

Council (Council Tax)

SUPPLEMENTAL SUMMONS

DATE: Thursday 23 February 2017

7. CORPORATE PLAN (Pages 3 - 6)

Recommendation I: Cabinet
(16 February 2017)

8. FINAL REVENUE BUDGET 2017/18 AND MEDIUM TERM FINANCIAL STRATEGY 2017/18 - 2019/20. (Pages 7 - 52)

Supplemental report of the Director of Finance and

Recommendation I: Cabinet
(16 February 2017)

9. TREASURY MANAGEMENT STRATEGY STATEMENT INCLUDING PRUDENTIAL INDICATORS, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY FOR 2017/18 (Pages 53 - 56)

Recommendation I: Cabinet
(16 February 2017)

10. FINAL CAPITAL PROGRAMME 2017/18 TO 2019/20 (Pages 57 - 70)

Recommendation I: Cabinet
(16 February 2017)

11. HOUSING REVENUE ACCOUNT BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2019/20 (Pages 71 - 78)

Recommendation I: Cabinet
(16 February 2017)

19. EXCLUSION OF THE PRESS AND PUBLIC

To resolve that the press and public be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of confidential information in breach of an obligation of confidence, or of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972:

<u>Agenda Item No</u>	<u>Title</u>	<u>Description of Exempt Information</u>
20.	Information Report – Severance Package of £100,000 or Greater	Information under paragraph 1 (contains information relating to any individuals).

20. INFORMATION REPORT - SEVERANCE PACKAGE OF £100,000 OR GREATER (Pages 79 - 84)

**COUNCIL
23 FEBRUARY 2017**

**CABINET
RECOMMENDATION
(16 FEBRUARY 2017)**

RECOMMENDATION I

CORPORATE PLAN

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CABINET

16 FEBRUARY 2017

Record of decisions taken at the meeting held on Thursday 16 February 2017.

Present:

Chair: * Councillor Sachin Shah

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* David Perry
* Keith Ferry	* Kiran Ramchandani
* Glen Hearnden	* Mrs Christine Robson
* Graham Henson	* Adam Swersky

Non-Executive Member: * David Perry

In attendance:

Richard Almond	Minute 502
Susan Hall	Minute 502
Ameet Jogia	Minute 502
Barry Kendler	Minute 502

* Denotes Member present

RECOMMENDED ITEMS

505. Corporate Plan

Having noted the tabled comments from the Overview and Scrutiny Committee and, following a minor amendment, it was

Resolved to RECOMMEND: (to Council)

That the Corporate Plan be adopted, subject to page 25 – Commercial Ambition Section – of the Plan being amended to read ‘bring in commercial

contributions worth £15m by 2020', not 2019, to reflect the fact that this related to the end of the 2019/20 financial year.

RESOLVED: That

- (1) the annual update to the three year Corporate Plan (Harrow Ambition Plan) be noted;
- (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 two years.

Alternative Options Considered and Rejected: None.

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

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

**COUNCIL
23 FEBRUARY 2017**

**CABINET
RECOMMENDATION
(16 FEBRUARY 2017)**

RECOMMENDATION I

**FINAL REVENUE BUDGET 2017/18
AND MEDIUM TERM FINANCIAL
STRATEGY 2017/18 TO 2019/20**

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REPORT FOR: **Council**

Date of Meeting: 23 February 2017

Subject: Final Revenue Budget 2017/18 and Medium Term Financial Strategy (MTFS) 2017/18 to 2019/20 – Council Tax Resolution and Additional Recommendation

Responsible Officer: Dawn Calvert, Director of Finance

Exempt: No

Enclosures: Appendix listed below

No	Appendix
1	Model Council Tax Resolution 2017/18
2	MTFS 2017/18 to 2019/20

Section 1 – Summary and Recommendations

This report sets out the Model Council Tax Resolution 2017/18 (Appendix 1) to the Revenue Budget and MTFs report that was recommended by Cabinet to Council.

This report includes an additional recommendation, not recommended by Cabinet, for Council's approval.

Recommendations:

- 1) That Council approves the Model Council Tax Resolution 2017/18 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 (4) 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 2017/18 to 2019/20. The MTFs is attached at Appendix 2. The Draft Revenue Budget report to the 8 December 2016 Cabinet and the Final Revenue Budget report to the 16 February 2017 Cabinet set out the context and background for setting the 2017/18 Budget.

Model Council Tax Resolution

2. The Model Council Tax Resolution 2017/18 is attached at Appendix 1. The report to Cabinet on 16 February 2017 indicated that the Council Tax would still be subject to confirmation of the GLA precept to be confirmed week commencing 20 February 2017.
3. The announcement of the Final Local Government Finance Settlement is later than usual this year and not expected to be announced until 22 February. If there are any changes notified on 22 February, these will be announced at this meeting on 23 February 2017.

Legal Implications

4. The Council has a fiduciary duty to residents to set a balanced budget. Council is setting the budget envelope for the executive to make individual budget

decisions within. Cabinet and Council have before them the equality implications of the savings proposals. Some of the budget proposals will be subject to future individual cabinet decisions and the equality impact assessments will be updated for these so that decision makers can take these into consideration at this time.

Financial Implications

5. Financial matters are integral to this report.

Performance Issues

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

Environmental Impact

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

Risk Management Implications

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

Equalities Implications

9. 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

10. The budget for 2017/18 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: February 2017

Name: Jessica Farmer

on behalf of the
Monitoring Officer

Date: February 2017

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels, Head of Strategic and Technical Finance
(Deputy S151)

Email: Sharon.daniels@harrow.gov.uk

Background Papers:

[Draft Revenue Budget 2017/18 and MTFS 2017/18 to 2019/20](#)

[Final Budget Report 2017/18 and MTFS 2017/18 to 2019/20](#)

Model Council Tax Resolution

Harrow Council

Council Tax Resolution 2017/2018

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 2017/2018 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 8 December 2016 the Council calculated the amount of 83,500 as its Council Tax Base for the year 2017/2018 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 2017/2018, 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) £590,547,730
 - (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) £478,018,120
 - (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.** £112,529,610
 - (iv) Being the amount at (iii) divided by the Council Tax Base, calculated by the Council at its meeting on 8 December 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)** £1,347.66

(v) Valuation Bands

	A	B	C	D	E	F	G	H
£	898.44	1,048.18	1,197.92	1,347.66	1,647.14	1,946.62	2,246.10	2,695.32

Being the amounts given by multiplying the amount at (iv.) 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 2017/2018 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
£	186.68	217.79	248.91	280.02	342.25	404.47	466.70	560.04

- (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 2017/2018 for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	1,085.12	1,265.97	1,446.83	1,627.68	1,989.39	2,351.09	2,712.80	3,255.36

- (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 2017/18 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 2017/2018.

