part of their service proposals for 2017/18 to 2019/20. The proposals were reviewed taking into account the council's strategic vision of "Working together to make a difference for Harrow", the Council's priorities and equalities or other statutory duties.
5. In addition to reduced external funding from grants etc, flexibility in the capital programme is also constrained by a number of factors:
 - Unavoidable spending requirements such as the need to provide school places for the increasing school age population and major repairs to the Council's buildings and carriageway and footway resurfacing.
 - Restrictions in the way funding can be used e.g. ring fenced funding such as Transport for London and DfE grants for schools.
 - A limited capacity to fund borrowing. Although there are no specific limits to borrowing in order to fund capital expenditure, since the introduction of the prudential borrowing framework, Councils must however consider the revenue implications in the context of the overall revenue budget commitments in the medium term and the Capital Programme must be affordable.

A list of the new proposed projects within the programme is detailed in appendix 1 and summarised in Table 1 below:

Table 1

<i>New Capital Proposals 2017/18-2019/20</i>					
Service Area	2016/17	2017/18	2018/19	2019/20	TOTAL
	£'000	£'000	£'000	£'000	£'000
Resources		1,700	1,700	1,700	5,100
Adults		3,898	0	0	3,898
Children	-1,864	750	6,000	0	4,886
Environmental Services	0	6,300	15,300	15,300	36,900
Cultural Services	0	1,470	377	1,053	2,900
Housing General Fund	0	9,200	6,200	200	15,600
Total General Fund	-1,864	23,318	29,577	18,253	69,284

6. These provide for a very substantial net investment of £69m in infrastructure on the General Fund services over the next three years in line with the Medium Term Financial Strategy. The gross value of the proposed General Fund programme is £74.190m, with external funding of £4.906m and a net increase in the programme of £69.284m.
7. Between now and approval of the Final Capital Programme by Cabinet in February 2017, the draft capital proposals set out in Appendix 1 will be reviewed and given further consideration as to whether they are included in the Final Capital programme 2017/18 to 2019/20.

Capital Funding for the New Capital Additions

8. It is anticipated that the new capital additions to the General Fund programme will be financed from additional borrowing. The revenue implications of this new borrowing, in the context of the Council's treasury management activity, are set out in table 2 below. The revenue implications are factored in to the draft revenue budget report for 2017/18 to 2019/20 being considered by Cabinet elsewhere on this agenda. The table only includes the additional revenue effects of the programme that is proposed and excludes the revenue implications of previous years' capital programmes which are already accounted for in the current MTFS.

Table 2: Capital Financing Implications of New Additions

Capital Financing Costs	2017/18	2018/19	2019/20
	£000	£000	£000
Total MRP	0	1,090	2,620
Total Interest	215	757	1,283
Total Capital Financing Costs	215	1,847	3,903

9. The table above reflects the total cost in each year of financing the 2017/18 to 2019/20 additions to the programme. The incremental revenue budget increases included in the MTFS for each year is as follows: £215k 2017/18, £1.632m 2018/19 and £2.056m 2019/20.
10. There is no MRP impact in 2017/18 as MRP in relation to expenditure in 2017/18 does not commence until 2018/19.
11. It should be noted that the capital financing costs are based on a number of assumptions about the level of capital expenditure, timing of any borrowing, PWLB interest rates (current rates used at time of writing the report) and asset lives used in estimating of the minimum revenue provision. The revenue budget reflects the best estimate based on these assumptions and will be reviewed and refined as part of the Final Budget Report which will be presented to Cabinet in February 2017.

Re-profiling of existing Capital programme budgets

12. The starting point for this exercise was a refresh of the existing programme to 2019/20 by re-profiling budgets between 2016/17 and 2019/20 to reflect the latest estimated spending plans. The impact is neutral across the 4 years and all capital financing costs are already included in the revenue budget. Table 3 sets out the movement between the financial years with the detail set out in Appendix 2:

Table 3

Summary Budget Re-profiling 2016/17-2019/20					
Service Area	2016/17	2017/18	2018/19	2019/20	TOTAL
		000	000	000	000
Schools	3,003	-10,773	840	6,930	0
Environmental Services	0	1,600	0	-1,600	0
Cultural Services	1,004	-550	-454	0	0
Total General Fund	4,007	-9,723	386	5,330	0

Explanation for re-profiling of Capital Budgets

Schools

13. There has been re-profiling of a number of projects across 2016/17 to 2019/20. The position with the school projections reported to Cabinet in July 2016, indicate that the demand for secondary school places is lower than previously expected and there will be a shortfall at a later stage than anticipated, from 2022. It is therefore proposed to slip £5.250m of Secondary provision funding from 2016-17 and 2017-18 into 2019-20. In addition £4.2m of SEN funding will also be slipped from 2017-18 into 2018-19 and 2019-20 as this programme is still being developed.

