

Council (Council Tax)

SUPPLEMENTAL SUMMONS

DATE: Thursday 25 February 2016

8. CORPORATE PLAN (Pages 3 - 6)

Recommendation I: Cabinet
(18 February 2016)

9. FINAL REVENUE BUDGET 2016/17 AND MEDIUM TERM FINANCIAL STRATEGY 2016/17 TO 2019/20 (Pages 7 - 42)

Recommendation I: Cabinet
(18 February 2016)

10. TREASURY MANAGEMENT STRATEGY STATEMENT INCLUDING PRUDENTIAL INDICATORS, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY FOR 2016-17 (Pages 43 - 46)

Recommendation I: Cabinet
(18 February 2016)

11. CAPITAL PROGRAMME 2016/17 TO 2019/20 (Pages 47 - 56)

Recommendation I: Cabinet
(18 February 2016)

12. HOUSING REVENUE ACCOUNT BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2016-17 TO 2019-20 (Pages 57 - 64)

Recommendation I: Cabinet
(18 February 2016)

COUNCIL
25 FEBRUARY 2016

CABINET
RECOMMENDATION
(18 FEBRUARY 2016)

RECOMMENDATION I

CORPORATE PLAN

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CABINET

18 FEBRUARY 2016

Record of decisions taken at the meeting held on Thursday 18 February 2016.

Present:

Chair: * Councillor David Perry

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* Kiran Ramchandani
* Keith Ferry	* Sachin Shah
* Glen Hearnden	* Anne Whitehead
* Graham Henson	

In attendance:

Richard Almond	Minute 331
Susan Hall	Minute 331
Barry Macleod-Cullinane	Minute 331
Paul Osborn	Minute 331

* Denotes Member present

RECOMMENDED ITEMS

334. Corporate Plan 2016-19

Having noted the tabled comments from the Overview and Scrutiny Committee, it was

Resolved to RECOMMEND: (to Council)

That the Corporate Plan 2016-19 be adopted.

RESOLVED: That

(1) the Council's new values be endorsed;

- (2) the Leader of the Council be authorised to make any minor amendments to the Corporate Plan 2016-19 as necessary prior to the matter going to Council.

Reason: for Decision: To update the Council's Policy Framework and set out the Council's direction of travel for the next three years.

Alternative Options Considered and Rejected: None.

Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted: None.

**COUNCIL
25 FEBRUARY 2016**

**CABINET
RECOMMENDATION
(18 FEBRUARY 2016)**

RECOMMENDATION I

**FINAL REVENUE BUDGET 2016/17
AND MEDIUM TERM FINANCIAL
STRATEGY 2016/17 TO 2019/20**

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REPORT FOR: **Council**

Date of Meeting: 25 February 2016

Subject: Final Revenue Budget 2016/17 and Medium Term Financial Strategy (MTFS) 2016/17 to 2019/20 – Amended Appendix and Additional Recommendation

Responsible Officer: Dawn Calvert, Director of Finance

Exempt: No

Enclosures: Appendix listed below

No	Appendix
1	Model Council Tax Resolution 2016/17

Section 1 – Summary and Recommendations

This report sets out the Model Council Tax Resolution 2016/17 (Appendix 1) to the Revenue Budget and MTFS report that was recommended by Cabinet to Council.

This report includes an additional recommendation, which was not within the recommendations of the 18th February Cabinet report, that is, for Council's approval.

Recommendations:

- 1) That Council approves the amended Model Council Tax Resolution 2016/17 as set out in Appendix 1.
- 2) In accordance with section 38 (2) of the Local Government Finance Act 1992, Council instructs the CFO to place a note in the local press of the amounts set out in section 4 of Appendix 1, with a period of 21 days following the Council's decision.

Section 2 – Report

Introductory paragraph

1. This is the final report in the current series of Budget reports for the Medium Term Financial Strategy covering the period 2016/17 to 2019/20. The Final Revenue Budget report to the 18 February 2016 Cabinet set out the context and background for setting the Budget.

Final Local Government Finance Settlement announcement

2. At the time of producing the Final Revenue Budget report for the 18 February Cabinet, the Final Local Government Settlement 2016/17 had not been announced. The Settlement was announced on 8th February.
3. The key change coming from the settlement was the announcement of an additional £150m of transition grant for both 2016/17 and 2017/18, across England (£300m in total). This grant has been provided in response to concerns raised by Authorities during the consultation process about the reduction in Revenue Support Grant and has been provided to councils with the “sharpest reductions in Revenue Support Grant”. Harrow has received net additional grant of £708k in 2016/17 and £699k in 2017/18.

Public Health Grant Announcement

4. At the time of producing the Final Budget report for the 18 February Cabinet meeting, the Public Health Grant Announcement was also still outstanding. The Public Health Grant Announcement was received on 9 February 2016. The grant for Harrow is £11,373,280 for 2016/17 and £11,093,501 for 2017/18. Compared to the 2015/16 grant baseline of £12,300,000, this is a reduction of £927k (7.5%) in 2016/17 and £1.206m (9.8%) in 2017/18.
5. Within the final budget report presented to Cabinet on 18 February, an assumed reduction of £300k was included in the budget for the public health grant. This reduces the impact of the grant reductions to £627k and £906k. £627k of the additional final settlement grant announced of £708k as set out in paragraph 3, will be used to offset the reduction in the public health grant and the remaining £81k will be added to the 2016/17 contingency, which will increase from £1.248m to £1.329m for one year only.
6. These changes do not alter the Revenue Budget Requirement 2016/17 as reported to Cabinet on 18th February 2016.

Model Council Tax Resolution

The Model Council Tax Resolution 2016/17 is attached at Appendix 1. The GLA precept was confirmed on 22 February 2016. This confirmation has no impact on the Model Council Tax Resolution 2016/17.

Legal Implications

8. The Council has a fiduciary duty to residents to set a balanced budget.

Financial Implications

9. Financial matters are integral to this report.

Performance Issues

10. There are no direct performance issues arising from the changes in this report.

Environmental Impact

11. There are no environmental impacts from the changes contained in this report.

Risk Management Implications

12. There are no risk management implications arising from the changes contained in this report.

Equalities Implications

13. There are no equalities implications arising from the amendments in this report. Equalities implications are contained in the main report on the budget and MTFS.

Corporate Priorities

14.. The budget for 2016/17 supports delivery of the Council's vision, the Administration's priorities and is consistent with the Corporate Plan.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert

Chief Finance Officer

Date: 23/02/16

Name: Jessica Farmer

on behalf of the
Monitoring Officer

Date: 23/02/16

Section 6 - Contact Details and Background Papers

Contact: Sharon Daniels, Interim Head of Strategic Finance and Business

Email: Sharon.daniels@harrow.gov.uk

Background Papers:

[Final Budget Report 2016/17 and MTFS 2016/17 to 2019/20 to Cabinet on 18 February 2016](#)

Model Council Tax Resolution

Harrow Council

Council Tax Resolution 2016/2017

To approve as part of the Summons for Council, the model budget and Council Tax resolutions reflecting the recommendations of Cabinet and the GLA precept.

Council is requested to determine the level of the Council Tax for 2016/2017 in the light of the information on the precept and make the calculations set out in the resolution shown below.

- (1) To note that at its meeting on 20 January 2016 the Council calculated the amount of 82,000 as its Council Tax Base for the year 2016/2017 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 made under Section 31B(3) of the Local Government Finance Act 1992 (The Act).
- (2) That the following amounts be now calculated by the Council for the year 2016/2017, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992:
 - (i) Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act. **(Gross expenditure)** £566,929,115
 - (ii) Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3)(a) to (d) of the Act. **(Gross income including use of reserves)** £461,673,095
 - (iii) Being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, **as its Council Tax Requirement for the year.** £105,256,020
 - (iv) Being the amount at (iii) divided by the Council Tax Base, calculated by the Council at its meeting on 20 January 2016 in accordance with Section 31B(1) of the Local Government Finance Act 1992, as the basic amount of its Council tax for the year. **(The average Band D Council Tax)** £1,283.61

(v) Valuation Bands

	A	B	C	D	E	F	G	H
£	855.74	998.36	1,140.99	1,283.61	1,568.86	1,854.10	2,139.35	2,567.22

Being the amounts given by multiplying the amount at (vi.) above by the number which, in the proportion set out in Section 5(1) of the Local Government Finance Act 1992, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Local Government Finance Act 1992, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (3) That it be noted that for 2016/2017 the Greater London Authority stated the following amount in precept issued to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	184.00	214.67	245.33	276.00	337.33	398.67	460.00	552.00

- (4) That, having calculated the aggregate in each case of the amounts at (2)(v) and (3) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2016/2017 for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	1,039.74	1,213.03	1,386.32	1,559.61	1,906.19	2,252.77	2,599.35	3,119.22

- (5) Determine for the purposes of 52ZB and Section 52ZC of the Local Government Finance Act that the Council's basic amount of Council Tax for 2016/17 is not excessive in accordance with the principles approved under Section 52ZB and 52ZC of the Local Government Finance Act 1992 and the Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/2017.