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2019/20

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Budget Requirement Brought Forward		164,987	164,804	157,973
Corporate & Technical		-638	17,134	8,941
People		3,629	-7,999	-4,340
Community		-1,570	-3,796	-409
Resources & Commercial		-1,107	-2,127	-150
Regeneration		-147	0	0
Pan Organisation		-350	-2,000	0
Total		-183	1,212	4,042
FUNDING GAP		0	-8,043	-8,998
Total Change in Budget Requirement		-183	-6,831	-4,956
Revised Budget Requirement	164,987	164,804	157,973	153,016
Collection Fund Deficit/-surplus	-3,494	-3,760	0	0
Revenue Support Grant	-21,935	-13,019	-7,332	-1,560
Top Up	-21,113	-21,049	-21,684	-22,392
Retained Non Domestic Rates	-13,189	-14,446	-14,446	-14,446
Amount to be raised from Council Tax	105,256	112,530	114,511	114,618
Council Tax at Band D	£1,283.61	£1,347.66	£1,347.66	£1,347.66
Increase in Council Tax (%)	3.99%	4.99%	0.00%	0.00%
Tax Base	82,000	83,500	84,970	85,050
Collection rate	97.75%	98.00%	98.00%	98.00%
Gross Tax Base	83,887	85,204	86,704	86,786

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

TECHNICAL BUDGET CHANGES			
	2017/18	2018/19	2019/20
	£000	£000	£000
Capital and Investment			
Capital financing costs and investment income			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	3,747	7,994	4856
Reductions following review of capital bids in December		-51	-816
Application of Capital Receipts to reduce borrowing costs	-1,000		
One of use of MRP capacity	-500	500	
Total Capital and Investment Changes	2,247	8,443	4,040
Grant Changes			
New Homes Bonus			
Estimated Grant changes	-525	940	1000
Reduction in New Homes Bonus - December Settlement	1,705		
New Adult Social Care Grant 2017.18	-974	974	
<i>Total New Homes Bonus</i>	<i>206</i>	<i>1,914</i>	<i>1,000</i>
Better Care Fund			
<i>Estimated additional grant from 2016/17</i>			
Education Support Grant.			
Projected reduction in grant received	1,285	751	0
Reduction in ESG - December Settlement	123		
<i>Total ESG</i>	<i>1,408</i>	<i>751</i>	<i>0</i>
Transition grant	13	699	
Public Health Grant Reduction	907	697	487
Total Grant Changes	2,534	4,061	1,487
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London	380	390	
Amendment 2016/17 review - extension to 2019/20	0	0	414
<i>Total Freedom Pass Levy change</i>	<i>380</i>	<i>390</i>	<i>414</i>
<i>Remove original energy price contingency</i>	<i>-350</i>	<i>0</i>	
<i>Increase energy contingency</i>	<i>260</i>	<i>-64</i>	
<i>Contingency - reduction back to £1.248m</i>	<i>-81</i>		
Estimated Cost of the Apprenticeship Levy	400		
Budget planning contingency.	-2,000	370	0
One off use from 2016/17	-1,000	1,000	TBC
<i>Total Budget planning contingency.</i>	<i>-3,000</i>	<i>1,370</i>	<i>0</i>
Total Other Technical Changes	-2,391	1,696	414
Pay and Inflation			
Pay Award @ 1% pa	1,000	1,000	1,000
Pay inflation total	1,000	1,000	1,000
National Minimum Wage			1,300
Employer's Pension Contributions lump sum increases agreed with actuary			
Required to reduce the pension deficit	622	664	700
Further Contribution of Lump sum in accordance with actuarial triennial valuation	378		
NNDR Revaluation - Estimated cost of Harrow NNDR	565		
Inflation on goods and services @ 1.3% p.a.	1,270	1,270	0
Reduction in inflation provision	-870	0	TBC
<i>Inflation Provision total</i>	<i>400</i>	<i>1,270</i>	<i>0</i>
Total Pay and Price Inflation	2,965	2,934	3,000
OTHER			
Contribution to MTFS Implementation Reserve - one off in 2016/17	-2,954		

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

TECHNICAL BUDGET CHANGES			
	2017/18	2018/19	2019/20
	£000	£000	£000
Capital Receipts Flexibility	-3,039	0	
Total Corporate & Technical	-638	17,134	8,941

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

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

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

COMMUNITY			
	2017/18	2018/19	2019/20
	£000	£000	£000
Environmental Services			
Proposed Savings - see appendix 1a	-964	-379	-246
Proposed Growth - see appendix 1a	500		100
Proposed Savings - see appendix 1b	-1,128	-2,223	0
Sub total Environmental Services	-1,592	-2,602	-146
Cultural Services			
Proposed Savings - see appendix 1a			0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-35	-209	0
Sub total Community & Culture	-35	-209	0
Housing - General Fund			
Proposed Savings - see appendix 1a	-898	-469	-225
Proposed Growth - see appendix 1a	2,996	-163	
Growth funded from topslice	-1,000		
Proposed Savings - see appendix 1b	-1,041	-353	-38
Sub total Housing General Fund	57	-985	-263
Total Community	-1,570	-3,796	-409

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

RESOURCES & COMMERCIAL			
	2017/18	2018/19	2019/20
	£000	£000	£000
Resources & Commercial			
Proposed Savings - see appendix 1a	-724	-157	-150
Proposed Growth - see appendix 1a	734		
Proposed Savings - see appendix 1b	-1,117	-1,970	0
Total Resources & Commercial	-1,107	-2,127	-150

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

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

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

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

CABINET

16 FEBRUARY 2017

Record of decisions taken at the meeting held on Thursday 16 February 2017.

