

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17

APPENDIX 3

Proposed changes to MTFs for member approval following budget re-refresh process to be approved for the final budget calculation

Item No		2014-15	2015-16	2016-17	2013-14 Net Budget
		£000	£000	£000	£000
	<b>BUDGET GAP PRIOR TO REFRESH</b>	0	15,693	14,236	
	<b>CHILDREN AND FAMILIES</b>				
	<b>Unachievable savings</b>				
CF 025	Procurement Savings including placements	300	0	0	18,806
	<b>New Growth</b>				
CF 001 14/15	Additional 12 Social Worker posts. Growth of £500k already approved by Leader for 2014/15.	500	0	0	2542
CF 002 14/15	Special Needs Transport increase in demand	300	0	0	3379
	<b>Total Children and Families</b>	<b>1,100</b>	<b>0</b>	<b>0</b>	
	<b>ENVIRONMENT &amp; ENTERPRISE</b>				
	<b>Unachievable savings</b>				
E&E012	Further management reductions in Environment	140	0	0	287
E&E019	Establishing the Harrow Home Improvement Agency as a stand alone organisation. Transformation Project	150	0	0	388
E&E020	Introduction of Civic Centre staff car parking charges and other free car parks	180	0	0	-191
E&E025	Undertake maintenance and cleaning of corporate premises only to the minimum standard necessary for statutory compliance.	100	0	0	1,845
E&E031	Review of loss making car parks	150	0	0	-1,055
E&E035	Reduce the number of off-street car park sites and dispose of selected car park sites	100	0	0	-1,046
E&E040	Returning Parks to Open Space	275	0	0	1,137
E&E050 / 51	Review parks and cemeteries opening and locking and specialist dog waste collection	105	0	0	1,137
E&E059	Additional planning fees income following change from central government	290	0	0	333
	<b>Re - profiled savings</b>				
E&E011	Public Realm Integrated Service Model (PRISM) efficiencies. Towards Excellence Programme efficiencies	375	-375	0	2,477
E&E043	Grounds maintenance: Annualised hours	81	-81	0	1,137
	<b>Agreed growth no longer required</b>				
E&E003	Parking review - 20 minute free parking	-568	0	0	-4,448
E&E005	CCTV camera income decline	-70	14	11	
E&E006	CRC (Carbon Reduction Commitment)/EA (Environment Agency) increase in cost of CRC scheme	-88	0	0	392
	<b>New Growth</b>				

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E&E 001 14/15	<b>Recycling Support Team</b> - Positive, friendly people dressed in a fully Council branded uniform, working with refuse crews to support recycling, composting and street scene through active interactions with the public. A team of three plus materials budget for publicity etc.- £125,000. May be self financing if they can divert 1,000 tonnes of residual waste into recycling stream. The provision of the funding will allow increased penetration of recycling issues and benefits. A sustained publicity campaign to boost our recycling performance. A targeted campaign can move the Borough towards a 50% recycling rate, this may be self financing in the long run if waste is diverted from landfill.	125	0	0	147
E&E 002 14/15	<b>Secondary Shopping Centres Beat Sweeping</b> - Reintroduction of high visibility weekend street cleansing in secondary shopping centres which are subject to excessive littering and complaint (including Rayners Lane, Edgware, South Harrow etc) and borough wide rapid response team at weekend. The provision of the funding will support our high streets economic vitality, improve our performance indicator score for litter (NI 195) which has dipped over the last year and improve public satisfaction due to reduction in excessive weekend littering. Weekend operation will also ease pressure on Monday mornings as the catch up will not be so great.	150	0	0	2303
E&E 003 14/15	<b>Street cleansing Blitz Team</b> - The team will be utilised in responding to complaints, Neighbourhood Champion referrals, removal of signal crime, detail cleansing of hot spots and supporting volunteer initiatives. The provision of the funding will allow the improvement of the street cleansing indicator, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work	125	0	0	169
E&E 004 14/15	<b>Neighbourhood Champions (NC)</b> - Restock publicity and NC apparel, re-engage current Neighbourhood Champions. Initiate promotional recruitment of new champions and undertake training. The provision of the funding will allow provision of support staff and reintegration of Neighbourhood Champions, increase in volunteering, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work	100	0	0	0
E&E 005 14/15	<b>Parks/Grounds Blitz Team</b> - The team will be utilised in responding to complaints, Neighbourhood Champion and User Group referrals, removal of signal crime, detail maintenance of hot spots and supporting volunteer initiatives. The provision of the funding will allow the improvement of the street cleansing indicator, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work.	125	0	0	1762
E&E 006 14/15	<b>Enhanced planning enforcement</b> - Engage in Cross Council weeks of action initiative, especially in relation to beds in sheds and unauthorised conversions; and to deliver a step change in enforcement action and pro-active re-enforcement of the statutory planning regime including through engagement on proceeds of crime and to accelerate the delivery of justice through statutory notices and prosecution in response to residents' complaints.	100	0	0	333

