

## MEDIUM TERM FINANCIAL STRATEGY 2015/16 to 2018/19

	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
<b>Budget Requirement Brought Forward</b>		167,381	165,754	155,697
Corporate & Technical		10,883	219	11,180
People		-4,732	-5,558	-14,121
Community		-3,474	-2,092	-2,652
Resources & Commercial		-3,994	-2,126	-2,540
Regeneration		-90	-150	0
Pan Organisation		-220	-350	-2,000
<b>Total</b>		<b>-1,627</b>	<b>-10,057</b>	<b>-10,133</b>
<b>FUNDING GAP</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Change in Budget Requirement</b>		<b>-1,627</b>	<b>-10,057</b>	<b>-10,133</b>
<b>Revised Budget Requirement</b>	<b>167,381</b>	<b>165,754</b>	<b>155,697</b>	<b>145,564</b>
Collection Fund Deficit/-surplus	-1,900	-3,500	0	0
Revenue Support Grant	-32,034	-25,282	-16,982	-5,999
Top Up	-20,939	-21,375	-21,986	-22,727
Retained Non Domestic Rates	-14,012	-13,189	-13,189	-13,189
<b>Amount to be raised from Council Tax</b>	<b>98,496</b>	<b>102,408</b>	<b>103,540</b>	<b>103,648</b>
<b>Council Tax at Band D</b>	<b>£ 1,234.36</b>	<b>£1,258.92</b>	<b>£1,271.51</b>	<b>£1,271.51</b>
<b>Increase in Council Tax (%)</b>	<b>1.99%</b>	<b>1.99%</b>	<b>1.00%</b>	<b>0.00%</b>
Tax Base	79,795	81,346	81,431	81,516
Collection rate	97.50%	97.75%	97.75%	97.75%
Gross Tax Base	81,841	83,218	83,305	83,392

## MTFS 2016/17 to 2018/19 – Proposed investments / savings

TECHNICAL BUDGET CHANGES	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
<b>MTFS Proposals Agreed in February 2015</b>			
<b>Capital and Investment</b>			
<b>Capital financing costs and investment income</b>			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	2,462	2,095	4,731
Amendment 2016/17 review	958	1,437	1,631
<b>Total Capital and Investment Changes</b>	<b>3,420</b>	<b>3,532</b>	<b>6,362</b>
<b>Grant Changes</b>			
<b>New Homes Bonus</b>			
Projected grant received net of topslice to London LEP	-150	325	579
Amendment 2016/17 review	-750		
<i>Total New Homes Bonus</i>	<i>-900</i>	<i>325</i>	<i>579</i>
<b>Better Care Fund</b>			
<i>Estimated additional grant from 2016/17</i>	<i>-1,000</i>		
<b>Education Support Grant.</b>			
Projected reduction in grant received	545	545	545
<b>S31 Grant Re Business Rate Reliefs</b>			
Reduction in 2016/17 due to ending retail relief scheme	443		
<b>Total Grant Changes</b>	<b>-912</b>	<b>870</b>	<b>1,124</b>
<b>Other Technical Changes</b>			
<b>Freedom Pass Levy increase.</b> Cost of Freedom passes charged to Harrow by Transport for London	289	380	390
Remove energy price contingency		-350	
<b>Budget planning contingency.</b>	3,000	3,000	3,000
Amendment 2016/17 review	-1,000	-5,000	-2,630
<i>Total Budget planning contingency.</i>	<i>2,000</i>	<i>-2,000</i>	<i>370</i>
<b>Total Other Technical Changes</b>	<b>2,289</b>	<b>-1,970</b>	<b>760</b>
<b>Pay and Inflation</b>			
<b>Pay Award @ 2% pa</b>	1,800	1,800	1,800
<b>Reduction to 1% and National Living Wage</b>	-800	-800	-800
<b>Pay inflation total</b>	1,000	1,000	1,000
<b>Employer's Pension Contributions lump sum increases agreed with actuary</b>			
Required to reduce the pension deficit	582	622	664
<b>Inflation on goods and services @ 1.3% p.a.</b>	1,270	1,270	1,270
Reduction in inflation provision	-870	-870	
<i>Inflation Provision total</i>	<i>400</i>	<i>400</i>	<i>1,270</i>
<b>Increase in cost of NI for contracted out employees</b>			
Ending of contracted out rebate - 3.4% on applicable salary range	1,100	0	0
<b>Total Pay and Price Inflation</b>	<b>3,082</b>	<b>2,022</b>	<b>2,934</b>
<b>OTHER</b>			
<b>Contribution to MTFS Implementation Reserve - one off</b>	3,135	-3,135	
<b>Commercialisation Savings</b>		-1,100	
<b>Car allowance review</b>	-100		
<b>Staff Terms and Conditions.</b>			
Final year of phasing out of protection on terms and conditions changes agreed with Staff from January 2013.	-31	0	0
<b>Total Corporate &amp; Technical</b>	<b>10,883</b>	<b>219</b>	<b>11,180</b>