CABINET

18 FEBRUARY 2016

Record of decisions taken at the meeting held on Thursday 18 February 2016.

Present:

Chair: * Councillor David Perry

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* Kiran Ramchandani
* Keith Ferry	* Sachin Shah
* Glen Hearnden	* Anne Whitehead
* Graham Henson	

In attendance:

Richard Almond	Minute 331
Susan Hall	Minute 331
Barry Macleod-Cullinane	Minute 331
Paul Osborn	Minute 331

* Denotes Member present

RECOMMENDED ITEMS

335. Final Revenue Budget 2016/17 and Medium Term Financial Strategy 2016/17 to 2019/20

Resolved to RECOMMEND: (to Council)

That

- (1) whilst being mindful of the results of the various consultations and equality impact assessments, the 2016/17 budget be approved to enable the Council Tax for 2016/17 to be set, Appendix 2 to the report refers;

- (2) the Medium Term Financial Strategy (MTFS) at Appendix 2 to the report be approved;
- (3) the 2016/17 Schools' Budget at Appendix 6 to the report be approved;
- (4) the 2016/17 Members' Allowance Scheme at Appendix 13 to the report be approved;
- (5) the Annual Pay Policy Statement at Appendix 14 to the report be approved.

RESOLVED:

- (6) the current remaining budget gaps of £1.053m and £90k over the three year MTFS, 2016/17 to 2018/19, table 3, paragraph 1.10 of the report refers, be noted;
- (7) the intention to increase Council Tax by 1.99% in 2016/17, paragraph 1.13 of report refers, be noted;
- (8) the intention to increase Council Tax by 2.0% in 2016/17 in respect of the Adult Social Care Precept, paragraph 1.14 of the report refers, be noted;
- (9) the 2016/17 Public Health Budget, at Appendix 7 to the report, be noted;
- (10) the risk assessment, Appendix 8 to the report refers, be referred to the Governance, Audit and Risk Management and Standards Committee for consideration and monitoring;
- (11) the sum of Better Care Funding of £6.5m to be received by the Council in 2016/17, paragraphs 1.24 and 1.25 to the report refer, be noted;
- (12) the comments from the various stakeholder meetings, paragraph 2.3 and Appendix 15 to the report refer, be noted;
- (13) the 2016/17 Flexible Use of Capital Receipts Efficiency Strategy, paragraph 1.18 and Appendix 16 of the report refer, be approved.

Reason for Decision: To ensure that the Council sets a balanced budget for 2016/17.

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted: None.

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
Budget Requirement Brought Forward		167,381	164,987	154,156
Corporate & Technical		9,537	500	13,280
People		-4,207	-5,558	-10,887
Community		-3,420	-2,094	-2,704
Resources & Commercial		-3,994	-2,126	-2,540
Regeneration		-90	-150	0
Pan Organisation		-220	-350	-2,000
Total		-2,394	-9,778	-4,851
FUNDING GAP		0	-1,053	-90
Total Change in Budget Requirement		-2,394	-10,831	-4,941
Revised Budget Requirement	167,381	164,987	154,156	149,216
Collection Fund Deficit/-surplus	-1,900	-3,494	0	0
Revenue Support Grant	-32,034	-21,935	-13,019	-7,332
Top Up	-20,939	-21,113	-21,529	-22,164
Retained Non Domestic Rates	-14,012	-13,189	-13,189	-13,189
Amount to be raised from Council Tax	98,496	105,256	106,419	106,531
Council Tax at Band D	£ 1,234.36	£1,283.61	£1,296.45	£1,296.45
Increase in Council Tax (%)	1.99%	3.99%	1.00%	0.00%
Tax Base	79,795	82,000	82,085	82,171
Collection rate	97.50%	97.75%	97.75%	97.75%
Gross Tax Base	81,841	83,887	83,975	84,062

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

TECHNICAL BUDGET CHANGES	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
MTFS Proposals Agreed in February 2015			
Capital and Investment			
Capital financing costs and investment income			
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
Total Capital and Investment Changes	3,420	3,532	6,362
Grant Changes			
New Homes Bonus			
Projected grant received net of topslice to London LEP	-150	325	579
Amendment 2016/17 review	-2,413		2,000
<i>Total New Homes Bonus</i>	<i>-2,563</i>	<i>325</i>	<i>2,579</i>
Better Care Fund			
<i>Estimated additional grant from 2016/17</i>	<i>-1,000</i>		
Education Support Grant.			
Projected reduction in grant received	545	545	545
Amendment 2016/17 review	-472	100	100
<i>Total ESG</i>	<i>73</i>	<i>645</i>	<i>645</i>
S31 Grant Re Business Rate Reliefs			
Reduction in 2016/17 due to ending retail relief scheme	443		
Public Health Grant Reduction	300		
Total Grant Changes	-2,747	970	3,224
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London	289	380	390
Amendment 2016/17 review - extension to 2019/20	0	0	0
<i>Total Freedom Pass Levy change</i>	<i>289</i>	<i>380</i>	<i>390</i>
Remove energy price contingency		-350	
Budget planning contingency.	3,000	3,000	3,000
Homelessness Reserve	1,000		
Amendment 2016/17 review	-1,000	-5,000	-2,630
<i>Total Budget planning contingency.</i>	<i>3,000</i>	<i>-2,000</i>	<i>370</i>
Total Other Technical Changes	3,289	-1,970	760
Pay and Inflation			
Pay Award @ 2% pa	1,800	1,800	1,800
Reduction to 1% and National Living Wage	-800	-800	-800
Pay inflation total	1,000	1,000	1,000
Employer's Pension Contributions lump sum increases agreed with actuary			
Required to reduce the pension deficit	582	622	664
Inflation on goods and services @ 1.3% p.a.	1,270	1,270	1,270
Reduction in inflation provision	-1,120	-870	
<i>Inflation Provision total</i>	<i>150</i>	<i>400</i>	<i>1,270</i>
Increase in cost of NI for contracted out employees			
Ending of contracted out rebate - 3.4% on applicable salary range	1,100	0	0
Total Pay and Price Inflation	2,832	2,022	2,934

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

TECHNICAL BUDGET CHANGES	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
OTHER			
Contribution to MTFS Implementation Reserve - one off	2,954	-2,954	
Commercialisation Savings		-1,100	
Audit Fee Reduction	-80		
Car allowance review	-100		
Staff Terms and Conditions. Final year of phasing out of protection on terms and conditions changes agreed with Staff from January 2013.	-31	0	0
Total Corporate & Technical	9,537	500	13,280

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

PEOPLE DIRECTORATE	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
Children & Families			
Proposed Savings - see appendix 1a	-3,569	-681	-3,262
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	413	0	0
Sub total Children & Families	-3,156	-681	-3,262
Adults			
Proposed Savings - see appendix 1a	-3,542	-4,415	-5,330
Balance of Adult Social Care Precept	525		
Changes agreed in 2015/16 MTFS - see appendix 1b	-50	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	2,500	0	0
Sub total Adults	-567	-4,415	-5,330
Public Health			
Proposed Savings - see appendix 1a	-484	-462	-2,295
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0
Sub total Public Health	-484	-462	-2,295
Total People Directorate	-4,207	-5,558	-10,887

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

COMMUNITY	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
Environmental Services			
Proposed Savings - see appendix 1a	-595	-453	-1,959
Changes agreed in 2015/16 MTFS - see appendix 1b	-2,440	-675	-264
Changes agreed in 2014/15 MTFS - see appendix 1c	764	0	0
Sub total Environmental Services	-2,271	-1,128	-2,223
Community & Culture			
Proposed Savings - see appendix 1a	-15	-390	-209
Changes agreed in 2015/16 MTFS - see appendix 1b	-584	-100	0
Changes agreed in 2014/15 MTFS - see appendix 1c			
Sub total Community & Culture	-599	-490	-209
Housing - General Fund			
Proposed Savings - see appendix 1a	-550	-476	-272
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0
Sub total Housing General Fund	-550	-476	-272
Total Community	-3,420	-2,094	-2,704

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

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

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

REGENERATION	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
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			
Total Regeneration	-90	-150	0

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

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

Schools Budget 2016-17

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. DSG settlement 2016-17

The 2016-17 DSG is based on the number of pupils on the October 2015 schools census for schools and currently the January 2015 early years census for early years. The total indicative DSG for 2016-17 is £190.739m. Table 1 shows the breakdown of the 2016-17 DSG across the three blocks. The sections following the table provide a detailed explanation for each funding block. As previously advised, the DSG is not ring-fenced to the specific blocks.

