

# **Harrow Business Consultative Panel**

## **AGENDA**

**DATE:** Monday 20 January 2014

**TIME:** 7.30 pm

**VENUE:** Committee Rooms 1 & 2,  
Harrow Civic Centre

### **MEMBERSHIP** (Quorum 3)

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**Chairman:** Councillor Kam Chana

**Councillors:**

Susan Hall

Keith Ferry  
Ajay Maru

### **Reserve Members:**

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1. Yogesh Teli
2. John Nickolay

1. Bill Phillips
2. Sasi Suresh

**Contact:** Vishal Seegoolam, Senior Democratic Services Officer  
Tel: 020 8424 1883 E-mail: [vishal.seegoolam@harrow.gov.uk](mailto:vishal.seegoolam@harrow.gov.uk)

# **AGENDA - PART I**

## **1. ATTENDANCE BY RESERVE MEMBERS**

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) the meeting notes at the start of the meeting at the item 'Reserves' that the Reserve Member is or will be attending as a reserve;
- (iv) if a Reserve Member whose intention to attend has been noted arrives after the commencement of the meeting, then that Reserve Member can only act as a Member from the start of the next item of business on the agenda after his/her arrival.

## **2. DECLARATIONS OF INTEREST**

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Panel;
- (b) all other Members present.

## **3. APPOINTMENT OF VICE-CHAIRMAN**

To appoint a Vice-Chairman for the remainder of the Municipal Year 2013/14.

## **4. MINUTES (Pages 1 - 8)**

That the minutes of the meeting held on 28 January 2013 be taken as read and signed as a correct record.

## **5. PUBLIC QUESTIONS \***

To receive any public questions received in accordance with Executive Procedure Rule 50 (Part 4D of the Constitution).

Questions will be asked in the order notice of them was received and there be a time limit of 15 minutes.

**[The deadline for receipt of public questions is 3.00 pm, Wednesday 15 January 2014. Questions should be sent to [publicquestions@harrow.gov.uk](mailto:publicquestions@harrow.gov.uk)**

**No person may submit more than one question].**

## **6. PETITIONS**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 48 (Part 4D of the Constitution).

## **7. DEPUTATIONS**

To receive deputations (if any) under the provisions of Executive Procedure Rule 49 (Part 4D of the Constitution).

## **8. INFORMATION REPORT - DRAFT REVENUE BUDGET 2014/15, MEDIUM TERM FINANCIAL STRATEGY 2014/15 TO 2016/17 AND CAPITAL PROGRAMME 2014/15 TO 2017/18 (Pages 9 - 106)**

Report of the Director of Finance and Assurance.

## **9. ANY OTHER URGENT BUSINESS**

Which cannot otherwise be dealt with.

## **AGENDA - PART II - NIL**

### **\* DATA PROTECTION ACT NOTICE**

The Council will audio record item 5 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

[**Note:** The questions and answers will not be reproduced in the minutes.]

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# HARROW BUSINESS CONSULTATIVE PANEL MINUTES

## 28 JANUARY 2013

**Chairman:** \* Councillor Keith Ferry

**Councillors:** \* Kam Chana \* Ajay Maru  
\* Susan Hall

\* Denotes Member present

### 16. Welcome

The Chair welcomed Mr Eric Diamond, from North West London Chamber of Commerce and Mrs Elizabeth Thorpe, a business owner in Harrow, to the meeting.

### 17. Attendance by Reserve Members

**RESOLVED:** To note that there were no Reserve Members in attendance.

### 18. Declarations of Interest

Agenda Item 8 – Information Report – Draft Revenue Budget and Medium Term Financial Strategy 2013-14 to 2016-17

Councillors Keith Ferry, Susan Hall and Ajay Maru declared non-pecuniary interests in that they were business owners in Harrow. They would remain in the room whilst the item were discussed and voted upon.

### 19. Appointment of Vice-Chairman

**RESOLVED:** To appoint Councillor Ajay Maru as Vice-Chairman of the Panel for the remainder of the 2012/13 Municipal Year.