Present:

Chair: * Councillor Sachin Shah

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* David Perry
* Keith Ferry	* Kiran Ramchandani
* Glen Hearnden	* Mrs Christine Robson
* Graham Henson	* Adam Swersky

Non-Executive Member: * David Perry

In attendance:

Richard Almond	Minute 502
Susan Hall	Minute 502
Ameet Jogia	Minute 502
Barry Kendler	Minute 502

* Denotes Member present

RECOMMENDED ITEMS

506. Final Revenue Budget 2017/18 and Medium Term Financial Strategy 2017/18 to 2019/20

Having noted the tabled comments from the Employees' Consultative Forum, it was

Resolved to RECOMMEND: (to Council)

That

- (1) whilst being mindful of the results of the various consultations and equality impact assessments, the 2017/18 budget be approved to enable the Council Tax for 2017/18 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 2017/18 Schools' Budget as set out in Appendix 6 to the report be approved;
- (4) the 2017/18 Members' Allowance Scheme at Appendix 12 to the report be approved;
- (5) the 2017/18 Annual Pay Policy Statement at Appendix 13 to the report be approved;
- (6) the Capital Receipts Flexibility Strategy at Appendix 15 to the report be approved.

RESOLVED: That

- (1) the current savings of £8.043m in 2018/19 be developed and the remaining budget gap of £8.998m for 2019/20, table 4 of the report refers, be noted;
- (2) the intention to increase Council Tax by 1.99% in 2017/18, paragraph 1.18 of the report refers, be noted;
- (3) the intention to increase Council Tax by 3% in 2017/18 in respect of the Adult Social Care Precept, paragraph 1.18 of the report refers, be noted;
- (4) the 2017/18 Public Health Budget, as set out in Appendix 7 to the report, be noted;
- (5) the sum of the Better Care Funding to be received by the Council in 2017/18, paragraph 1.42 of the report refers, be noted;
- (6) the comments from the various stakeholder meetings, appendix 14 to the report refers, including those from the Employees' Consultative Forum tabled at the meeting, be noted;
- (7) the Director of Finance, following consultation with the Portfolio Holder for Finance and Commercialisation, be authorised to update the 2017/18 Budget after the final Local Government Settlement was announced if changes were required, paragraph 1.29 of the report refers.

Reason for Decision: To ensure that the Council set a balanced budget for 2017/18.

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 and where the decision is noted.]

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MEDIUM TERM FINANCIAL STRATEGY 2017/18 to 2019/20

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Budget Requirement Brought Forward		164,987	164,804	157,973
Corporate & Technical		-638	17,134	8,941
People		3,629	-7,999	-4,340
Community		-1,570	-3,796	-409
Resources & Commercial		-1,107	-2,127	-150
Regeneration		-147	0	0
Pan Organisation		-350	-2,000	0
Total		-183	1,212	4,042
FUNDING GAP		0	-8,043	-8,998
Total Change in Budget Requirement		-183	-6,831	-4,956
Revised Budget Requirement	164,987	164,804	157,973	153,016
Collection Fund Deficit/-surplus	-3,494	-3,760	0	0
Revenue Support Grant	-21,935	-13,019	-7,332	-1,560
Top Up	-21,113	-21,049	-21,684	-22,392
Retained Non Domestic Rates	-13,189	-14,446	-14,446	-14,446
Amount to be raised from Council Tax	105,256	112,530	114,511	114,618
Council Tax at Band D	£1,283.61	£1,347.66	£1,347.66	£1,347.66
Increase in Council Tax (%)	3.99%	4.99%	0.00%	0.00%
Tax Base	82,000	83,500	84,970	85,050
Collection rate	97.75%	98.00%	98.00%	98.00%
Gross Tax Base	83,887	85,204	86,704	86,786

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Schools Budget 2017-18

Appendix 6

Introduction

1. 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.

DSG settlement 2017-18

2. The 2017-18 DSG is based on the number of pupils on the October 2016 schools census for schools and currently the January 2016 early years census for early years. The total indicative DSG for 2017-18 is £199.019m. Table 1 shows the breakdown DSG across the three blocks. The sections following the table provide a detailed explanation for each funding block.

Table 1 – 2017-18 DSG allocation

Block	GUF*	Pupil No.s	Total £'000
Schools Block - maintained schools and academies	£4,845.80	32,076	£154,910
Schools Block - Education Services Grant			£524
Early Years Block - 3&4 year old grant	£2,918.40 ⁽¹⁾	4,015	£11,719
Early Years Block - 3&4 year old grant add'l 15 hours	£2,918.40 ⁽¹⁾	660	£1,124 ⁽²⁾
Early Years Block - 2 year old grant	£3,374.40 ⁽³⁾	592	£1,997
Early Years Block - Pupil Premium			£96
Early Years Block - Disability Access Fund			£43
High Needs Block			£28,607
Total DSG Allocation 2017-18			£199,019

3. The 2017-18 schools budget was presented to Schools Forum on 17th January 2017. The 2017-18 funding for each block is detailed in Table 2. This was agreed by Schools Forum subject to further analysis of Central spend and ESG.