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E&E 007 14/15	<b>Additional transitional management roles to support administration improvement priorities</b> - Following the recent change in administration, it is necessary to retain some management roles to the end of August 2014 to ensure the administration priorities are fully met.	130	0	0	18543
	<b>Substitute Savings</b>				
E&E 008 14/15	<b>Budget Realignments for Parking Services (Income re-alignment, no staff impact)</b> Based on the review of historical performance, enforcement of parking and traffic offences for traffic management reasons in 2012/13 recovered more than the budgeted figure. The same rate of recovery has been maintained through 2013/14 so far. To properly reflect expectations an increase in the budgeted figure for 2014/15 is recommended. <b>Key risks:</b> 1. Enforcement results in changes to behaviour and therefore reductions in income are expected over time. 2. The performance can be adversely impacted by inclement weather, technical and legal issues. 3. Policy changes	-700	0	0	-4,448
E&E 009 14/15	<b>Textiles Recycling</b> Additional income generated from textiles recycling contract.	-10	0	0	450
E&E 010 14/15	<b>Increase in income relating to leisure centre car parks</b> Increase in leisure centre parking income	-300	0	0	0
	<b>Total Environment &amp; Enterprise</b>	<b>1,065</b>	<b>-442</b>	<b>11</b>	
	<b>COMMUNITY, HEALTH AND WELLBEING</b>				
	<b>Unachievable savings</b>				
	<b>Adults</b>				
CHW015	<b>West London Alliance (WLA) Joint Procurement: Approved Provider Credition (APC) Residential Care</b>	50	0	0	9,819
CHW029	<b>Secure further earmarked investment from PCT/CCG in Adult Social Care</b>	500	0	0	2,206
CHW033	<b>Older People Integrated Care.</b> Consideration of jointly provided services with Health.	800	0	0	
CHW034	<b>Late savings - vacancy management</b>	69	0	0	
CHW035	<b>Late savings - agency costs</b>	73	0	0	
	<b>Community and Culture</b>				
CHW050	<b>Libraries Transformation 2</b> Impact of final contract negotiations around profit share and short term use of Civic Centre by contractor	141	-18	0	5,385
CHW054	<b>Procurement Efficiencies</b>	139	0	0	
CHW057	<b>Share responsibility for Community Cohesion across Council</b>	63	0	0	63
CHW058	<b>Commercialisation Hatch End Pool, Arts Centre, Museum &amp; Bannister stadium.</b> Commercialisation project set up to investigate the longer term deliverability of these savings.	355	0	0	1,142
CHW069	<b>Late savings - procurement</b>	167	0	0	
	<b>New Growth</b>				
	<b>Adults</b>				