Table 1 – 2016-17 DSG allocation

Area	Per Pupil Funding £	Pupil Numbers	Total £
Schools Block	£4,914.62	31,373	£154,186,373
Early Years Block - 3&4 year olds	£4,320.96	2,327	£10,054,874
Early Years Block - 2 year olds	£5,253.50	314	£1,649,599
High Needs Block			£24,621,530
Sub Total			£190,512,376
Additional Amounts			
Induction for NQT			£45,447
Early Years Pupil Premium Grant			£180,969
2016-17 DSG as at 17th December 2015			£190,738,792

The 2016-17 schools budget was presented to Schools Forum on 19th January 2016. The anticipated 2016-17 funding for each block is detailed in Table 2.

Table 2 – 2016-17 DSG Blocks

Category	2016-17 Budget
Schools Block - delegated	£148,319,004
Schools Block - centrally retained	£1,314,433
Early Years Block	£11,412,400
High Needs Block	£29,692,955
Total 2016-17	£190,738,792

3. Schools block – delegated budget allocated to schools

The 2016-17 school budgets are being prepared using the updated funding formula which has been consulted with Schools in the autumn 2015 and approved by Cabinet in December 2015.

The outcome of the consultation proposed to reduce the formula factor values in 2016-17 by 1.5% although the final factor values would be calculated once the October 2015 census data was available. This was in order to claw back funding to partially mitigate the formula deficit of £1.6m set in 2015-16 which is funded from brought forward cash balances.

IDACI is an indicator of deprivation, which uses location (postcode) as the basis of assessing a pupil's level of deprivation. Band 6 is deemed most deprived with Band 0 having no deprivation. A major national review of re-categorisation of wards has taken place and a new data set released in September 2015. The effect of this is that wards have been re-evaluated and the impact for London generally has been that most wards have been re-categorised with lower deprivation than the previous position.

The impact of these changes is significant to the funding formula and to Harrow Schools. Due to the change in the IDACI data, over £4.4m funding would no longer be distributed through that factor as the number of eligible pupils has reduced from 21,065 to 10,570 (52% primary reduction, 45% secondary reduction). In addition over £900k is no longer distributed through Free School Meals (FSM) as the number of eligible pupils has reduced from 3,703 to 3,128.

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.

The changes in IDACI have had a significant impact on school budgets as it has reduced the per pupil funding and so the £5.3m above which is no longer distributed through the deprivation factors, instead increases the amount of funding to be distributed via the Minimum Funding Guarantee. This change has a negative impact on nearly all schools but disproportionately so on those schools who receive a higher proportion of funding through deprivation factors. Those schools which are already at MFG will see no change in the proposed budget, but puts them more heavily reliant on MFG funding.

In 2015-16 IDACI and FSM funding (deprivation factors) made up significant proportions of some school budgets. Over 25% of schools received more than 10% of their budgets through the deprivation factors with two high schools receiving more than 15% of funding. Therefore, the fact that there are less eligible children has had a significant impact disproportionately on these schools. In order to take steps to address this and fund schools through the deprivation factor rather than through MFG there is a proposed change to the factor values.

In 2015-16 the primary/secondary funding ratio is 1:1.34 – for every £1 spent in primary schools, £1.34 is spent in secondary schools. At its meeting in November 2015, Schools Forum agreed that the primary/secondary funding ratio be realigned back to the ratio set in 2013-14 of 1:1.32.

4. Closing the gap

In order to reduce part of the shortfall and address the primary/secondary funding ratio, the following changes have been applied to the 2016-17 formula:

- Reduce secondary AWPU by 2% - this addresses the primary/secondary funding ratio and realigns it to 1:1.32
- Maintain the 2015-16 cap on schools who gain through MFG at 0.8%
- Adjust the IDACI rates to distribute a similar overall level of funding through deprivation
- Reduce the following factor values by 1.5% across both primary and secondary
 - * EAL
 - * Mobility
 - * Prior attainment

These both claw back some of the formula deficit and reduce it to £2.9m. The deficit can be reduced further to £1.9m by applied £1m of Early Years funding to the schools block – this is a combination of anticipated additional funding for growth in pupil numbers and a reduction in the overall DSG funding required for early years.

The 2016-17 proposed formula factor funding values are shown at Table 3 along with the 2015-16 current formula factor values for comparison.

Table 3 – 2015-16 and 2016-17 School Funding Formula Factor Values

Factor	Primary	Secondary		Primary	Secondary	
	All	KS3	KS4	All	KS3	KS4
Year	2016-17			2015-16		
Basic Entitlement (AWPU)	£3,268.00	£3,886.85	£4,741.95	£3,268.00	£3,966.17	£4,838.72
Free School Meals	£1,389.05	£2,644.98		£1,111.24	£2,115.98	
IDACI Band 1	£200.00	£433.50		£90.00	£211.83	
IDACI Band 2	£280.00	£606.90		£134.00	£295.94	
IDACI Band 3	£558.75	£1,058.39		£160.00	£346.80	
IDACI Band 4	£810.00	£1,395.39		£447.00	£846.71	
IDACI Band 5	£1,139.00	£1,694.14		£810.00	£1,395.39	
IDACI Band 6	£1,139.00	£1,694.14		£1,139.00	£1,694.14	
Looked After Children	£1,973.90	£1,973.90		£1,973.90	£1,973.90	
English as an Additional Language	£216.15	£2,961.81		£218.33	£3,022.25	
Mobility	£2,705.19	£2,421.97		£2,746.39	£2,458.85	
Prior Attainment	£617.53	£1,391.63		£626.93	£1,412.82	

Whilst the MFG is a mandatory factor in the formula there is limited scope to further claw back any further funding through the formula. A combination of the above actions results in 32/52 schools being at MFG compared with 19 schools in 2015-16 and 12 schools being capped compared with 19 schools in 2015-16.

The IDACI changes have put 8/10 secondary schools (compared with 3/10 secondary schools in 2015-16) at MFG and the ability to increase these schools above MFG would mean AWPU would need to be increased but this would impact on the primary/secondary funding ratio and cause a further deficit on the formula.

It is also not just a case of clawing back funding from schools who gain because there is no correlation between these schools and therefore no one change can be made that reduces funding to those schools which does not negatively impact on those schools already experiencing losses.

5. Early Years Block

This is based on a GUF of £4,320.96 per pupil which has remained the same value as in 2015-16. The January 2015 Early Years Census has been used to produce a provisional allocation. This will be updated during 2016-17 and calculated based on 5/12ths of the January 2016 census and 7/12ths of the January 2017 census.

A further £181k has been transferred to local authorities to fund the Early Years Pupil Premium Grant. This remains at the same value as 2016-17. The grant will be paid to providers at a rate of £0.53 per hour per child upon evidencing that children in their settings meet the eligibility criteria.

From 2015-16 the funding for 2 year olds is based on participation. As with 3 & 4 year old nursery funding, the calculation will be based on 5/12ths of the January 2016 census and 7/12ths of the January 2017 census. In the meantime, the January 2015 census has been used and calculates a budget of £1.65m.

6. High Needs Block

Unlike 2015-16, there was no opportunity to bid for growth for High Needs funding. Instead, a place review was carried out which allowed place funding to be moved from one institution to another but where the number of places was proposed to increase, the increase in funding would have to be met within local authorities existing allocations.

On 17th December 2015 the EFA announced a further £92.5m of funding to be added to local authority High Needs Blocks to fund demographic growth. Harrow received £0.446m additional funding.

7. Pupil Premium

Schools also receive the Pupil Premium in respect of pupils who have ever been eligible for Free School Meals (FSM) in the last 6 years plus Children Looked After continuously for more than 6 months. The rates for pupil premium will remain the same as 2015-16 and are shown at Table 4.

Table 4 - Pupil Premium rates agreed for 2016-17, per pupil

Area	2016-17
FSM - Primary School Pupils	£1,320
FSM - Secondary School Pupils	£935
Service children	£300
Children Looked After	£1,900
Adopted children	£1,900

Allocations per school will be available once the data from the January 2016 census has been collated.