Table 2 – 2017-18 DSG Blocks

Description	2016-17 pre-recoupment budget	2017-18 proposed budget	Change	2017-18 Allocation
	£'000	£'000	£'000	£'000
Central	£738	£738	£0	£0
Early Years	£11,392	£14,978	£3,586	£14,978
Formula Deficit	-£2,069	-£1,792	£277	£0

Description	2016-17 pre- recoupment budget	2017-18 proposed budget	Change	2017-18 Allocation
	£'000	£'000	£'000	£'000
High Needs	£29,555	£31,250	£1,695	£28,607
Schools	£148,393	£150,738	£2,344	£155,434
Growth Fund - General	£2,502	£2,584	£82	£0
Growth Fund - Early Years	£536	£0	-£536	£0
ESG	£0	£524	£524	£0
Grand Total	£191,048	£199,019	£7,971	£199,019

4. The increase in funding is shown below at Table 3

Table 3 – DSG funding increase 2017-18

Description	£'000
Total DSG 2016-17	£191,048
Total DSG 2017-18	£199,019
Increase	£7,971
Made up of:	
- schools block	£1,246
- early years block	£2,608
- high needs block	£4,162
- induction for NQT	-£45
Total increase	£7,971

Schools block – delegated budget allocated to schools

- It is proposed that the Schools Funding Formula remains largely unchanged with the exception of changes to funding factor values for Income Deprivation Affecting Children Index (IDACI). IDACI is an indication of deprivation which uses location (child's postcode) as the basis of assessing a pupil's level of deprivation. Historically these bandings were ranged Band 6 (being most deprived) down to Band 0 (having no deprivation). In September 2015 a major national re-categorisation of wards took place a new data set derived. The effect of this was that wards were re-evaluated and the impact for London generally was that most wards were re-categorised with lower deprivation than the previous position.
- In 2017-18 a revised data set has been released which aims to smooth out some of the effects of the ward re-categorisation impacts of the previous year's dataset. In order to minimise financial impact to schools it is proposed to change the funding formula factor values.
- 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. In 2016-17 there are 31 schools protected at MFG, 12 schools which gain but

which are capped by 0.8% in order to fund part of the MFG and 9 schools which either gain or reduce but below either cap. The total net MFG is £3.442m.

8. The proposed 2017-18 Schools Funding formula shows an improved position. There will be 23 schools (a reduction of 8) no protected at MFG, 13 schools (an increase of 1) which gain but which will be capped in order to fund part of the MFG and 18 schools (an increase of 9) which either gain or reduce but below either cap. The total net MFG is £2.380m.

Table 4 – 2016-17 and 2017-18 School Funding Formula Factor Values

Factor	Primary	Secondary		Primary	Secondary	
	All	KS3	KS4	All	KS3	KS4
Year	2016-17			2017-18		
Basic Entitlement	£3,268	£3,887	£4,742	£3,268	£3,887	£4,742
Free School Meals	£1,389	£2,645		£1,389	£2,645	
IDACI Band 1	£200	£434		£200	£434	
IDACI Band 2	£280	£607		£280	£607	
IDACI Band 3	£559	£1,058		£559	£1,058	
IDACI Band 4	£700	£1,200		£810	£1,395	
IDACI Band 5	£700	£1,200		£1,139	£1,694	
IDACI Band 6	£1,139	£1,694		£1,139	£1,694	
Looked After Children	£1,974	£1,974		£1,974	£1,974	
English as an Additional Language	£216	£2,962		£216	£2,962	
Mobility	£2,705	£2,422		£2,705	£2,422	
Prior Attainment	£618	£1,392		£618	£1,392	

Formula Deficit

9. In 2016-17 there is a formula deficit of £2.069m. This is being funded by a schools brought forward contingency. In 2017-18 it is anticipated that this figure will reduce to £1.792m (subject to business rate revaluations). This will be funded from the schools brought forward contingency. However, this is the final year that the contingency will be available and therefore any deficits in future years will need to be funded from future DSG allocations.
10. Whilst the MFG is a mandatory factor in the formula there is limited scope to further claw back any further funding through 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.

Early Years Block

11. The DfE carried out a consultation in the Autumn of 2016 on a new Early Years National Funding Formula (EYNFF) for free entitlement nursery places for 3 & 4 year olds. The LA in turn consulted with Harrow early years providers. In 2017-18 the LA will receive funding of £5.12 per hour per participating 3&4 year old equating to £11.717m. Of this, 7% will be retained by the LA to fund central Early Years functions.
12. The outcome of the consultation and the proposed structure of the local Early Years Single Funding Formula (EYSFF) for Cabinet approval is included in another report on this agenda. Subject to this proposal being approved there will be more funding available for early years providers as the proposed maximum hourly funding rate to providers will increase from £4.29 per hour to £4.52 per hour.
13. In addition £96k is available for the Early Years Pupil Premium Grant. 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.
14. Funding for 2 year olds has increased from £5.50 per hour to £5.92.

High Needs Block

15. Whilst there was no opportunity to bid for specific growth for High Needs the DfE have allocated each authority two separate growth funds totalling £761k for Harrow in 2017-18. This is made up as follows:
 - £469k – population based uplift (national total £95.3m)
 - £292k – population growth uplift (national total £34.7m)
16. The DfE undertook a 're-baselining' exercise in 2016-17 to realign funding blocks to reflect anticipated expenditure instead of using historical baselines. This has increased the High Needs Block by £4.2m. Historically this would have had to have been funded by top slicing funding available in the Schools Block.

Other School Budgets

Capital

17. This will continue into 2017-18 although the DfE has yet to confirm the 2017-18 capital allocation.

Pupil Premium

18. Schools will continue to receive the Pupil Premium in respect of pupils who have ever been eligible for Free School Meals in the last 6 years plus Children Looked After continuously for more than 6 months, service children and adoption children. The rates for pupil premium will remain the same as 2016-17.

Universal Infants Free School Meals (UIFSM)

19. The grant for UIFSM continues at a meal rate of £2.30 for the 2017-18 academic year. Further details will be produced later this year.

Year 7 Catch Up

20. This will continue into 2017-18

Primary PE and Sports Premium

21. This will continue into 2017-18.

Education Services Grant (ESG)

22. The ESG allows LAs to carry out duties in respect of **general** duties for maintained schools and **retained** duties for maintained schools, academies and free schools. In March 2016 the Government announced that the ESG would cease. From April to August 2017 the LA will receive a transitional ESG. The **general** funding rate will then be removed from September 2017.