Environmental Services

14. There are proposed amendments of £1.6m as follows:
- Street lighting – the programme is being accelerated to replace old lamp columns with LED lights to achieve revenue savings on energy and maintenance. The existing street lighting £500k budget is being brought forward into 2017/18 from 2019/20. However, it is also proposed that a further £1m is re-allocated from the Highway Programme to Street Lighting in 2019/20. Significant investments in Highway Programme over the last couple of years and in the current year provide an opportunity to reduce capital spend in this area in 2019/20.
 - A number of commercial projects under Phoenix are underway. A number of unused/underused parks buildings are being converted to generate rental income. It is anticipated that more parks buildings will be refurbished during 2017/18 and therefore a re-allocation of £200k to Parks Infrastructure from the Highway maintenance programme is proposed.

Cultural Services

15. There is £1.004m which has been reprofiled between 2016/17 to 2018/19 in relation to the Bannister Sports Centre project. Section 106

funding of £1m has recently been received as part of the Kodak site redevelopment, for improvements at Bannister Sports Centre to compensate for the loss of playing pitches. The intention is to use this funding as match funding for other external funding applications. Feasibility studies and the development of building plans will be required before progressing to construction works, and it is anticipated that the majority of S106 funding will not be spent until 2018/19. It is therefore proposed that the budget is re-profiled as follows: £50k in 2016/17; £50k in 2017/18 and £904k in 2018/19 respectively.

HOUSING REVENUE ACCOUNT (HRA)

16. The proposed HRA Capital Programme is detailed in a separate report to Cabinet elsewhere on this agenda. Any implications from the HRA Capital Programme are funded from the Housing Revenue Account and do not impact upon the General Fund Budget.

Options considered

17. A number of capital proposals are considered during the budget setting process.

Legal Implications

18. Under the Financial Regulations paragraph B2 full council is responsible for agreeing the authorities policy framework which are proposed by the cabinet and this includes the capital programme. Under B41 the Director of Finance is responsible for producing an annual capital strategy for Cabinet to recommend to Council.

Financial Implications

19. Financial matters are integral to the report. The capital financing costs of all capital proposals must be included in the revenue budget.

Performance Issues

20. The capital programme proposed represents a significant investment by the Council in infrastructure. This will have an impact on a range of performance indicators across the Council's services.
21. Monitoring of the approved programme, is ongoing and is essential for good financial management.
22. It is proposed that a performance target is set of 90% of the approved budget to be spent in year. Having approved an investment programme it is important that the programme is then substantially delivered in the planned timeframe, in line with member priorities.

Risk Management Implications

23. The individual schemes within the programme will either be incorporated within departmental registers or have individual registers. A significant consideration in developing the programme has been the

risks arising from not keeping our infrastructure in good order. Not doing so would lead to an increase in health and safety risks and additional costs in replacing assets when they deteriorate too much to repair.

Equalities implications / Public Sector Equality Duty

24. One of the aims of the Capital Strategy is to ensure the responsible allocation of funding in line with the Council's priorities and legislative requirements such as equalities legislation. Equalities implications form part of the way that the projects are prioritised. The officer's initial views are that no protected group is adversely affected by the proposals. A number of the projects proposed in the programme will require full Equality Impact Assessments before they commence. Following consultation the impact will be further reviewed before the programme is finalised.

25. Decision makers should have due regard to the public sector equality duty in making their decisions. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as material in the press and letters from residents. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

The relevant protected characteristics are:

- *Age*
- *Disability*
- *Gender reassignment*
- *Pregnancy and maternity*
- *Race,*
- *Religion or belief*
- *Sex*
- *Sexual orientation*
- *Marriage and Civil partnership*

26. Consultation responses received on this draft programme will be taken into account in drafting the final EIA.

Council Priorities

The Council's vision is:

Working Together to Make a Difference for Harrow

This report deals with the use of financial resources which is key to delivering the priorities of the Harrow Ambition Plan:

- Build a Better Harrow
- Be More Business-Like and Business Friendly
- Protecting the most Vulnerable and Support Families.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert...	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 28.11.16.		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	on behalf of the * Monitoring Officer
Date: 28.11.16		

Ward Councillors notified:	NO, as it impacts on all Wards
EqIA carried out:	NO
EqIA cleared by:	Any projects with potential impacts will separately be required to do an impact assessment.