Appendix 13

Members' Allowances Scheme

1. This scheme shall have effect until 31st March 2017. It replaces all former schemes.

Basic Allowance

2. A basic allowance of £8,340 per annum shall be paid to each Councillor.

Special Responsibility Allowances and Mayoral Allowances

3. (1) A special responsibility allowance shall be paid to those Councillors who have the special responsibilities in relation to the posts specified in Schedule 1 to this scheme. The amount of each such allowance shall be the amount specified against that special responsibility in that schedule.
(2) An allowance of £10,475 per annum shall be paid to the Mayor and an allowance of £2,085 per annum shall be paid to the Deputy Mayor.
(3) No Member may receive special responsibility allowances in respect of more than one post. For the purposes of this paragraph, the mayoral allowances referred to in 3(2) above are considered to be special responsibility allowances.

Uprating the Basic and Special Responsibility Allowances

4. The basic allowance and special responsibility allowances may be uprated annually in line with an index approved by the London Councils Independent Panel. The index to be used will be the level of the Local Government Pay Settlement. When making the scheme for 2017/18, the indexing arrangements will be reviewed.

Travel and Subsistence Allowances

5. The reimbursement of travel and subsistence expenses incurred in respect of **approved duties** (as set out in Schedule 2) **undertaken outside the Borough boundaries** can be claimed by Members, co-optees to formal Council committees and Independent Members of the Governance, Audit, Risk Management and Standards Committee at the rates paid and on the conditions specified in the officer scheme for travel and subsistence allowances.

Carers' Allowance

6.
 - (1) The allowance shall only be paid for attendance at approved duties as listed in Appendix A.
 - (2) The maximum basic rate of pay is £2.90 per half hour for the duration of the meeting together with the Member's travel time between home and the place of the meeting and the carer's reasonable travelling time.
 - (3) The allowance is claimable in respect of children aged 15 or under or where a professional carer is required to meet a specialist need (eg a nurse for an elderly person).
 - (4) Actual costs will be paid **on production of an invoice or receipt**.
 - (5) Where the length of the meeting cannot be predicted and payment to the carer is necessarily contractually committed then a payment of up to 4 hours will be made. (For day time quasi-judicial meetings, payment of up to 8 hours may be made if the estimated length of the meeting is for the whole day).
 - (6) In addition, the reasonable travelling expenses of the person taking care of the dependent shall be reimbursed either at the appropriate public transport rate, or in cases of urgency or where no public transport is available, the amount of any taxi fare actually paid.
 - (7) The allowance is not to be paid where the carer is a member of the Member's household.
 - (8) Any dispute as to the entitlement and any allegation of abuse should be referred to the Governance, Audit, Risk Management and Standards Committee for adjudication.

Co-optees' Allowance

7. A basic allowance of £445 per annum shall be paid to co-optees to formal Council Committees and Independent Members of the Governance, Audit, Risk Management and Standards Committee.

Claims and Payments

8. (1) A claim for allowances or expenses under this scheme shall be made in writing within two months of the date of undertaking the duty in respect of which the entitlement to the allowance or expense relates.
 - (2) Payment shall be made
 - (a) in respect of basic and special responsibility allowances, in instalments of one-twelfth of the amount specified in this scheme each month;
 - (b) in respect of out-borough travel and subsistence expenses and Carers' Allowance, each month in respect of claims received up to one month before that date.

Backdating

9. Any changes made to this scheme during the year may be backdated to 1st April 2016 by resolution of the Council when approving the amendment.

Pensions

10. Allowances paid under the Harrow Members' Allowances Scheme will **not** be pensionable for the purposes of the Superannuation Act.

Renunciation

11. A person may, by notice in writing given to the Director of Legal and Governance Services, elect to forgo any part of his/her entitlement to an allowance under this scheme.

Approved duties for Carers' Allowance

- ◆ A meeting of the Executive.
- ◆ A meeting of a committee of the Executive.
- ◆ A meeting of the Authority.
- ◆ A meeting of a Committee or Sub-Committee of the Authority.
- ◆ A meeting of some other body to which the Authority make appointments or nominations.
- ◆ A meeting of a committee or sub-committee of a body to which the Authority make appointments or nominations.
- ◆ A meeting which has both been authorised by the Authority, a committee, or sub-committee of the Authority or a joint committee of the Authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the Authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups).
- ◆ A meeting of a Local Authority association of which the Authority is a member.
- ◆ Duties undertaken on behalf of the Authority in pursuance of any Procedural Rule of the Constitution requiring a member or members to be present while tender documents are opened.
- ◆ Duties undertaken on behalf of the Authority in connection with the discharge of any function of the Authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
- ◆ Duties undertaken on behalf of the Authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996.

Schedule 1

Special Responsibility Allowances (SRAs)

There are 6 bands of SRAs:

Band	Post	SRA - £/annum
1	Chief Whips of the two largest Groups Performance Lead Members for Scrutiny Policy Lead Members for Scrutiny Chair of Licensing and General Purposes Committee Portfolio Holder Assistants	£2,100
2	Nominated Member of the party not holding the Chair of the Planning Committee Chair of the Traffic Advisory Panel Chair of Governance, Audit, Risk Management and Standards Committee Chair of the Pension Fund Committee Chair of the Performance and Finance Scrutiny Sub Chair of the Health and Social Care Scrutiny Sub Nominated Member of the largest party not holding the Chair of the Performance and Finance Scrutiny Sub	£4,700
3	Nominated Member of the largest party not holding the Chair of the Overview and Scrutiny Committee Non Executive Members of Cabinet	£6,780
4	Chair of the Overview and Scrutiny Committee Leader of the Second Largest Group	£8,860
5	Cabinet Members	£20,100
6	Leader of the Council	£31,400

NOTE

The Groups are as follows:-

Largest Group = Labour Group

Minority Group = Conservative Group

Schedule 2

Claims for Out-Of-Borough Travel and Subsistence Expenses

Duties Undertaken Out-of-Borough

Claims for travel and subsistence expenses incurred can normally only be paid in respect of approved duties undertaken at venues out of the Borough. Expenses will be reimbursed at the rates paid and on the conditions specified in the officer scheme for travel and subsistence allowances.

1. Members may claim travel and subsistence expenses in respect of the following **out-of-Borough** duties:-
 - (a) Attendance at any meeting which may be convened by the Authority provided that Members of at least two groups are invited and the meeting is not convened by officers.
 - (b) Attendance at a meeting of an outside body to which the Member has been appointed or nominated as a representative of the Council, where the Outside Body does not itself operate a scheme to reimburse travel and subsistence expenses.
 - (c)
 - (i) attendance at an appropriate out-of-Borough conference, seminar, meeting or other appropriate non-political event as a representative of an Outside Body to which that Member has been either nominated or appointed by Council to serve in a role with a specific pan-Authority remit;
 - (ii) attendance at meetings in the capacity of a direct appointee of a Local Authority Association, joint or statutory body or other London-wide or national body subject to the following proviso:

that the Member serves on the appointing body by virtue of an appointment made by Council to an authorised Outside Body;

subject in either case to the Outside Body/Bodies concerned themselves not making provision for any travel and subsistence expenses necessarily incurred.
 - (d) Attendance at a meeting of any association of local authorities of which the Authority is a member and to which the Member has been appointed as a representative.

- (e) Attendance at a training session, conference, seminar or other non-political event, the attendance fees for which are being funded by the Council through a Departmental or a corporate budget.
 - (f) Attendance at any training session, conference, seminar or other non-political event for which there is either no attendance fee or any attendance fee is being met by the Member him/herself (or from the relevant political group secretariat budget) subject to the relevant Director confirming that the content of the training, conference, seminar or event is relevant to the Member's responsibilities in respect of the services provided by the Authority or to the management of the Authority.
2. Duties for which out-of-Borough travel and subsistence expenses may not be claimed include:-
- (a) Political meetings or events.
 - (b) Any meetings of 'Outside Bodies' to which the Member has not been appointed or nominated by the Council as its representative.
 - (c) Meetings of the Governing Bodies of Schools.

HARROW COUNCIL PAY POLICY STATEMENT 2016/17

Harrow Council supports openness and accountability and is pleased to publish its Pay Policy Statement for 2016/17. In compliance with the Localism Act 2011 this statement outlines the Council's policy on pay and benefits for Council employees (excluding Schools)¹ and specifically for its senior management for 2016/17.

Context

The Council's vision is: 'Working Together to Make a Difference for Harrow' and the Workforce Strategy is focused on supporting delivery of the Council's vision and priorities by ensuring an efficient and effective organisation. To achieve this we need a commercially minded and agile workforce delivering higher productivity and increased performance at a lower cost base.

This Organisational Development (OD) Strategy and programme is designed to accelerate the organisational change needed to deliver our ambition by delivering culture and behaviour change programmes, engaging colleagues and developing leaders. It will also help drive up workforce performance and productivity.