## 20. Minutes

**RESOLVED:** That the minutes of the meeting held on 23 January 2012, be taken as read and signed as a correct record.

## 21. Public Questions, Petitions and Deputations

**RESOLVED:** To note that no public questions were put, or petitions or deputations received at this meeting.

## RESOLVED ITEMS

## 22. INFORMATION REPORT - Draft Revenue Budget and Medium Term Financial Strategy 2013-14 to 2016-17

The Panel received a report setting out the Council's proposals for the budget and Medium Term Financial Strategy 2013-14 to 2016-17 and also the Draft Capital Programme 2013-14 to 2016-17 for consultation.

The Corporate Director of Resources conducted a presentation which consisted of several themes.

### Revenue Budget

The Corporate Director of Resources reported that:

- the Comprehensive Spending Review in 2010 had been the most challenging funding settlement in decades;
- the Council had been required to make a 28% cut in its controllable budget over 4 years;
- several more years of reductions to the Council's budget were expected;
- the Council were experiencing growth pressures including demographic changes impacting on social care and school places;
- there was a historically low level of grant funding provided to the Council;
- under funded services had recently been transferred to the Council including Council Tax Support and Social Funds, adding further pressure to the Council's budget;
- the proposed budget had been guided by the Corporate Priorities. In addition to this the budget reflected 5 key principles which included continuing to make savings in the civic centre and ensuring the services residents cared about were protected from drastic cuts;

- as it currently stood, the Council had a funding gap of £5.2 million for 2013-14 and £3.3 million for 2014-15. However for the following 2 years after this, the funding gap increased significantly;
- the draft Budget requirement for 2013-14 was approximately £181 million. This figure took into account budget pressures, technical changes and an increase in Council Tax;
- some of the budget pressures included a reduction in Government Grants by £8.5 million, a contingency of £1 million and an extra £1 million to deal with anticipated homelessness;
- some of the budget reductions included a reduction in Adults Contract Management by £1.3million and a reduction as part of the PRISM project by £1.5 million;
- the impacts for businesses arising from the budget included an aspiration for discounted on street parking and a linked Harrow Card which also offered promotions with local traders. The impacts also included further town centre regeneration, investment in highways and continued employment programmes.

During the discussion on this item, Members of the Panel elaborated on the proposal to introduce the Harrow Card. The Chair explained that following consultation, a large number of businesses in the borough had expressed their concern at unequal on-street parking regimes in the Council. These businesses had expressed that a fairer system was required and that shoppers should be able to park for an initial period of 15-20 minutes without charge. The card could also offer promotions for shoppers from traders. The Harrow Card would operate using smart card technology and parking meters within the borough would need to be upgraded. The Harrow Card could be sold and priced between £5 to £10. A Card could last for 3 years. It was expected that 20 to 30,000 residents would initially sign up to obtain a Harrow Card. The London Borough of Hillingdon had successfully implemented this scheme and the Council's model of delivery would be based on their model. It was estimated that the provision of free on-street parking for 20 minutes could mean that approximately £200,000 to £500,000 could be lost in revenue as a result, although Members believed the figure of £200,000 to be more accurate. Despite this, it was believed that the proposal would provide enormous benefits for Harrow businesses and residents.

A Member of the Panel expressed her concern at the proposed scheme. She expressed that in light of the difficult financial climate, the implementation of this scheme was ill advised. She expressed that a Harrow Card would not be for the benefit of all Harrow residents, depending on their circumstances. If only a small amount of residents applied for the Harrow Card, it would provide them with unfair preference. She also believed that the implementation of this scheme would mean money would not be spent in other areas and could potentially affect the poorest residents within the borough. The Member wished to be recorded that in her view the scheme was foolish and had not been planned correctly.

In response to the concerns and other questions raised, the Chair commented that the implementation of the scheme was a direct result of listening to the outcome of consultation with businesses and shoppers. Proven technology was being utilised and Hillingdon had been able to successfully implement the system. The proposal was a risk the Council was willing to take due to the benefits involved and parking revenues could actually increase. Maintenance costs for parking meters would also be reduced as they would involve electronic contactless readers which were less likely to break down. The scheme would simplify and make current parking charges fairer and more consistent by introducing a zonal system for parking. This would alter depending on whether it was on street parking, or parking in the town or district centre. It was hoped that the scheme would be implemented by mid 2013.

The Corporate Director of Resources explained that the budget had been designed to expect a 'worst case' scenario and the implementation of the scheme was subject to the Business Case and would be regularly monitored in terms of cost. The implementation of the scheme could always be halted, if decided by Members at a later stage.