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels, Head of Strategic and Technical Finance (Deputy S151)
 Email: sharon.daniels@harrow.gov.uk

Background Papers: None

Call-In Waived by the Chairman of Overview and Scrutiny Committee	YES/ NO / NOT APPLICABLE*
<i>(for completion by Democratic Services staff only)</i>	<i>* Delete as appropriate If No, set out why the decision is urgent with reference to 4b - Rule 47 of the Constitution.</i>

Ref No	Project Title	2016/17			2017/18			2018/19			2019/20			TOTAL			
		Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Bid Value	Grant Funding	Net Bid Value	
	Resources																
	Customer Services																
CB 1	<p>Devolved Apps Refresh -In order to maintain external compliance and to support the deployment of new applications a roadmap has been agreed with Sopra Steria to keep the IT infrastructure up to date. This will result in the need to upgrade line of business applications (owned by the services) in order for them to remain compatible and maintain external compliance. The Devolved Applications support review has identified very little budget has been allocated for the refresh of these systems. It should be assumed that the 20 key line of business systems will need upgrading once every three years at an average cost of £250k, as well as a number of smaller line of business systems.</p>				1,700	0	1,700	1,700		1,700	1,700		1,700		5,100	0	5,100
	Total Resources				1,700	0	1,700	1,700	0	1,700	1,700	0	1,700	5,100	0	5,100	
	Adult																
	<p>Sancroft - This proposal is to purchase the freehold of the Sancroft Care Home (estimated at £5m), which will secure the availability of beds to the Council and offer the flexibility to incorporate more beds, which can either be utilised internally or sold to other Local Authorities. This will reduce the pressure on the purchasing budget or bring in a source of additional income. The Council has received £1.452m over the last three years for Community Capacity, which has not been utilised and would be available to offset against the purchase of the Care Home.</p>				5,100	1,452	3,648							5,100	1,452	3,648	

Ref No	Project Title	2016/17			2017/18			2018/19			2019/20			TOTAL		
		Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Bid Value	Grant Funding	Net Bid Value
CB2	Mentis Pilot – An Integrated & Holistic Approach to Dementia Care This project is placeholder as this is subject to the development of a full business case (including confirmation of reconfiguration works to existing ASC premises) and is the subject of a bid for NWL STP Transformation Funding. Harrow will utilise an existing building (Milmans) to pilot the dementia hub. Capital investment is needed to convert and adapt the building to deliver the aspirations of the Mentis Project.				250		250						250	0	250	
Total Adults		0	0	0	5,350	1,452	3,898	0	0	0	0	0	5,350	1,452	3,898	
Children & Families																
CB 3	Capital Maintenance funding estimate 2016-17 Unpredicted grant allocation		1,864	-1,864									0	1,864	-1,864	
CB 3	Basic Need funding estimate 2018-19 Grant allocation announced zero. Replace with borrowing			0			6,000	0	6,000				6,000	0	6,000	
CB 4	Expansion of The Firs - The Firs 4 bed children's respite home has been judged as Outstanding by Ofsted for the last 7 years. The service is currently working on a business case that considers the following options which involve opening a second "Firs" provision.			0	750		750						750	0	750	
Total Children		0	1,864	-1,864	750	0	750	6,000	0	6,000	0	0	6,750	1,864	4,886	
Total People		0	1,864	-1,864	6,100	1,452	4,648	6,000	0	6,000	0	0	12,100	3,316	8,784	

Ref No	Project Title	2016/17			2017/18			2018/19			2019/20			TOTAL		
		Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Bid Value	Grant Funding	Net Bid Value
	Community Directorate															
	Environmental Services															
CB 5	<p>Street Litter Bins: The funding to support the provision and replacement of adequate numbers of on street litter bins has been inadequate for too long, creating an environment where there are inadequate numbers of bins provided to meet demand and which has also led to much of the existing stock being in poor condition and in need of repair, a situation which has helped contribute to levels of on street littering. The project would ensure that:</p> <ul style="list-style-type: none"> • litter bins are of a consistent design • litter bins are fit for purpose and in an appropriate condition • the placement requirements for litter bins are reviewed so they are provided in the correct locations, particularly around <ul style="list-style-type: none"> i. Commercial & retail areas ii. Other areas of high footfall, such as transport hubs, and through routes iii. Main routes to schools iv. Secondary routes to schools v. Areas where people congregate, such as bus stops or on street benches 				300		300	300		300	300		300	900	0	900
CB 6	Depot redevelopment (A minimum development cost of £18m, some expenditure to be incurred in 16/17 subject to the approval of a separate business case).				5,000		5,000	10,000		10,000	9,000		9,000	24,000	0	24,000
CB7	Redevelopment of Vernon Lodge - redevelop Vernon Lodge to provide a total of 86 units or 166 bedspaces (compared to 49 units or 80 bedspaces currently). The 1m in 17/18 is to enable Atkins House to be use as a decant facility for Vernon Lodge.				1,000		1,000	5,000		5,000	6,000		6,000	12,000	0	12,000
	Total Environmental Services	0	0	0	6,300	0	6,300	15,300	0	15,300	15,300	0	15,300	36,900	0	36,900