We want to be a modern and efficient Council, able to meet the challenges ahead. In order to help protect frontline services we will continue to deliver support functions in the most cost effective way, improving working between services within the Council and continuing to collaborate with regional bodies and other local authorities on shared services and procurement opportunities. We will protect people and Council assets from risks and retain our customer services in Harrow where possible, modernising and simplifying the access channels to the Council, making more services available online and therefore accessible on a more '24/7' basis.

Our Workforce Strategy reflects that the Council of the future may be very different and having the right people *engaged* with the Council will be vital for our future success. We already compete for people across London and this will increase as the needs of the organisation change and the search for talent in local government increases.

We will establish the people we want, the skills they need and the performance we require and develop recruitment and retention packages that maximise our employment offer. Our Pay Policy supports this by ensuring that fair and transparent processes are in place to determine the grading and pay for all jobs and that remuneration packages enable the attraction and retention of people with the skills we need. We will also look to create opportunities for staff to benefit through organisational change.

As a Council we are committed to ensuring equality and diversity is integral to everything we do so our Pay Policy seeks to reduce income inequality and ensure that the pay, terms and conditions of Council employees comply with the Council's duties under the Equality Act. The Council recognises that a significant proportion of our workforce lives locally² and that therefore our Pay Policy helps support a strong local economy.

¹ The Pay Accountability provisions of the Localism Act 2011 do not apply to staff employed in Schools

² Circa 60% of employees have a permanent address with a Harrow (HA) postcode

Modernising Terms & Conditions Review 2011/12

In 2011/12 the Council undertook a review of pay and terms and conditions for employees and in 2012 the Council reached a collective agreement with the relevant recognised trade unions, which established new pay and terms and conditions for all employees covered by this Pay Policy, including those of senior management, from January 2013.

The collective agreement is published at:

http://www.harrow.gov.uk/downloads/file/5879/collective_agreement

The changes introduced through the collective agreement were in accordance with the Council's Pay Policy Statement 2012/13 and include the following key provisions:

- 2.5% pay cut for the Chief Executive and Corporate Directors
- 1% pay cut for staff earning £21,375 and above
- Revised grading structure so that the Council's lowest paid employees are paid not less than the London Living Wage.³
- A scheme making incremental pay progression subject to satisfactory performance
- No enhancements for overtime or weekend working except for Bank Holidays and night work
- Reduced redundancy compensation payments
- Improved salary sacrifice schemes and other employee benefits

Council Pay Rates / Scales

The Council considers it important to be able to locally determine pay rates. This enables it to respond to regional and local labour market conditions. The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent employees.

The Council's pay scales were revised by the Council in January 2013 and they are subject to any pay awards agreed through the relevant national and regional negotiating bodies. The latest pay scales were revised in April 2015 and are published at:

http://www.harrow.gov.uk/download/downloads/id/7778/officers_salary_scales_april_2015

http://www.harrow.gov.uk/downloads/file/7801/chief_officers_salary_scales_april_2015

Remuneration of Senior Management (Chief Officers)

The Council defines its senior management as the top 3 tiers in the management structure commencing with the Chief Executive (Tier 1), Corporate Directors (Tier 2) and Directors (Tier 3), this includes all statutory and non-statutory Chief Officer and Deputy Chief Officer posts.

The senior management structure is published at:

http://harrowhub/download/8337/senior_management_structure

Senior management pay is published at: [Senior manager salaries - Further info | Harrow Council](#)

The Council's policy is to optimise the senior management pay bill. The pay rates and numbers of senior managers reduced in 2012/13 and following the Council's decision to reinstate the post of Chief Executive in 2014, an appointment was made on a salary less than

³ London Living Wage is set periodically by the Mayor of London and is implemented from 1 April. The rate rose to £9.40 per hour in November 2015, which will be implemented from 1 April 2016.

the previous Chief Executive received. The new Chief Executive undertook a review of the Council's senior management structure in 2015 and implemented a revised senior management structure, reducing further the numbers of senior managers and the senior management pay bill.

The Council may, in exceptional circumstances, employ senior managers under contracts for services. The Council publishes details of all payments made under contracts for services in excess of £500 at:

http://www.harrow.gov.uk/info/100004/council_and_democracy/555/council_spending

Remuneration of Lowest Paid Employees

The Council defines its lowest paid employees as those paid at the lowest pay spine column point on the lowest Harrow pay grade, excluding trainees and apprentices. The Council's lowest paid employees are paid not less than the London Living Wage.

Pay Multiple

The 'pay multiple' is the ratio between the highest paid employee's pay and the median average pay of the Council's workforce. The Council's highest paid post is the Chief Executive and the pay multiple is published at:

[Senior manager salaries - Further info | Harrow Council](#)

Pay Grading

In 2004 the Council entered into a single status agreement with its recognised trade union, introducing common job evaluation schemes⁴ and pay scales for the Council's former manual workers, administrative, professional, technical and clerical employees with the exception of Education Psychologists, Nursery Nurses, Youth & Community Workers, Chief Officers and the Chief Executive.

In 2007 job evaluation was extended to include Chief Officers.

From April 2013 the Council took over specific public health functions from the NHS and staff who transferred from the NHS to the Council remain on NHS grades and pay scales. New posts are being recruited to on the local government grades and pay scales.

Pay on Appointment

All employees, including Chief Officers are normally appointed on the lowest pay spine column point for their job evaluated grade. In exceptional circumstances employees may be appointed at a higher point within the evaluated grade.

The Council delegates authority to the Chief Officers' Employment Panel to make recommendations to Council on the appointment of the Head of Paid Service and make appointments of Chief Officers in accordance with the Council's Pay Policy.

The Council's delegations to the Chief Officers' Employment Panel also include, determination of any remuneration package of £100,000 or greater

Remuneration packages of £100,000 or greater are also reported to full Council

⁴ The Greater London Provincial Council (GLPC) Scheme is used for all Harrow grade jobs and the Hay Scheme for senior professional and managerial jobs.

Pay Progression

All employees are able to incrementally progress through the pay spine column points for their job evaluated grade.

Progression will normally be one increment (pay spine column point) on the 1st of April each year until they reach the top of their grade.

Progression for Chief Officers is subject to the following qualifications:

- i. increments may be accelerated within a Chief Officer's scale at the discretion of the council on the grounds of special merit or ability.
- ii. an increment may be withheld following an adverse report on a Chief Officer (subject to that Chief Officer's right of appeal). Any increment withheld may be paid subsequently if the Chief Officer's services become satisfactory.

The criteria for pay progression for other staff were changed as a result of the modernising review so that progression for all staff is now subject to satisfactory performance.

Performance Related Pay

Council employees including the Chief Executive and Chief Officers do not currently receive performance related payments or bonuses. However, the Council recognises that this may need to change to reflect the need for a more commercially minded and agile workforce delivering higher productivity and increased performance. The Council will therefore keep under review the option to introduce performance related pay for individuals and /or groups of employees.

The Council operates a Reward and Recognition Scheme for employees who, subject to meeting the criteria of the scheme, may receive payments of £250 or £500. Details of Reward and Recognition payments to senior management are published at:

[Senior manager salaries - Further info | Harrow Council](#)

National / Regional Pay Agreements

The Council supports the national (JNC/NJC⁵ and Soulbury) and regional (GLPC) collective bargaining arrangements for pay and conditions of service and the pay scales for all employees, including the Chief Executive and Chief Officers, are increased in line with national and regional pay agreements. Some conditions of service are negotiated locally.

The last pay agreement increasing pay scales for the Chief Executive and Chief Officers was implemented in 2008/9. Since then there have been no increases for this group.

The most recent pay agreement increasing pay scales for other non-teaching employees was implemented in 2014/15.

Market Supplements

The Council may apply market supplement payments to jobs with recruitment or retention difficulties. Details of market supplement payments to senior management are published at:

[Senior manager salaries - Further info | Harrow Council](#)

⁵ Joint Negotiating Committee / National Joint Council

Fees for Election Duties

The Council's policy for payment of fees for election duties is published at:
http://www.harrow.gov.uk/info/687/election_information/689/election_fees_and_charges

Details of fees for election duties paid to senior management are published at:
[Senior manager salaries - Further info | Harrow Council](#)

Other Payments

The Head of Paid Service may authorise other payments as necessary, in accordance with the Council's delegations.