Another officer reported that the consultation had been comprehensive and professionally conducted. An organisation had been commissioned to conduct a survey with businesses across Harrow and had received approximately 230 completed questionnaires. Within this questionnaire most businesses had stated that parking for their customers was their biggest issue. Another organisation had also been commissioned to conduct a survey with shoppers. The first issue for them was the shopping offer within a shopping centre. Their second biggest issue was related to the cost of parking. Of the shoppers surveyed nearly one third said they were prepared to pay £10 or more for a Harrow Card.

The representatives from the business sector commented that a petition had been presented to the Council in 2010 from residents within Pinner requesting a reduction in the cost of parking around Pinner. This proposed scheme was therefore welcomed. Another representative also commented that the Council should look for sponsors in relation to the Harrow Card.

The representatives also commented that on a more general point there was a lack of parking spaces for new developments. The Chair commented that parking was an issue which was specifically constrained by the London Plan.

A Member of the Panel also expressed her concern that money was being taken out of Public Realm services as part of the budget proposals. She was concerned that district centres would not be cleaned as much as the Town Centre and would cause more litter to be present within the borough generally. In her view this would result in more criminality and ultimately affect businesses. The Member also commented that the money being withdrawn from Public Realm Services would not cost as much as the implementation of the Harrow Card. The Chair responded by stating that the regeneration of the Town Centre meant that it would be required to be



cleaned less as there would be machinery involved rather than cleaning by hand.

The Member of the Panel also commented that as part of the budget proposals Trade Waste would no longer be collected by the Council. In her view this was a disappointing decision. The Chair responded by stating that the Council lost approximately £130,000 a year in collecting Trade Waste and that this had to be addressed. Looking at how other large companies dealt with Trade Waste could be investigated. The Chair named an independent organisation that could dispose of Trade Waste at a reduced cost.

### Capital Programme

The Corporate Director of Resources presented information relating to the Council's Capital Programme. The Corporate Director explained that the Council was facing a curtailment of costs. The planned Capital Programme involved spending on IT infrastructure, Schools and investment in the Town Centre.

In response to a question by a Member of the Panel, the Corporate Director responded that if schools became academies the Council entered into a long lease with the school for its assets. The school then took on full responsibilities in relation to its functions and was removed from the umbrella of the Council funding framework.

The Corporate Director of Resources reported that the Council was conducting a significant amount of work to reduce the funding gap. This included reviewing all major contracts, reviewing growth proposals and aggregating services.

The Corporate Director also reported that as Section 151 officer, she believed that a balanced revenue budget had been presented as part of the proposals. However this was not without risk and sensible and reasonable assumptions had been made.

On this section of the report, Members of the Forum raised a number of queries which the Chair and officers responded to as follows:

- it was anticipated that £5.1 million would be allocated to pay for redundancy payments within the Council;
- the number of empty shops in Harrow Town Centre and the district centres had declined, as had the number of unemployed residents this was a huge achievement in the current national economic climate;
- officers would circulate the Local Economic Assessment to all Members of the Panel.

## Business Rates

The Panel received information in relation to Business Rates. An officer reported the following:

- from 1 April 2013, local authorities would be entitled to a share of the income obtained from business rates charged as part of business rate retention legislation. This was not currently the case;
- Business Rates would be increasing. However this was not the Council's decision but something that was imposed by Central Government;
- If a business did not qualify for small business relief, then the business rates would be calculated using the standard multiplier which is 8p in the pound higher than the small business rates multiplier;
- business rates could be paid to the Council in 12 instalments during the year;
- as part of the crossrail settlement, all properties with a rateable value over £55,000 would have a supplementary element added to their bill. This supplement would amount to 2p in the pound;
- in Harrow, around 418 businesses would pay this supplement;
- it had now been announced that the current enhanced Small Business Rates (SBR) scheme would be extended for a further year to 31 March 2014;
- properties with rateable value (rv) under 6,000 would now qualify for 100% relief up until 31/3/2014 and 50% thereafter;
- properties with rv's between 6,000 and no more than 12,000 would receive relief on a sliding scale with each 120 of rv over 6,000 equating to 1% less relief;
- properties with rv's of 12,000 and 25,499 would have their rates calculated using the small Business Rates Multiplier rather than the higher multiplier;
- relief did not apply to Empty Properties or those occupied by Charities or Community Amateur Sports Clubs (CASC's);
- the Council provided support to businesses if they lodged an appeal to reduce their business rates. The Council did a good job in signposting businesses to qualified valuers or surveyors who could assist them if they wished to appeal. It was important to note that not all appeals were successful;

- the Council was working closely with the Valuation Office looking at those appeals with potential for a reduction in business rates. It was being considered if the payment of rates could be postponed to support businesses if they would be entitled to a reduction later on;
- information to assist businesses in appealing the level of their business rates was already contained on the Council's website. However this could be enhanced to ensure that clear messages were produced for the business community;
- the amount of arrears in relation to business rates was at its lowest level ever which was a positive sign.