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CHW001 14/15	<b>Demographic Growth.</b> Costs associated with increased demand and complexity for eligible users	600	0	0	29,216
CHW002 14/15	<b>Homelessness [100 families &amp; anticipated B&amp;B HB changes).</b> Savings from 2012-13 MTFS assumed to arise from increased subsidy for B&B placements which did not actually materialise.	150	0	0	2,873
CHW003 14/15	Hatch End Library - contract assumed a self service model. Ongoing discussions with contractor to finalise staffing structure for April 2014.	117	0	0	
	<b>Total Community, Health and Wellbeing</b>	<b>3,224</b>	<b>-18</b>	<b>0</b>	
	<b>RESOURCES</b>				
	<b>Unachievable Savings</b>				
RES041	<b>Reduction in Human Resource Development ( HRD) Management team.</b> Post deletion.	65	0	0	622
RES042	<b>Reduction in HRD posts.</b> Deletion of 2 posts.	75	0	0	622
RES069	<b>Reduced Number and Frequency Formal Committees.</b> Reduced staffing.	70	0	0	206
RES083	<b>Housing Benefits Staffing Reductions as Benefits moves to Department for Work and Pensions (DWP).</b> Reduced staffing required as Housing Benefits transfers to Universal Credit and is no longer administered by Harrow.	0	125	20	1,227
RES084	<b>Withdraw Discretionary Rate Relief from Charity Shops in 2013-14 and end in 2014-15</b>	50	0	0	50
RES064	<b>Expansion of Legal Practice Shared Service.</b> Expand Legal shared service to an additional partner.	200	0	0	-100
	<b>Re-profiled Investment / Savings</b>				
RES019	<b>DWP Housing Benefit Reduction in Administration Grant.</b> Following the introduction of Universal Credit administered by central government.	-250	-250	500	1,660
RES020	<b>Loss of Housing Benefits Overpayments Income Stream.</b> Following the introduction of Universal Credit administered by central government.	-200	-120	210	630
RES078	<b>Deletion of 4 FTE posts in Housing Benefits</b>	140	-140	0	3,117
	<b>New Growth</b>				
RES 001 14/15	Revenue implications of security enhancements required by Public Services Network (PSN)	100	0	0	10,332
RES 002 14/15	Contractual increase for channel migration supplier costs	50	0	0	5,429
	<b>Substitute Saving</b>				
RES 003 14/15	To delete the post of Chief Executive and associated business support	-280	0	0	280
	<b>Total Resources</b>	<b>20</b>	<b>-385</b>	<b>730</b>	
	<b>TECHNICAL BUDGET CHANGES</b>				
Tech 001	<b>Capital financing costs and investment income</b>	910	700	0	
Tech 002	<b>New homes bonus - Top slice of New Homes Bonus to fund LEP announced in Comprehensive Spending Review (CSR) 2013</b>	0	1600	180	-2,867
Tech 003	<b>SSCF Grant received from Greater London Authority (GLA) - reduction.</b>	62	0	0	62
Tech 005	<b>PCT Funding via s256 agreement.</b> CCG funding via s256 agreement.	-233	0	0	-
Tech 007	<b>Education Support Grant.</b> New grant in relation to Local Education Authority (LEA) functions, previously included in formula Grant	-1,500	500	200	-2,500
Tech 001 14/15	Council Tax Freeze Grant	-1055	-1055	2110	0
Tech 002 14/15	Formula Grant reduction as indicated in March 2013 budget	1000	0	0	52,100

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Tech 003 14/15	Council Tax Base to reflect actual base for 2014/15 and projected increase of 0.1% in future years	-1519	-100	-100	93,039
Tech 004 14/15	Collection Fund	-681	681	0	-1,045
Tech 005 14/15	Council Tax increase at 0% for 2014/15, 2015/16 and 2016/17	1861	1861	1861	0
Tech 006 14/15					
Tech 018	<b>Budget planning contingency</b>	-1,829	0	0	1,171
Tech 019	<b>Contingency for Welfare Reform and other pressures</b>	-2,000	1000	0	2,000
Tech 025	<b>Inflation on goods and services.</b> Reduced from 2% to 1.3% for 2014/15 to 2016/17.	-600	-600	-600	-
Tech 029	<b>Terms and conditions.</b> Savings arising from renegotiated terms and conditions with staff.	151	46	-16	-
	<b>Total Technical Budget Changes</b>	<b>-5,433</b>	<b>4,633</b>	<b>3,635</b>	
	<b>TOTAL ADJUSTMENTS</b>	<b>-24</b>	<b>3,788</b>	<b>4,376</b>	
	<b>REVISED BUDGET GAP</b>	<b>-24</b>	<b>19,481</b>	<b>18,612</b>	