Details of any other payments to senior management are published at: [Senior manager salaries - Further info | Harrow Council](#)

Pension

All employees are auto enrolled into the Local Government Pension Scheme and employees who remain in the Scheme receive benefits in accordance with the provisions of that Scheme as applied by the Council. Details of the Council's policy and decisions in respect of discretionary elements of the Scheme are published at:
http://www.harrow.gov.uk/download/downloads/id/5338/discretionary_policy_statement-pensions_2014 and
[http://www.harrow.gov.uk/download/downloads/id/7063/pension_fund_final_account_2014 - 2015](http://www.harrow.gov.uk/download/downloads/id/7063/pension_fund_final_account_2014_-_2015)

From April 2013 the Council took over specific public health functions from the NHS and staff who transferred from the NHS to the Council and were members of the NHS Pension Scheme continue to be members of that Scheme and receive benefits in accordance with the provisions of that Scheme.

Other Terms and Conditions of Employment

The pay, terms and conditions of council employees are set out in employee handbooks. Handbooks are produced for all employees, including managers and senior professionals, Chief Officers and the Chief Executive and the latest editions are published at:
http://www.harrow.gov.uk/downloads/download/1016/employee_handbooks

Payments on Termination of Employment

In the event that the Council terminates the employment of an employee, including a Chief Officer, on the grounds of redundancy or efficiency of the service they will be entitled to receive compensation and benefits in accordance with the Council's Redundancy and Early Retirement schemes, which are published at:
http://www.harrow.gov.uk/downloads/download/1016/employee_handbooks and
http://www.harrow.gov.uk/download/downloads/id/5338/discretionary_policy_statement-pensions_2014

The Council's Redundancy scheme was changed as a result of the modernising review and compensation payments to employees reduced in 2014 and 2015.

The Council's delegations to the Chief Officers' Employment Panel, include determination of any payments on termination of £100,000 or greater.

Details of compensation payments paid to senior management are published at:

[Senior manager salaries - Further info | Harrow Council](#)

http://www.harrow.gov.uk/downloads/file/5881/red_payments_agreed

Severance payments of £100,000 or greater are also reported to full Council

Re-employment of Employees

Section 7 of the Local Government and Housing Act 1989 requires that every appointment to paid office or employment in a local authority shall be made on merit.

Further Information

For further information on the Council's pay policy please contact the Council's Human Resources & Organisational Development Service email StaffBenefits@harrow.gov.uk DD 0208 424 1110

COUNCIL
25 FEBRUARY 2016

**TREASURY MANAGEMENT STRATEGY
STATEMENT INCLUDING PRUDENTIAL
INDICATORS, MINIMUM REVENUE
PROVISION POLICY STATEMENT AND
ANNUAL INVESTMENT STRATEGY FOR
2016-17**

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CABINET

18 FEBRUARY 2016

Record of decisions taken at the meeting held on Thursday 18 February 2016.

Present:

Chair: * Councillor David Perry

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* Kiran Ramchandani
* Keith Ferry	* Sachin Shah
* Glen Hearnden	* Anne Whitehead
* Graham Henson	

In attendance:

Richard Almond	Minute 331
Susan Hall	Minute 331
Barry Macleod-Cullinane	Minute 331
Paul Osborn	Minute 331

* Denotes Member present

RECOMMENDED ITEMS

338. Treasury Management Strategy Statement including Prudential Indicators, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2016/17

Resolved to RECOMMEND: (to Council)

That the Treasury Management Strategy Statement for 2016/17 be approved, including the:

- Prudential Indicators for 2016/17;
- Minimum Revenue Provision Policy Statement for 2016/17;
- Annual Investment Strategy for 2016/17;

- maximum total investment in the Investment Property Strategy which be set at £20m;
- limit of investments for over 364 days which be increased to £60m.

Reason for Decision: To promote effective financial management and comply with the Local Authorities (Capital Finance and Accounting) Regulations 2003 and other relevant guidance.

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted: None.

COUNCIL
25 FEBRUARY 2016

CABINET
RECOMMENDATION
(18 FEBRUARY 2016)

RECOMMENDATION I

**CAPITAL PROGRAMME 2016/17 TO
2019/20**

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CABINET

18 FEBRUARY 2016

Record of decisions taken at the meeting held on Thursday 18 February 2016.

Present:

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* Graham Henson	

In attendance:

Richard Almond	Minute 331
Susan Hall	Minute 331
Barry Macleod-Cullinane	Minute 331
Paul Osborn	Minute 331

* Denotes Member present

RECOMMENDED ITEMS

337. Capital Programme 2016/17 to 2019/20

Resolved to RECOMMEND: (to Council)

That the Capital Programme, as detailed at Appendix 1 to the report, be approved.

Reason for Decision: To enable the Council to have an approved Capital Programme for 2016/17 to 2019/20 and to enable preparatory work to be undertaken for future years.

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted: None.

Capital Programme 2016/17 to 2019/20

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 Bid Value
Resource Directorate															
Ongoing refresh & enhancement of ICT 'Replacement, upgrades and enhancements to applications, infrastructure and end user devices, not included within the agreed supplier service charges or transformation programme	2,000	0	2,000	2,000	0	2,000	3,000	0	3,000	5,000	0	5,000	12,000	0	12,000
Transition and Transformation - Sopra Steria	1,400		1,400	999		999	193		193			0	2,592		2,592
Transition and Transformation - Council	100		100			0			0			0	100		100
IT BTP Refresh 'Refresh of hardware for past BTP projects as included in original project cost models. Ongoing benefits realised through original implementation are dependent upon systems continuing to function.	300	0	300		0	0		0	0		0	0	300	0	300
Sub Total Transformation & Technology	3,800	0	3,800	2,999	0	2,999	3,193	0	3,193	5,000	0	5,000	14,992	0	14,992
Transforming Financial Management Enhanced reporting and system integration	270		270	250		250							520		520
Shared Service This scheme will invest in ICT systems to enable the sharing of the Council's HR Services including HR case work, employee relations, payroll and HR administration with Buckinghamshire County Council. The shared service will maintain and improve services to both Council's and their existing customers e.g. schools and colleges and is expected to deliver revenue savings for Harrow of £250k	100		100										100		100
MyHarrow Account & Website enhancements and upgrade	440		440										440		440
West London Waste Infrastructure Loan Loan to part finance a new energy from waste facility.	915		915										915		915
Property Investment Portfolio Acquisition of properties to provide an investment income	15,000		15,000	5,000		5,000							20,000		20,000
Total Resources	20,525	0	20,525	8,249	0	8,249	3,193	0	3,193	5,000	0	5,000	36,967	0	36,967
People Directorate															
Adults															
Reform of Social Care Funding The second phase of the Care Act in relation to the Care Accounts has been delayed until 2020. The originally approved funding is therefore pushed back to 2019/20 pending further guidance on next steps. The funding will be used to support the implementation, including building new information system(s) to support the requirements including self-assessment tools.	0	0	0	0	0	0	0	0	0	250	0	250	250	0	250

Capital Programme 2016/17 to 2019/20

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 Bid Value
Project Infinity Subject to development of commercial business cases, placeholder for potential capital funding for: - Sancroft (PA_9) - funding to support service renegotiation (£150k) - Bedford House (PA_15) - redesign of property to accommodate reprovision from Roxborough (£500k) - MCEP (PA_26) - commercialisation - OCEP (PA_27), Community Wrap (PA_28), TCeP (PA_29) - support for exploration of new commercialisation opportunities	1,650	540	1,110	2,540	540	2,000	1,540	540	1,000	540	540	0	6,270	2,160	4,110
In-House Residential Establishments Investment to maintain the infrastructure of the Council's internal residential and day care facilities. Requirement ceases post 2018/19 linking to revenue MTFS service reprovision proposals	100	0	100	100	0	100	0	0	0	0	0	0	200	0	200
Total Adults	1,750	540	1,210	2,640	540	2,100	1,540	540	1,000	790	540	250	6,720	2,160	4,560
Schools												0			
SEN Expansion There is pressure for special educational needs (SEN) provision places, which will be provided in the medium term as additional places will become available from 2015 following successful TBNP applications in accordance with Harrow's Special Schools and SEN Placement Planning Framework. However, in light of the projections and in light of the Government's Special Educational Needs and Disability reform agenda, consideration needs to be given to the next phase of expansion. A time limited task and finish group has been established, which will drive forward work on producing a refresh of the Harrow SEN strategy.	4,200	4,200	0	4,200		4,200	1,680		1,680			0	10,080	4,200	5,880
Bulge Classes The pupil numbers in Harrow have risen rapidly in recent year, particularly at primary intake level. This has given rise to the School Expansion Programme which is covered in other bids. However, until permanently expanded schools are available, the short term measure has been to provide 'bulge classes' in multiple schools across the borough. These are where an additional form of entry are placed in a particular year which then passes through the school without being followed by additional classes.	150	150	0	150		150	150		150	150		150	600	150	450
Capital Maintenance funding estimate 2018-19 'Estimated allocation for Capital Maintenance to contribute to schools capital programme for 2018-19			0			0		2,000	-2,000			0	0	2,000	-2,000
Basic Need funding estimate 2018-19 'Estimated allocation for Basic Need to contribute to schools capital programme for 2018-19			0			0		6,000	-6,000			0	0	6,000	-6,000