A Member of the Panel commented that they had recently sought assistance from the Council Tax office in relation to business rates and felt that they had received an excellent service from officers.

### Performance

An officer then addressed the Panel regarding the performance in relation to supporting businesses. The officer explained that:

- vacancies in Town Centre had reduced for second successive quarter;
- ONS business growth in the borough was the second highest in West London, higher than Westminster, Camden and Islington;
- unemployment had fallen Harrow and London, but had fallen more in Harrow than London;
- Harrow had its lowest number of young people not in Employment Education or Training. 96% of young people were in Education Employment & Training. The national average was 81.4% and in London it was 87.3%.

A Member of the Panel then queried why attendance from business representatives had been low for this meeting. An officer explained that the event had been publicised via newsletters, emails, partner's websites and letters sent out. It was acknowledged that twitter and Facebook could also have been used.

A representative from the business sector commented that people were not enthusiastic at the thought of coming to the Civic Centre for a meeting. It would be wise if the meeting was held at an external venue and linked to another event of interest to the business sector.

An officer responded that next years forum could be advertised on Facebook and Twitter, and there was no reason why it could not be held at an independent venue, and be linked to a business support event.

Another representative commented that it would be helpful if a more concise document relevant to the business sector was prepared for circulation and sent out in advance to allow full consideration.

At the end of the meeting, the Chair thanked the Portfolio Holder for Finance for all his efforts in producing a balanced proposed budget in light of the difficult national economic climate.

**RESOLVED:** That the report be noted.

(Note: The meeting, having commenced at 7.30 pm, closed at 9.30 pm).

(Signed) COUNCILLOR KEITH FERRY  
Chairman

**REPORT FOR: HARROW BUSINESS  
CONSULTATIVE FORUM**

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**Date of Meeting:** 20 January 2014

**Subject:** **INFORMATION REPORT** – Draft Revenue Budget 2014/15, Medium Term Financial Strategy 2014/15 to 2016/17 and Capital Programme 2014/15 to 2017/18

**Responsible Officer:** Simon George – Director of Finance and Assurance

**Exempt:** No

**Enclosures:** Draft Revenue Budget 2014/15 and Medium Term Financial Strategy 2014/15 to 2016/17 report to Cabinet 12 December 2013  
Draft Capital Programme 2014/15 to 2017/18 report to Cabinet 12 December 2013

## **Section 1 – Summary**

This report sets out the Council's proposals for the draft Revenue Budget and Medium Term Financial Strategy 2014/15 to 2016/17 and also the Draft Capital Programme 2014/15 to 2017/18 for consultation.

## **Section 2 – Report**

The draft reports listed above were considered by Cabinet on 12 December 2013. The Director of Finance and Assurance will give a presentation on the proposals at the meeting.

The final 2014/15 Budget, Medium Term Financial Strategy and Capital Programme will be reported back to Cabinet on 13 February 2014 and to full Council on 27 February 2014.

## **Section 3 – Further Information**

The minutes of this meeting will be reported to Cabinet in February to enable the views of this meeting to be taken into account before setting the Budget, Medium Term Financial Strategy and Capital Programme.

## **Section 4 – Financial Implications**

The financial implications are contained in the attached cabinet reports.

## **Section 5 - Equalities implications**

Was an Equality Impact Assessment carried out? Yes

An initial Equality Impact Assessment has been carried out on a number of the proposals. Full equalities impact assessments are being carried out on proposals where appropriate. An equalities impact assessment will be carried out on the whole budget and the Capital Programme, to ensure that decision makers are aware of any overall negative impact on any particular protected group.

## **Section 6 – Corporate Priorities**

The proposals impact on all of the corporate priorities as identified in the reports.