23. In the case of maintained schools the DfE recognise that LAs will need to use other sources to pay for funding for maintained schools and the regulations will be amended to allow LAs to retain some of the schools block funding to cover statutory duties in respect of maintained schools. At its meeting on 18th January 2017 maintained school members agreed to the de-delegation of £9.57 per pupil from the school budgets in 2017-18 to fund the LA in respect of its statutory duties in relation to maintained school.

24. In the case of retained duties for maintained schools, academies and free schools £523k has been transferred into the DSG in 2017-18. The LA can only retain this funding subject to the agreement of all members of Schools Forum. At its meeting on 18th January 2017 Schools Forum requested further information in respect of the anticipated spend of the LA and therefore this funding is still subject to agreement.

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Members' Allowances Scheme**Appendix 12**

1. This scheme shall have effect until 31st March 2018. 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.

Up-rating the Basic and Special Responsibility Allowances

4. The basic allowance and special responsibility allowances may be up-rated 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 2018/19, 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 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 2017 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.

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Harrow Council supports openness and accountability and is pleased to publish its Pay Policy Statement for 2017/18. 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 2017/18.

Update January 2017:

The pay policy statement for 2016/17 was agreed by Cabinet in February 2016. The changes reflected in this 2017/18 pay policy statement are listed below:

- The London Living Wage has increased to £9.75ph and will be implemented in April 2017
- The number of directly employed staff living within a Harrow postcode is 41%
- Harrow Council Staff awards were re-launched in December 2016, details provided
- Update to links embedded in the document to further information

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.

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

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.

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

² Circa 41% of employees have a permanent address with a Harrow postcode according to data held on personal employee files on SAP payroll system

³ London Living Wage is set periodically by the Mayor of London. It was announced that this would rise to £9.75 per hour in October 2016 and will be implemented in April 2017.

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 2016 and are published at:

http://www.harrow.gov.uk/download/downloads/id/9354/salary_scales_april_2016

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://www.harrow.gov.uk/download/downloads/id/9355/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 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:

http://www.harrow.gov.uk/info/200031/data_protection_and_freedom_of_information_foi/1216/local_authorities_data_transparency

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 whom 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.

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:

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.

- 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](#)

In December 2016 the Council relaunched the staff awards to celebrate the successes of our workforce. The scheme allows staff to celebrate their colleagues, nominating them for recognition against our strategic ambition plan and our values. The nominations went to a judging panel consisting of staff, the staff Making A Difference Group, managers and a corporate director. Representatives were from across the organisation. The winners were

awarded with a £250 payment, all of which were funded from donations of our partner organisations.

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 April 2016, an increase of 1% was awarded.

⁵ Joint Negotiating Committee / National Joint Council

The most recent pay agreement increasing pay scales for other non-teaching employees was implemented in April 2016, an increase of 1% was awarded.

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](#)

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

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](#)

Further information on the scheme is published here

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 by email to HR Business Partner: samantha.reilly@harrow.gov.uk

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MEDIUM TERM FINANCIAL STRATEGY 2017/18 to 2019/20

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Budget Requirement Brought Forward		164,987	164,804	157,973
Corporate & Technical		-638	17,134	8,941
People		3,629	-7,999	-4,340
Community		-1,570	-3,796	-409
Resources & Commercial		-1,107	-2,127	-150
Regeneration		-147	0	0
Pan Organisation		-350	-2,000	0
Total		-183	1,212	4,042
FUNDING GAP		0	-8,043	-8,998
Total Change in Budget Requirement		-183	-6,831	-4,956
Revised Budget Requirement	164,987	164,804	157,973	153,016
Collection Fund Deficit/-surplus	-3,494	-3,760	0	0
Revenue Support Grant	-21,935	-13,019	-7,332	-1,560
Top Up	-21,113	-21,049	-21,684	-22,392
Retained Non Domestic Rates	-13,189	-14,446	-14,446	-14,446
Amount to be raised from Council Tax	105,256	112,530	114,511	114,618
Council Tax at Band D	£1,283.61	£1,347.66	£1,347.66	£1,347.66
Increase in Council Tax (%)	3.99%	4.99%	0.00%	0.00%
Tax Base	82,000	83,500	84,970	85,050
Collection rate	97.75%	98.00%	98.00%	98.00%
Gross Tax Base	83,887	85,204	86,704	86,786

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**COUNCIL
23 FEBRUARY 2017**

**CABINET
RECOMMENDATION
(16 FEBRUARY 2017)**

RECOMMENDATION I

**TREASURY MANAGEMENT STRATEGY
STATEMENT INCLUDING
PRUDENTIAL INDICATORS,
MINIMUM REVENUE PROVISION
POLICY STATEMENT AND ANNUAL
INVESTMENT STRATEGY FOR
2017/18**

CABINET

16 FEBRUARY 2017

Record of decisions taken at the meeting held on Thursday 16 February 2017.

Present:

Chair: * Councillor Sachin Shah

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* David Perry
* Keith Ferry	* Kiran Ramchandani
* Glen Hearnden	* Mrs Christine Robson
* Graham Henson	* Adam Swersky

Non-Executive Member: * David Perry

In attendance:

Richard Almond	Minute 502
Susan Hall	Minute 502
Ameet Jogia	Minute 502
Barry Kendler	Minute 502

* Denotes Member present

RECOMMENDED ITEMS

509. Treasury Management Strategy Statement including Prudential Indicators, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2017/18

Resolved to RECOMMEND: (to Council)

That the Treasury Management Strategy (TMS) Statement for 2017/18 be approved, including the:

- Prudential Indicators for 2017/18;

- Minimum Revenue Provision Policy Statement for 2017/18;
- Annual Investment Strategy for 2017/18;
- Increase in investments held over 364 days, paragraph 83 of the report refers.

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.

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

COUNCIL
23 FEBRUARY 2017

CABINET
RECOMMENDATION
(16 FEBRUARY 2017)

RECOMMENDATION I

FINAL CAPITAL PROGRAMME
2017/18 TO 2019/20

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CABINET

16 FEBRUARY 2017

Record of decisions taken at the meeting held on Thursday 16 February 2017.