Capital Programme 2016/17 to 2019/20

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 Bid Value
Devolved Formula capital Devolved Formula capital is an allocation of funding on a formulaic basis based on school census data collected in January each year. Local authorities are required to pass on the funding to each of its maintained schools. Voluntary Aided schools receive their allocation directly from the EFA. Local authorities have no control over this funding	390	390							0			0	390	390	0
Children's Capital Maintenance Programme Proactive and reactive programme of maintenance across the schools estate	1,350	1,350	0	1,350	1,350	0	1,350		1,350	1,350		1,350	5,400	2,700	2,700
Primary Expansion Phase 4 Phase 4 primary expansion programme, requiring additional forms of entry. This phase will cover September 2017 and September 2018. These are likely to be expensive solutions as we have already expanded the schools with simpler solutions.			0	2,935	2,132	803	1,680		1,680			0	4,615	2,132	2,483
Primary Expansion Phase 3 - 5 schools Phase 3 will deliver 5 additional Reception forms of entry by September 2016 at expanded schools.	9,555	9,555	0	1,580	150	1,430			0			0	11,135	9,705	1,430
Secondary Expansion A growth in demand for primary places will progress to secondary schools and it is projected that there will be a shortfall of Year 7 places from 2018. Additional capacity has been secured through the expansion of two schools, Bentley Wood and Whitefriars and the permanent location of Avanti House will contribute to an overall increase in places. In addition, a further 6 forms of entry has been secured through the successful free school bid opening on the Heathfield School site. However, there will still be a shortfall of places from September 2020 rising to approx. 13 forms of entry in September 2023.	525		525	5,250		5,250	5,250		5,250	2,625		2,625	13,650	0	13,650
Total Schools	16,170	15,645	525	15,465	3,632	11,833	10,110	8,000	2,110	4,125	0	4,125	45,870	27,277	18,593
Total People directorate	17,920	16,185	1,735	18,105	4,172	13,933	11,650	8,540	3,110	4,915	540	4,375	52,590	29,437	23,153
Community Directorate															
Environmental Services															
Flood Defence Renewal of ageing drainage infrastructure to reduce the risk of flooding impact on residents, properties and business continuity.	300		300	300		300	300		300	300		300	1,200		1,200
Waste & Recycling Replacement of aged, damaged and/or lost wheeled bins, as well as bins provision for new residential developments within the borough. On-going improvement works at CA site.	200		200	200		200	200		200	200		200	800		800
Highway Programme Renewal and replacement of highways and footways.	4,750		4,750	4,700		4,700	4,700		4,700	5,400		5,400	19,550		19,550
Highway Drainage Improvements to critical drainage areas identified in Surface Water Management Plan as required by The Flood & Water Management Act 2010.	200		200	200		200	200		200	200		200	800		800

Capital Programme 2016/17 to 2019/20

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 Bid Value
Local Implementation Plan (LIP) including CPZ schemes Implementation of the Mayor of London's Transport Strategy as well as Harrow's Transport Local Implementation Plan & parking management programmes.	2,311	2,011	300	2,300	2,000	300	2,300	2,000	300	2,300	2,000	300	9,211	8,011	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.	675		675	675		675	675		675	675		675	2,700		2,700
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.	3,000		3,000	1,500		1,500	1,500		1,500	1,500		1,500	7,500		7,500
Corporate Accommodation Improvements to corporate buildings to provide a safe and secure environment in which to operate its business.	231		231	155		155	155		155	155		155	696		696
High Priority Planned Maintenance Improvements to corporate properties (excluding schools) to ensure that they are in a safe condition for occupants.	575		575	400		400	600		600	600		600	2,175		2,175
Carbon Reduction Provision of retro-fit energy efficiency measures in corporate buildings.	300		300	300		300	100		100	100		100	800		800
Replacement of Parks litter bins	65		65	65		65	65		65	0		0	195		195
Open Grid Programme Improvements to Harrow's green infrastructure to provide a network of interlinked and multifunctional open spaces.	293	143	150	293	143	150	293	143	150	293	143	150	1,172	572	600
Harrow on the Hill Station Improvements to the station and surrounding area to create step free access	2,000	2,000	0	12,000	12,000	0	11,000	8,000	3,000			0	25,000	22,000	3,000
Green Gym / Play Equipment Installation of outdoor gym equipment within parks to promote health and well being.	50		50	50		50	50		50	50		50	200		200
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.	150		150	150		150	150		150	150		150	600		600
Purchase of Trade Waste Bins Purchase of bins to support expansion of business as part of Project Phoenix	400		400	200		200	100		100				700		700
Car parks Infrastructure Improvement to car parking facilities to comply with H&S requirements and to commercialise council owned car parks.	20		20	20		20	20		20	20		20	80		80
Total Environmental Services	15,520	4,154	11,366	23,508	14,143	9,365	22,408	10,143	12,265	11,943	2,143	9,800	73,379	30,583	42,796
Community & Culture															

Capital Programme 2016/17 to 2019/20

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 Bid Value
Leisure & Libraries Capital Infrastructure 14-18 - Capital to be invested in a targeted programme to improve the infrastructure of the Council's leisure and library facilities. There is a high risk, particularly with Harrow Leisure Centre, that failure to maintain the infrastructure will inevitably lead to a building closure if a major fault occurs and be a risk to leisure income. The libraries' self service kiosks will also need to be refreshed by 2016-17 (including software upgrade) and there will be Lifecycle Gym equipment replacement in 2018/19	300	0	300	150	0	150	460	0	460	150	0	150	1,060	0	1,060
Central Library Refit & Library Refurbishments - As part of the town centre regeneration scheme on College Road, majority of funding will come from CIL.	0	0	0	1,500	1,000	500	0	0	0	0	0	0	1,500	1,000	500
Headstone Manor - Assumptions around the S106 funding are still under negotiation and the timing of delivery cannot yet be confirmed. This assumes that further Council funding will be required.	5,190	4,620	570	0	0	0	0	0	0	0	0	0	5,190	4,620	570
Harrow Arts Centre - Loan to new Trust. A new extension to the Elliott Hall to replace the existing one, containing a 240 seat, 2 screen independent cinema, lettable spaces, new box office and café/bar area etc. This is expected to generate the revenue income which will see the facility become self sustaining within 2 years. External funding target of £2.8m to be raised by new Trust.	1,000		1,000	0		0	0		0	0		0	1,000	0	1,000
Total Community & Culture	6,490	4,620	1,870	1,650	1,000	650	460	0	460	150	0	150	8,750	5,620	3,130
Housing General Fund															
Better Care Fund - Disabled Facilities Grant - Grants to fund adaptations to private properties to help enable residents to remain in their existing homes	1,500	650	850	1,500	650	850	1,500	650	850	1,500	650	850	6,000	2,600	3,400
Improvement Grants - Grants to private landlords to improve the condition of their properties, generally in exchange for a lease agreement	70	0	70	70	0	70	70	0	70	70	0	70	280	0	280
Empty Properties Grants - Grants to help bring empty properties back into use, generally in exchange for nomination rights for a period of time	400	150	250	400	150	250	400	150	250	400	150	250	1,600	600	1,000
Property Purchase Initiative - Purchase of 100 properties on the open market for the Council to use as Temporary Accommodation. This will provide better quality housing for families currently housed in short-term unsatisfactory Bed & Breakfast accommodation, and in doing so will reduce the overall net cost to the Council. £7.5m is estimated to be spent in 2015-16, but will need to be slipped if this is not possible.	15,000		15,000	7,500		7,500			0			0	22,500	0	22,500
Total Housing General Fund	16,970	800	16,170	9,470	800	8,670	1,970	800	1,170	1,970	800	1,170	30,380	3,200	27,180
Total Community Directorate	38,980	9,574	29,406	34,628	15,943	18,685	24,838	10,943	13,895	14,063	2,943	11,120	112,509	39,403	73,106
Regeneration															
Regeneration programme - feasibility work to develop options for taking forward regeneration sites.	250		250	250		250	250		250				750	0	750
Feasibility, design and land assembly for regeneration sites	1,000		1,000	24,075		24,075							25,075	0	25,075

