

## **Council (Council Tax)**

**Thursday 25 February 2021**

### **Index of Tabled Documents/Information**

<b>Item on Summons</b>	<b>Document/Subject</b>	<b>Document Pages</b>
5.	<b>Public Questions</b> One public question is attached.	3 - 4
8.	<b>Final Revenue Budget 2021/22 and Medium Term Financial Strategy 2021/22 - 2023/24</b> An amendment from the Conservative Group is attached.	5 - 12

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**LONDON BOROUGH OF HARROW**

**COUNCIL MEETING -**

**25 February 2021**

**QUESTION WITH NOTICE**

A period of up to 15 minutes is allowed for the asking of written questions by members of the public of a Member of the Executive or the Chair of any Committee.

**Questioner: Mr Raj Adatia**

**Asked of: Councillor Adam Swersky (Portfolio Holder for Finance and Resources)**

**Question 1:**

"Do you believe Harrow Council responds to and resolves resident queries in a timely manner?"

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By amending this budget, we are not endorsing Labour's financial blueprint for Harrow or that we accept a number of the assumptions and decisions built into their budget. However, we present this to demonstrate how better choices can be made to deliver for the residents of Harrow.

In the last year, Covid-19 has had a devastating effect on our country, our communities, and our families. We accept that, while the Council has received considerable funding from central government to support the local authority during the pandemic, that finances have become very tight. Even so, we have been able to identify funds which should be spent elsewhere as well as utilising our reserves.

The Harrow Conservative Group proposes this amendment to the budget (as set out in table one, appendix one) so that we have a budget that delivers on what matters to Harrow's residents.

- By using funds already raised from prosecuting illegal developments and planning breaches, **we will create a Planning Enforcement Taskforce, which will specifically target illegal HMOs and beds-in-sheds** in the borough.
- By utilising funds from obsolete reserves, **we will invest in a 'Street Cleaning Taskforce', helping to fight the blight of fly-tipping which is affecting Harrow.**
- It has become clear that Harrow Council's LTN roadblocks have failed and resulted in increased stress for local people. Rather than fund Labour's expensive and complex 'big brother' style ANPR cameras, **we will invest in the installation of traffic calming measures as well as enforcing more 20mph speed limits.** This will replace the LTNs, creating quieter, safe streets while not blocking up Harrow's highways.
- In order to help local businesses to get back on their feet as we recover from the Covid epidemic, **we are proposing an increase in free parking from 20 minutes to 60 minutes throughout the borough for one year.** This will allow residents to park and shop, go to the bank, or the Post Office for longer, helping support small businesses.
- **Covid-19 has dealt a devastating blow to high streets.** To support Harrow's Town centre and district centres, **we propose investing in infrastructure to improve the ability for street traders to operate as well as facilitating more al fresco dining and a greater café culture.** A rejuvenated and more sociable Town Centre will draw more customers and footfall to the Town Centre, supporting local business and jobs.
- **We propose introducing a free bulk waste collection pilot scheme,** which would remove the charge for collecting items like mattresses and sofas. This will encourage residents to do the right thing and have the Council pick up these items from where they live. We believe this will help reduce fly-tipping throughout the borough. **It is not right that Harrow residents pay one of the highest Council Tax in London** only to be charged again to have their waste collected.
- The proposed budget has a contingency of £1.248 million. If that is unspent at the end of the financial year, we would add that to the General Fund Reserve.

In addition, we propose to combine the numerous, overlapping and separate non-earmarked reserves that have built up and add them to the General Fund Reserve, which will increase from £10 million to over £18 million, and potentially over £19 million.

## Conservative Amendment (Budget)

The Conservatives do not control the Council. These amendments are proposed alterations to the Labour budget from the perspective of an opposition group. In the event the Conservatives take control next year we would introduce significant and far-reaching changes which would improve the quality of life for all. We believe this demonstrates that, even with the limited changes listed above, Harrow's Conservative Councillors will put residents' interests first.

### **Director of Finance (Section 151 Officer) comments:**

I have reviewed the budget amendment proposed by Cllr Osborn and I can confirm that the resources identified to fund the proposals are reasonable. The amendment proposes non recurrent actions over 2021/22 and 2022/23 and has no adverse impact on the estimated budget gap over the MTFS.

The budget amendment is based on prudent costing assumptions, for example the cost of the proposals for 60 minutes free parking and the Bulk Waste Collection Pilot.

I do have to raise the risk around applying the Commercialisation Reserve. In the final 2021/22 Budget Report, approved by Cabinet in February 2021, it was reported that the Commercialisation Reserve was to be consolidated, along with a number of other named non ear marked reserves, into one single Budget Risk Reserve to support the reported budget gap over the MTFS. The Budget Report does acknowledge that the reported gap will be subject to change and is more than likely to reduce as clarity is received around funding from 2022/23. The revenue budget does include a recurrent contingency for unforeseen items (£1.248m). As recent budgets have made all efforts to fund all growth requirements and legislative changes, this contingency has not been applied in full in recent years. Therefore, the proposal to use the Commercialisation Reserve to fund the budget amendment and add any underspend against the recurrent contingency for unforeseen items into General Fund Reserve is reasonable and I can support this.