Present:

Chair: * Councillor Sachin Shah

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* David Perry
* Keith Ferry	* Kiran Ramchandani
* Glen Hearnden	* Mrs Christine Robson
* Graham Henson	* Adam Swersky

Non-Executive Member: * David Perry

In attendance:

Richard Almond	Minute 502
Susan Hall	Minute 502
Ameet Jogia	Minute 502
Barry Kendler	Minute 502

* Denotes Member present

RECOMMENDED ITEMS

508. Final Capital Programme 2017/18 to 2019/20

Resolved to RECOMMEND: (to Council)

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

Reason for Decision: To enable the Council to have an approved Capital Programme for the period 2017/18 to 2019/20.

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 as the decision is reserved to Council.]

Appendix 1

Capital Programme 2017/18 to 2019/20

Project Title	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 Bid Value	External Funding £000	Net Bid Value
Resources and Commercial 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		2,000	3,000		3,000	5,000		5,000	10,000		10,000
Transition and Transformation - Sopra Steria	999		999	193		193			0	1,192		1,192
Sub Total Transformation & Technology	2,999		2,999	3,193		3,193	5,000		5,000	11,192		11,192
Transforming Financial Management												
Enhanced reporting and system integration	250		250							250		250
Property Investment Portfolio												
Acquisition of properties to provide an investment income	5,000		5,000							5,000		5,000
Devolved Applications Refresh -In order to maintain external compliance and to support the deployment of new applications a roadmap has been agreed with Sopra Steria to keep the IT infrastructure up to date. This will result in the need to upgrade line of business applications (owned by the services) in order for them to remain compatible and maintain external compliance.	1,700		1,700	1,700		1,700	1,700		1,700	5,100		5,100
Total Resources and Commercial	9,949	0	9,949	4,893	0	4,893	6,700	0	6,700	21,542	0	21,542
People's 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	250		250	250		250
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 reprieve from Roxborough (£500k) - MCEP (PA_26) - commercialisation - OCEP (PA_27), Community Wrap (PA_28), TCEP (PA_29) - support for exploration of new commercialisation opportunities	2,000		2,000	1,000		1,000	0		0	3,000		3,000

Capital Programme 2017/18 to 2019/20

Appendix 1

Project Title	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 Bid Value	External Funding £000	Net Bid Value
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 re-provision proposals	100	0	100	0	0	0	0	0	0	100	0	100
Sancroft Care Home - This proposal is to enhance the provision of the Sancroft Care Home, which will secure the availability of beds to the Council and offer the flexibility to incorporate more beds. This will reduce the pressure on the purchasing budget. The Council has received £1.452m over the last three years for Community Capacity, which has not been utilised at present and which is being held in case the costs exceed £5.1m. If this is the case, the capital budget can be increased by the sum of £1.452m. If costs are contained at £5.1m the grant will still be applied to reduce borrowing costs.	5,100	0	5,100				5,100	0		5,100	0	5,100
Mentis Pilot – An Integrated & Holistic Approach to Dementia Care. This project is placeholder as this is subject to the development of a full business case (including confirmation of reconfiguration works to existing ASC premises) and is the subject of a bid for NWL STP Transformation Funding. Harrow will utilise an existing building (Milmans) to pilot the dementia hub. Capital investment is needed to convert and adapt the building to deliver the aspirations of the Mentis Project.	250		250				250			250	0	250
Total Adults	7,450	0	7,450	1,000	0	1,000	250	0	250	8,700	0	8,700
Schools												
SEN Expansion There is pressure for special educational needs (SEN) provision places, which will be alleviated 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.	1,560		1,560	2,520	2,520	0	4,080	0	0	2,520	2,520	1,560

Capital Programme 2017/18 to 2019/20

Appendix 1

Project Title	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 Bid Value	External Funding £000	Net Bid Value
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	150		150	150		150	450	0	450
Children's Capital Maintenance Programme Proactive and reactive programme of maintenance across the schools estate	1,350	1,350	0	1,350		1,350	1,350		1,350	4,050	1,350	2,700
Capital Maintenance funding estimate 2018-19 'Estimated allocation for Capital Maintenance to contribute to schools capital programme for 2018-19			0		2,000	-2,000			0	0	2,000	-2,000
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.	1,000	197	803	0		0			0	1,000	197	803
Primary Expansion Phase 3 - 5 schools Phase 3 will deliver 5 additional Reception forms of entry by September 2016 at expanded schools.	3,180	150	3,030			0			0	3,180	150	3,030
Secondary Expansion The 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.	2,625	-2,625	5,250	3,650		3,650	5,250		2,625	11,525	0	11,525
Total Schools	9,865	-928	10,793	7,670	4,520	3,150	6,750	2,625	4,125	24,285	6,217	18,068
Total People directorate	17,315	-928	18,243	8,670	4,520	4,150	7,000	2,625	4,375	32,985	6,217	26,768

Capital Programme 2017/18 to 2019/20

Appendix 1

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	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
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	900	0	900
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	600	0	600
Highway Programme Renewal and replacement of highways and footways.	6,900	2,400	4,500	7,100	2,400	4,700	4,400		4,400	18,400	4,800	13,600
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	600	0	600
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.	2,300	2,000	300	2,300	2,000	300	2,300	2,000	300	6,900	6,000	900
Parks Infrastructure Prioritise parks infrastructure which are most in need of repair in order to provide safe access and use of facilities for all.	875		875	675		675	675		675	2,225	0	2,225
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	1,000		1,000	5,500	0	5,500
Corporate Accommodation Improvements to corporate buildings to provide a safe and secure environment in which to operate its business.	255		255	155		155	55		55	465	0	465
High Priority Planned Maintenance Improvements to corporate properties (excluding schools) to ensure that they are in a safe condition for occupants.	400		400	600		600	600		600	1,600	0	1,600
Carbon Reduction Provision of retro-fit energy efficiency measures in corporate buildings.	300		300	100		100	100		100	500	0	500
Replacement of Parks litter bins	65		65	65		65	0		0	130	0	130