Capital Programme 2016/17 to 2019/20

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 Bid Value
Haslam House redevelopment - demolition of the existing ex-children's home and replacement with new-build rented housing.	4,850		4,850										4,850	0	4,850
New Regeneration Projects - Estimated costs in 2016/17 of projects being developed	12,958		12,958	TBC		TBC	TBC		TBC	TBC		TBC	12,958	0	12,958
Total Regeneration	19,058	0	19,058	24,325	0	24,325	250	0	250	0	0	0	43,633	0	43,633
Cross Cutting Investment in Infrastructure	5,000		5,000										5,000		5,000
Total General Fund	101,483	25,759	75,724	85,307	20,115	65,192	39,931	19,483	20,448	23,978	3,483	20,495	250,699	68,840	181,859
Housing Revenue Account capital programme - Continued investment in the Council's existing housing stock, as well as the commencement of a programme of new build housing	23,850	1,565	22,285	15,238	1,018	14,220	9,139	70	9,069	9,139	70	9,069	57,366	2,723	54,643
Homes For Harrow HRA infill development programme	1,700		1,700	1,800		1,800							3,500	0	3,500
Total HRA	25,550	1,565	23,985	17,038	1,018	16,020	9,139	70	9,069	9,139	70	9,069	60,866	2,723	58,143
Total General Fund + HRA	127,033	27,324	99,709	102,345	21,133	81,212	49,070	19,553	29,517	33,117	3,553	29,564	311,565	71,563	240,002

COUNCIL
25 FEBRUARY 2016

CABINET
RECOMMENDATION
(18 FEBRUARY 2016)

RECOMMENDATION I

HOUSING REVENUE ACCOUNT
BUDGET AND MEDIUM TERM
FINANCIAL STRATEGY 2016-17 to
2019-20

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CABINET

18 FEBRUARY 2016

Record of decisions taken at the meeting held on Thursday 18 February 2016.

Present:

Chair: * Councillor David Perry

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* Kiran Ramchandani
* Keith Ferry	* Sachin Shah
* Glen Hearnden	* Anne Whitehead
* Graham Henson	

In attendance:

Richard Almond	Minute 331
Susan Hall	Minute 331
Barry Macleod-Cullinane	Minute 331
Paul Osborn	Minute 331

* Denotes Member present

RECOMMENDED ITEMS

336. Housing Revenue Account Budget and Medium Term Financial Strategy 2016-17 to 2019-20

Resolved to RECOMMEND: (to Council)

That

- (1) the Housing Revenue Account (HRA) Budget for 2016-17 be approved;
- (2) the Housing Revenue Account (HRA) Capital Programme, as detailed at Appendix 7 to the report, be approved.

RESOLVED: That

- (1) the Medium Term Financial Strategy for the HRA, attached at Appendix 1 to the report be approved;
- (2) the proposed average rent for non-sheltered accommodation of £116.33 per week for 2016-17, representing a decrease of 1% in average rent from the 2015-16 figure in line with the proposed Welfare Reform and Work Bill, be approved;
- (3) the proposed average rent for sheltered accommodation of £96.46 per week for 2016-17, representing an increase of 0.9% in average rent from the 2015-16 figure be approved following the government's decision to delay the implementation of the 1% rent cut for sheltered accommodation for one year in order to permit it to give adequate consideration to the Supported Housing Sector;
- (4) the overall average rent for the whole stock of £114.05 per week for 2016-17, representing an overall decrease of 0.82%, be noted;
- (5) an average tenant service charge of £2.94 per week, an increase of 1%, set out at Appendix 2 of the report be agreed;
- (6) garage and car parking rents/charges be frozen for a further year pending development of a usage and differential charging policy, Appendix 3 to the report refers;
- (7) an increase in energy (heating) charges of 5% from 1 April 2015, detailed at Appendix 4 to the report, be approved;
- (8) an increase in annual water charges of 4%, detailed at Appendix 5 to the report, be approved;
- (9) increases in Community Centre hire charges of 4%, set out at Appendix 6 to the report, be approved;
- (10) the four year Capital Programme, set out at Appendix 7 of the report, be approved.

Reason for Decision: To publish the final HRA budget and set Council rents and other charges for 2016-17

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted: None.

[Call-in does not apply to the decision reserved to Council.]

HRA Budget 2016-17 and MTF5 2017-18 to 2019-20 – Expenditure

All figures in £s	Budget 2016-17	Budget 2017-18	Budget 2018-19	Budget 2019-20
Operating Expenditure:				
Employee Costs	2,778,700	2,792,370	2,806,170	2,832,520
Supplies & Services	833,090	833,090	833,090	833,090
Utility cost	568,500	568,500	568,500	568,500
Estate & Sheltered Services	2,879,160	2,894,750	2,910,480	2,940,460
Central Recharges	3,634,120	3,692,270	3,751,350	3,848,880
Operating Expenditure	10,693,570	10,780,980	10,869,590	11,023,450
Repairs Expenditure:				
Repairs - Voids	1,075,990	1,075,990	1,075,990	1,075,990
Repairs - Responsive	3,631,680	3,631,680	3,631,680	3,631,680
Repairs – Other	2,400,690	2,165,470	2,180,400	2,208,960
Repairs Expenditure	7,108,360	6,873,140	6,888,070	6,916,630
Other Expenditure:				
Contingency - General	200,000	200,000	200,000	200,000
Investment in Services	200,000	200,000	200,000	200,000
Bad debt provision	300,000	300,000	300,000	300,000
RCCO	0	518,210	406,930	0
Affordable Housing	305,760	308,390	311,050	316,190
Grants to Move	162,870	162,870	162,870	162,870
Charges for Capital	6,389,970	6,488,630	6,475,240	6,501,080
Depreciation	6,573,480	7,619,200	7,617,660	7,589,960
Hardship Fund	100,000	100,000	100,000	100,000
Other Expenditure	14,232,080	15,897,300	15,773,750	15,370,100
Total Expenditure	32,034,010	33,551,420	33,531,410	33,310,180

Appendix 1 (continued)

HRA Budget 2016-17 and MTF5 2017-18 to 2019-20 – Income

All figures in £s	Budget 2016-17	Budget 2017-18	Budget 2018-19	Budget 2019-20
Income				
Rent Income – Dwellings	(28,897,030)	(28,897,290)	(28,545,140)	(28,315,460)
Rent Income – Non Dwellings	(667,370)	(684,020)	(701,350)	(719,360)
Service Charges - Tenants	(1,188,760)	(1,223,670)	(1,259,890)	(1,296,430)
Service Charges – Leaseholders	(566,020)	(566,020)	(566,020)	(566,020)
Facility Charges	(631,540)	(656,800)	(683,080)	(710,400)
Interest	(3,600)	(3,600)	(3,600)	(3,600)
Other Income	(106,390)	(106,390)	(106,390)	(106,390)
Recharge to General Fund	(163,000)	(163,000)	(163,000)	(163,000)
Total Income	(32,223,710)	(32,300,790)	(32,028,470)	(31,880,660)
In Year Deficit / (Surplus)	(189,700)	1,250,630	1,502,940	1,429,520
BALANCE brought forward	(5,296,350)	(5,486,050)	(4,235,420)	(2,732,480)
BALANCE carried forward	(5,486,050)	(4,235,420)	(2,732,480)	(1,302,960)

Budget Description	2016/17	2017/18	2018/19	2019/20
	£	£	£	£
Internal Works	4,428,120	4,228,120	4,228,120	4,228,120
External Works	2,416,730	2,300,000	2,300,000	2,300,000
M & E	920,000	920,000	920,000	920,000
Garages	61,500	61,500	61,500	61,500
Aids and Adaptations	615,000	615,000	615,000	615,000
Capitalisation Responsive Repairs	142,500	142,500	142,500	142,500
Capitalised Salaries	317,000	317,000	317,000	317,000
Develop Wider Housing Initiatives Pot	555,000	555,000	555,000	555,000
HRA Capital Investment	9,455,850	9,139,120	9,139,120	9,139,120
Grange Farm	3,523,160	-	-	-
Affordable Housing Phase 1	6,668,440	923,170	-	-
Purchase & Repair	3,576,000	-	-	-
Affordable Housing Phase 2	1,725,320	5,175,960	-	-
Total Homes for Harrow	15,492,920	6,099,130	-	-
Total HRA Capital Programme	24,948,770	15,238,250	9,139,120	9,139,120

The 2016-17 budget for the main HRA Capital investment programme includes £1,044,000 re-phasing. The 2016-17 and 2017-18 budgets for Homes-4-Harrow include re-phasing of £10,691,000 reflecting the additional budget approvals in respect of the Grange Farm regeneration scheme.

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