**MTFS 2016/17 to 2019/20 – Proposed investments / savings**

<b>PEOPLE DIRECTORATE</b>	<b>Proposed</b>			
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Children &amp; Families</b>				
Proposed Savings - see appendix 1a	-3,569	-681	-3,262	-150
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	413	0	0	0
<b>Sub total Children &amp; Families</b>	<b>-3,156</b>	<b>-681</b>	<b>-3,262</b>	<b>-150</b>
<b>Adults</b>				
Proposed Savings - see appendix 1a	-3,542	-4,415	-5,330	0
Changes agreed in 2015/16 MTFS - see appendix 1b	-50	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	2,500	0	0	0
<b>Sub total Adults</b>	<b>-1,092</b>	<b>-4,415</b>	<b>-5,330</b>	<b>0</b>
<b>Public Health</b>				
Proposed Savings - see appendix 1a	-484	-462	-5,529	0
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0	0
<b>Sub total Public Health</b>	<b>-484</b>	<b>-462</b>	<b>-5,529</b>	<b>0</b>
<b>Total People Directorate</b>	<b>-4,732</b>	<b>-5,558</b>	<b>-14,121</b>	<b>-150</b>

**MTFS 2016/17 to 2019/20 – Proposed investments / savings**

<b>COMMUNITY</b>	<b>Proposed</b>			
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Environmental Services</b>				
Proposed Savings - see appendix 1a	-595	-451	-1,961	0
Changes agreed in 2015/16 MTFS - see appendix 1b	-2,440	-675	-264	0
Changes agreed in 2014/15 MTFS - see appendix 1c	764	0	0	0
<b>Sub total Environmental Services</b>	<b>-2,271</b>	<b>-1,126</b>	<b>-2,225</b>	<b>0</b>
<b>Community &amp; Culture</b>				
Proposed Savings - see appendix 1a	-15	-390	-209	0
Changes agreed in 2015/16 MTFS - see appendix 1b	-584	-100	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c				
<b>Sub total Community &amp; Culture</b>	<b>-599</b>	<b>-490</b>	<b>-209</b>	<b>0</b>
<b>Housing - General Fund</b>				
Proposed Savings - see appendix 1a	-604	-476	-218	-162
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0	0
<b>Sub total Housing General Fund</b>	<b>-604</b>	<b>-476</b>	<b>-218</b>	<b>-162</b>
<b>Total Community</b>	<b>-3,474</b>	<b>-2,092</b>	<b>-2,652</b>	<b>-162</b>

**MTFS 2016/17 to 2019/20 – Proposed investments / savings**

<b>RESOURCES &amp; COMMERCIAL</b>	<b>Proposed</b>			
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Resources &amp; Commercial</b>				
Proposed Savings - see appendix 1a	-2,934	-474	-1,195	0
Changes agreed in 2015/16 MTFS - see appendix 1b	-1,565	-1,652	-1,345	0
Changes agreed in 2014/15 MTFS - see appendix 1c	505	0	0	0
<b>Total Resources &amp; Commercial</b>	<b>-3,994</b>	<b>-2,126</b>	<b>-2,540</b>	<b>0</b>

**MTFS 2016/17 to 2019/20 – Proposed investments / savings**

<b>REGENERATION</b>	<b>Proposed</b>			
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Proposed Savings - see appendix 1a	-90	-50		
Changes agreed in 2015/16 MTFS - see appendix 1b		-100		
Changes agreed in 2014/15 MTFS - see appendix 1c				
<b>Total Regeneration</b>	<b>-90</b>	<b>-150</b>	<b>0</b>	<b>0</b>

**MTFS 2016/17 to 2018/19 – Proposed investments / savings**

<b>Pan Organisation</b>	<b>Proposed</b>			
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Proposed Savings - see appendix 1a	0	0	0	0
Changes agreed in 2015/16 MTFS - see appendix 1b	-220	-350	-2,000	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0	0
<b>Total Pan Organisation</b>	<b>-220</b>	<b>-350</b>	<b>-2,000</b>	<b>0</b>