The proposal to combine non ear marked and general fund reserves is a reasonable proposal and I can support this.

***D Calvert – Director of Finance and Assurance (S151 Officer) 25 February 2021***

Proposed by Councillor Paul Osborn

Seconded by Councillor Pritesh Patel

**Appendix One**

**Table One**

<b>Budget Savings</b>			
<b>Project/Scheme</b>	<b>2021/22</b>	<b>2022/23</b>	
ANPR Cameras (Capital)	£ 156,640	0	
ANPR Cameras Operational Cost (Revenue)	£ 78,885	£	93,434
<b>Total Savings</b>	£ 235,525	£	93,434

<b>Draw Down from Reserves</b>			
<b>Reserve</b>	<b>2021/22</b>	<b>2022/23</b>	
Proceeds of Crime Reserve Planning (Earmarked)*	£163,275	£163,275	
Commercialisation Reserve (Non-Earmarked)	£1,027,773	£237,000	
<b>Total Draw Down from Reserves</b>	£1,191,048	£400,275	

\*=This reserve can only be used on planning €

<b>Total Savings and Draw Down from Reserves</b>	£ 1,426,573	£	493,709
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<b>Budget Redistributions</b>			
<b>Scheme</b>	<b>2021/22</b>	<b>2022/23</b>	
Planning Enforcement Taskforce (Beds-in-sheds & illegal HMOs)	£163,275	£163,275	
Street Cleaning Task Force	£237,000	£237,000	
Removal and Replacement of LTNs with Traffic Calming (Capital)	£156,640	£0	
Enforcement of 20mph speed limits (Revenue)	£78,885	£93,434	
Increase free car parking from 20 mins to 60 mins	£247,590	£0	
St Ann's Road Infrastructure - Connectivity	£120,000	£0	
St Ann's Road Infrastructure - Al Fresco Dining & Café Culture	£100,000	£0	
District Centres post-Covid Improvements	£120,000	£0	
Bulk Waste Collection Pilot	£200,000	£0	

\*= The funding for the Planning enforcement t

	<b>2021/22</b>	<b>2022/23</b>	
<b>Total Capital Redistributions</b>	£156,640	£0	
<b>Total Revenue Redistributions</b>	£1,266,750	£493,709	
<b>Total Budget Redistributions</b>	<b>£1,423,390</b>	<b>£493,709</b>	

	2021/22	2022/23
Surplus/Deficit	£3,183	£0

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askforce comes solely from the Proceeds of Crime Reserve Planning.

**Table two**

<b>Current Non-Earmarked Reserves Structure</b>		
<b>Reserve Name</b>	<b>Balance as at 01/04/21</b>	
	<b>Balance as at 01/04/20</b>	<b>(after budget application)</b>
<b>Business Risk Reserve</b>	£7,526,000	£2,774,000
<b>Budget Planning Reserve</b>	£2,628,689	£2,628,689
<b>Children's Social Care Reserve</b>	£2,286,000	£100,000.00
<b>Capacity Building/Transformation reserve</b>	£3,221,091	£1,257,091
<b>MTFS Implementation Reserve</b>	£1,775,209.00	£1,425,526
<b>Commercialisation Reserve</b>	£1,264,773	£0
<b>Total</b>	<b>£18,701,762</b>	<b>£8,185,306</b>

<b>General Fund Reserves</b>	£10,000,000	£10,000,000
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<b>Amended Reserve Structure</b>	
<b>Reserve Name</b>	<b>Balance as at 01/04/21 (after budget application)</b>
<b>General Fund</b>	£18,185,306
<b>Total</b>	£18,185,306*

\*= All Non-Earmarked reserves consolidated into one fund, the General Reserve. Except for Commercialisation Reserve, which will be used for one off investments.

## Appendix Two - Costings

### Street Cleaning Taskforce

Annual cost for a 7.5tonne vehicle: £65,400  
 Annual cost of an enforcement officer: £57,200  
 Annual cost of a 3-person crew: £114,400

We have funded this initiative for a period of two years. If this taskforce continues beyond that, further funding would be required.

### Increase Free Car Parking from 20mins to 60mins

The free 20 mins to become free 60 mins									
	5%	10%	15%	20%	25%	30%	35%	40%	45%
Scenario	Less Paid tickets issued								
Reduction in the number of paid tickets	28,130	56,260	84,390	112,519	140,649	168,779	196,909	225,039	253,169
Potential loss of P&D income	£30,949	£61,898	£92,846	£123,795	£154,744	£185,693	£216,641	£247,590	£278,539

We are assuming a 40% loss in income if one-hour free car parking was introduced. The section 151 officer has indicated that the income might only decline by 10%, we have decided to opt for the more prudent approach.

### Bulk Waste Collection Pilot

Current Budget income from Bulky Household waste collection is £130,000 per year. We have added another £70,000 to allow for increased demand.

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