Capital Programme 2017/18 to 2019/20

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Green Grid Programme Improvements to Harrow's green infrastructure to provide a network of interlinked and multifunctional open spaces.	150	0	150	150	0	150	150	0	150	450	0	450
Harrow on the Hill Station Improvements to the station and surrounding area to create step free access	12,000	12,000	0	11,000	8,000	3,000			0	23,000	20,000	3,000
Green Gym / Play Equipment Installation of outdoor gym equipment within parks to promote health and well being.	50		50	50		50			50	150	0	150
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			50	350	0	350
Purchase of Trade Waste Bins Purchase of bins to support expansion of business as part of Project Phoenix	200		200	100		100			100	400	0	400
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	60	0	60

Capital Programme 2017/18 to 2019/20

Appendix 1

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	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
<p>Street Litter Bins: This funding is to support the provision and replacement of adequate numbers of on street litter bins, creating an environment where there are adequate numbers of bins provided to meet demand. The project would ensure that:</p> <ul style="list-style-type: none"> • litter bins are of a consistent design • litter bins are fit for purpose and in an appropriate condition • the placement requirements for litter bins are reviewed so they are provided in the correct locations, particularly around <ol style="list-style-type: none"> i. Commercial & retail areas ii. Other areas of high footfall, such as transport hubs, and through routes iii. Main routes to schools iv. Secondary routes to schools v. Areas where people congregate, such as bus stops or on street benches <p>The project would also allow for consideration of provision of bins to support 'recycling on the go' where appropriate</p>	300		300	300		300	900	0	900
<p>Depot redevelopment - this proposal is to redevelop the Central depot to consolidate and intensify the existing site (This will be subject to a business case and separate Cabinet report).</p>	5,260		5,260	13,110		5,830	24,200	0	24,200
<p>Redevelopment of Vernon Lodge - roof works. The roof works will only be committed to once it has been agreed that there is no alternative use proposed for the site.</p>	750		750	0		0	750	0	750
Total Environmental Services	33,675	16,400	17,275	38,075	12,400	25,675	88,080	2,000	57,280
Community & Culture									

Capital Programme 2017/18 to 2019/20

Appendix 1

Project Title	2017/18			2018/19			2019/20			TOTAL		
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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	150		150	460		460	150		150	760		760
Central Library Refit & Library Refurbishments - As part of the town centre regeneration scheme on College Road, majority of funding will come from CIL.				500		500				500		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.	806	806	0	142	142	0				948	948	0
Bannister Sports Centre (S106)	50	50	0	904	904	0				954	954	0
Central Library Refit & Library Refurbishments - As part of the town centre regeneration scheme on College Road, majority of funding will come from CIL.				300		300	1,000		1,000	1,300		1,300
Harrow Arts Centre CB9 - roof repairs	1,470		1,470	77		77	53		53	1,600		1,600
Total Community & Culture	2,476	856	1,620	2,383	1,046	1,337	1,203	0	1,203	6,062	1,902	4,160
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	4,500	1,950	2,550
Improvement Grants - Grants to private landlords to improve the condition of their properties, generally in exchange for a lease agreement	70		70	70		70	70		70	210		210
Empty Properties Grants - Grants to help bring empty properties back into use, generally in exchange for nomination rights for a period of time	250		250	250		250	250		250	750		750

Capital Programme 2017/18 to 2019/20

Appendix 1

Project Title	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 Bid Value	External Funding £000	Net Bid Value
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.	7,500		7,500				7,500		7,500
Better Care Fund - Disabled Facilities Grant CB 10- Grants to fund adaptations to private properties to help enable residents to remain in their existing homes - Includes assumed use of additional DFG grant to fund additional works - no net cost to the Council as additional works grant funded. Linked to income generation proposal for Home Improvement Agency.	530	530	0	530	530	0	1,590	1,590	0
Empty Properties Grants - Grants to help bring empty properties back into use, generally in exchange for nomination rights for a period of time	200		200				200		200
Empty Property Initiative - to bring empty/vacant property into use which may require Compulsory Purchase Order. The intention being to purchase property and then re-sell.	30		30	746		746	776		776
New Bid - Extension to Property Purchase Initiative - funding for the purchase of an additional 50 properties on the open market for the council to use as Temporary accommodation; providing good quality temporary accommodation and reducing the overall net cost to the Council of B & B accommodation	9,000		9,000	6,000		6,000	15,000		15,000
Total Housing General Fund	19,080	1,180	17,900	9,096	1,180	7,916	30,526	3,540	26,986
Total Community Directorate	55,231	18,436	36,795	49,554	14,626	34,928	124,668	36,242	88,426
Regeneration									
Regeneration programme - feasibility work to develop options for taking forward regeneration sites.	250		250	250		250	500		500
Feasibility, design and land assembly for regeneration sites	24,075		24,075				24,075		24,075

Capital Programme 2017/18 to 2019/20

Appendix 1

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Addition as Per Cabinet Report in May 2016 (May Council) and January 2017 (Feb Council)	21,805		21,805	197,620		197,620	81,638		81,638	301,063		301,063
Total Regeneration	46,130	0	46,130	197,870	0	197,870	81,638	0	81,638	325,638	0	325,638
Total General Fund	128,625	17,508	111,117	260,987	19,146	241,841	115,221	5,805	109,416	504,833	42,459	462,374
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	9,139		9,139	8,639		8,639	8,639		8,639	26,417		26,417
Homes For Harrow HRA infill development programme	6,099		6,099							6,099		6,099
Total HRA	15,238		15,238	8,639		8,639	8,639		8,639	32,516		32,516
Total General Fund + HRA	143,863	17,508	126,355	269,626	19,146	250,480	123,860	5,805	118,055	537,349	42,459	494,890

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**COUNCIL
23 FEBRUARY 2017**

**CABINET
RECOMMENDATION
(16 FEBRUARY 2017)**

RECOMMENDATION I

**HOUSING REVENUE ACCOUNT
BUDGET AND MEDIUM TERM
FINANCIAL STRATEGY 2017/18 TO
2019/20**

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CABINET

16 FEBRUARY 2017

Record of decisions taken at the meeting held on Thursday 16 February 2017.