Ref No	Project Title	2016/17			2017/18			2018/19			2019/20			TOTAL		
		Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Bid Value	Grant Funding	Net Bid Value
	Cultural Services															
CB 8	Central Library Refit & Library Refurbishments - As part of the town centre regeneration scheme on College Road, majority of funding will come from CIL.					0	300	0	300	1,000	0	1,000	1,300	0	1,300	
CB 9	Harrow Arts Centre - roof repairs				1,470	0	1,470	77	0	77	53	0	53	1,600	0	1,600
	Total Cultural Services	0	0	0	1,470	0	1,470	377	0	377	1,053	0	1,053	2,900	0	2,900
	Housing General Fund															
CB 10	Better Care Fund - Disabled Facilities Grant - Grants to fund adaptations to private properties to help enable residents to remain in their existing homes - Includes assumed use of additional DFG grant to fund additional works - no net cost to the Council as additional works grant funded. Linked to income generation proposal for Home Improvement Agency.				530	530	0	530	530	0	530	530	0	1,590	1,590	0
CB 11	Empty Properties Grants - Grants to help bring empty properties back into use, generally in exchange for nomination rights for a period of time				200		200	200		200	200		200	600	0	600
CB 12	New Bid - Extension to Property Purchase Initiative - funding for the purchase of an additional 50 properties on the open market for the council to use as Temporary accommodation; providing good quality temporary accommodation and reducing the overall net cost to the Council of B & B accommodation				9,000		9,000	6,000		6,000				15,000	0	15,000
	Total Housing General Fund	0	0	0	9,730	530	9,200	6,730	530	6,200	730	530	200	17,190	1,590	15,600
	Total Community	0	0	0	17,500	530	16,970	22,407	530	21,877	17,083	530	16,553	56,990	1,590	55,400
	Total General Fund	0	1,864	-1,864	25,300	1,982	23,318	30,107	530	29,577	18,783	530	18,253	74,190	4,906	69,284

Reprofiling of the 2016/17 to 2019/20 Capital Programme

Appendix 2

Project Title	2016/17			2017/18			2018/19			2019/20			TOTAL		
	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Bid Value	External Funding £000	Net Value £000
Schools															
Existing Secondary expansion programme	-525		-525	-4,725		-4,725				5,250		5,250	0	0	0
SEP4			0	-1,848		-1,848	-1,680		-1,680				-3,528	0	-3,528
SEP2	2,239		2,239										2,239	0	2,239
SEN	470		470										470	0	470
Secondary	819		819										819	0	819
SEN expansion programme	0		0	-4,200		-4,200	2,520		2,520	1,680		1,680	0	0	0
Total People	3003	0	3003	-10773	0	-10773	840	0	840	6930	0	6930	0	0	0
Community Directorate															
Environmental Services															
Highway Programme Renewal and replacement of highways and footways.				-200		-200			0	-1,000		-1,000	-1,200	0	-1,200
Parks Infrastructure Prioritise parks infrastructure which are most in need of repair in order to provide safe access and use of facilities for all.				200		200			0			0	200	0	200
Street Lighting Replacement of aged and dangerous lighting columns as well as investment in new lighting to support Climate Change strategy and to provide variable lighting solutions.				1,500		1,500			0	-500		-500	1,000	0	1,000
Corporate Accommodation Improvements to corporate buildings to provide a safe and secure environment in which to operate its business.				100		100			0	-100		-100	0	0	0

CCTV Cameras and equipment at depot Installation of parking enforcement cameras at certain locations where it is permissible to capture contraventions by cameras following Deregulation Bill. Upgrade of CCTV equipment and facilities at the depot.																	
						0			0	-100		-100	-100	0		-100	
Purchase of Trade Waste Bins Purchase of bins to support expansion of business as part of Project Phoenix						0			0	100		100	100	0		100	
Total Environmental Services				1,600	0	1,600	0	0	0	-1,600	0	-1,600	0	0	0	0	0
Cultural Services																	
Central Library Refit & Library Refurbishments - As part of the town centre regeneration scheme on College Road, majority of funding will come from CIL.	50		50	-1,500	-1,000	-500	450	0	450		0	0	-1,000	-1,000		0	
Banister Sport Centres (Sec 106)		-954	954	0	50	-50	0	904	-904	0		0	0	0		0	
Total Cultural Services	50	-954	1004	-1,500	-950	-550	450	904	-454	0	0	0	-1,000	-1,000		0	
Total Community	50	-954	1,004	100	-950	1,050	450	904	-454	-1,600		-1,600	-1,000	-1,000		0	
Total General Fund	3,053	-954	4,007	-10,673	-950	-9,723	1,290	904	386	5,330	0	5,330	-1,000	-1,000		0	