Present:

Chair: * Councillor Sachin Shah

Councillors:

* Sue Anderson	* Varsha Parmar
* Simon Brown	* David Perry
* Keith Ferry	* Kiran Ramchandani
* Glen Hearnden	* Mrs Christine Robson
* Graham Henson	* Adam Swersky

Non-Executive Member: * David Perry

In attendance:	Richard Almond	Minute 502
	Susan Hall	Minute 502
	Ameet Jogia	Minute 502
	Barry Kendler	Minute 502

* Denotes Member present

RECOMMENDED ITEMS

507. Housing Revenue Account Budget and Medium Term Financial Strategy 2017-18 to 2019-20

Resolved to RECOMMEND: (to Council)

That

(1) the Housing Revenue Account (HRA) Budget for 2017-18 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, as attached in Appendix 1 to the report, be approved;
- (2) the proposed average rent of £112.99 per week for 2017-18, representing a decrease of 1% in average rent from the 2016-17 figure in line with the Welfare Reform and Work Act 2016 be approved;
- (3) an average tenant service charge of £3.01 per week, an increase of 2%, as set out in Appendix 2 to the report, be approved;
- (4) that garage and car parking rents/charges be frozen for a further year pending finalisation of a usage and differential charging policy, Appendix 3 to the report refers;
- (5) an increase in energy (heating) charges of 4% from 1 April 2017, as detailed in Appendix 4 to the report, be approved;
- (6) an increase in annual water charges of 4%, as detailed in Appendix 5 to the report, be approved;
- (7) increases in Community Centre hire charges of 4%, as set out in Appendix 6 to the report, be approved;
- (8) the three year Capital Programme, set out in Appendix 7 to the report, be approved.

Reason for Decision: To recommend the HRA budget for 2017-18 and MTFS.

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 and where the decision is noted.]

HRA Budget 2017-18 and MTF5 2018-19 to 2019-20 – Expenditure

All figures in £s	Budget 2017-18	Budget 2018-19	Budget 2019-20
Operating Expenditure:			
Employee Costs	2,810,620	2,851,070	2,892,250
Supplies & Services	973,690	862,870	862,870
Utility cost	550,860	561,870	573,110
Estate & Sheltered Services	3,139,980	3,169,880	3,200,950
Central Recharges	3,700,270	3,767,610	3,836,180
Operating Expenditure	11,175,420	11,213,300	11,365,360
Repairs Expenditure:			
Repairs - Voids	1,375,990	1,375,990	1,375,990
Repairs - Responsive	3,611,060	3,620,420	3,629,980
Repairs – Other	2,433,020	2,451,390	2,470,100
Repairs Expenditure	7,420,070	7,447,800	7,476,070
Other Expenditure:			
Contingency - General	200,000	200,000	200,000
Investment in Services	200,000	200,000	200,000
Bad debt provision	250,000	250,000	250,000
RCCO	0	1,481,510	0
Affordable Housing	250,760	254,590	258,490
Grants to Move	164,610	162,870	162,870
Charges for Capital	6,469,410	6,515,550	6,515,550
Depreciation	7,313,600	7,320,920	7,291,620
Hardship Fund	100,000	100,000	100,000
Savings	0	(300,000)	(850,000)
Other Expenditure	14,948,380	16,185,440	14,128,530
Total Expenditure	33,543,870	34,846,540	32,969,960

HRA Budget 2017-18 and MTFS 2018-19 to 2019-20 – Income

All figures in £s	Budget 2017-18	Budget 2018-19	Budget 2019-20
Income			
Rent Income – Dwellings	(28,426,630)	(28,259,680)	(28,409,790)
Rent Income – Non Dwellings	(584,750)	(587,250)	(589,840)
Service Charges - Tenants	(1,499,530)	(1,515,200)	(1,543,790)
Service Charges – Leaseholders	(613,220)	(622,840)	(632,830)
Facility Charges	(656,800)	(683,070)	(710,400)
Interest	(3,100)	(2,600)	(2,100)
Other Income	(106,390)	(106,390)	(106,390)
Recharge to General Fund	(165,650)	(165,650)	(165,650)
Total Income	(32,056,070)	(31,942,680)	(32,160,790)
In Year Deficit / (Surplus)	1,487,800	2,903,860	809,170
BALANCE brought forward	(6,244,630)	(4,756,830)	(1,852,970)
BALANCE carried forward	(4,756,830)	(1,852,970)	(1,043,800)

APPENDIX VII**HRA Capital Programme****Appendix 7**

Budget Description	2017/18	2018/19	2019/20
	£	£	£
Internal Works	3,000,000	3,000,000	3,000,000
External Works	5,701,120	3,028,120	3,028,120
M & E	920,000	920,000	920,000
Garages	61,500	61,500	61,500
Aids and Adaptations	615,000	615,000	615,000
Capitalisation Responsive Repairs	142,500	142,500	142,500
Capitalised Salaries	317,000	317,000	317,000
Develop Wider Housing Initiatives Pot	555,000	555,000	555,000
HRA Capital Investment	11,312,120	8,639,120	8,639,120
Grange Farm	6,748,000	-	-
Affordable Housing Phase 1	6,386,000	-	-
Affordable Housing Phase 2	3,724,130	2,374,000	-
Total Homes for Harrow	16,858,130	2,374,000	-
Total HRA Capital Programme	28,170,250	11,013,120	8,639,120

The 2017-18 budget for the main HRA Capital investment programme includes £2,173,000 re-phasings. The 2017-18 & 2018-19 budget for Homes-4-Harrow include re-phasings of £13,133,000 made up of £6,748,000 for Grange Farm regeneration scheme and £6,385,000 for the Infill programme.

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By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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