Name: Dawn Calvert

on behalf of the  
Chief Financial Officer

Date: 06 January 2014

## **Section 7 - Contact Details and Background Papers**

**Contact:** Dawn Calvert, Head of Strategic Finance and Business, email:  
dawn.calvert@harrow.gov.uk

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# REPORT FOR: **CABINET**

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**Date:** 12 December 2013

**Subject:** Draft Revenue Budget 2014/15 and  
Medium Term Financial Strategy  
2014-15 to 2016-17

**Key Decision:** Yes

**Responsible Officer:** Simon George  
Director of Finance and Assurance

**Portfolio Holder:** Cllr Tony Ferrari  
Portfolio Holder for Finance

**Exempt:** No

**Decision subject to  
Call-in:** Yes

**Enclosures:** Appendices listed below

Appendices are attached as follows:

No	Appendix	Page
1	MTFS 2013/14 to 2016/17 as approved by Cabinet / Council February 2013	6
2	MTFS 2013/14 to 2016/17 as approved by Cabinet / Council– detailed investment / saving schedules (For information only)	6
3	MTFS 2013/14 to 2016/17 – Proposed changes to MTFS for member approval following budget re-refresh process.( These are the investments / savings that will be taken forward to set the council tax if approved by members)	6
4	MTFS 2014/15 to 2016/17 – Proposed investments / savings for member approval following budget re-refresh process. (These are the investments / savings that will be taken forward to set the council tax if approved by members)	7
5	Draft Public Health Funding 2014/15	10
6	Schools Budget 2014/15	12

Note: the page numbers in the table above refer to the small page numbers (bottom right of page) on the report itself and not the large numbers (bottom middle of page) that run throughout the agenda pack.

## Section 1 – Summary and Recommendations

This report sets out the draft revenue budget for 2014-15 and medium term financial strategy (MTFS) for 2014-15 to 2016-17. The budget will return to Cabinet in February 2014 for final approval and recommendation to Council.

### **RECOMMENDATIONS:**

- 1) That Cabinet approves the draft budget as set out in appendix 3 for 2014-15 and the MTFS for general consultation including an anticipated 0% Council Tax increase
- 2) That Cabinet notes the current remaining budget gaps of £19.481m in 2015-16 and £18.612m in 2016/17.
- 3) That Cabinet approves the draft Public Health budget for 2014/15 as set out in Appendix 5
- 4) That Cabinet notes the statutory changes to schools funding for 2014/15 and approves the proposed arrangements for the 2014/15 school funding formula as set out in Appendix 6
- 5) That Cabinet agrees the sum of £239,219 as Harrow's contribution to the London Grant Scheme in 2014/15
- 6) That Cabinet agree to the establishment of a capital financing risk reserve to allow for delays in capital receipts in the current financial year

### **REASON:**

To ensure that the Council publishes a draft budget for 2014-15

## Section 2 – Report

### **Current Financial Context**

1.1 In 2010 the Government's funding settlement meant Local Government received the most challenging funding settlement in decades, resulting in a 28% cut to the Council's controllable costs over the 4 years to 2014/15, some £62m in Harrow's case from 2010/11 levels of expenditure. This is on top of the £45m the Council has already saved before this, meaning that by 2015 the Council will have been making savings of over £10m a year for the last nine years. By and large Harrow has demonstrated a successful track record in delivering these savings by:

- Identifying efficiencies
- Adopting a more commercial approach to contracting and procurement
- Taking advantage of new technologies
- Introducing new and innovative ways of service delivery

1.2 The MTFS agreed by Cabinet and Council in February 2013 showed a balanced budget position for 2013/14 and 2014/15 with a budget gap of £15.693m and £14.236m for 2015/16 and 2016/17 respectively. The MTFS included an indicative assumption that Council Tax would increase at 2% per annum.

- 1.3 The draft budget set out in this report shows a refreshed MTFS with a number of changes requiring Cabinet approval. The changes achieve a balanced budget position for 2014/15 with an estimated budget gap of £19.481m and £18.612m for 2015/16 and 2016/17 respectively. In terms of Council Tax, the refreshed MTFS assumes a 0% increase from 2014/15 to 2016/17. The estimated cost of a reduction of 1% in Council Tax is £930.5k.
- 1.4 All councils, not just Harrow, continue to find themselves in a very uncertain and volatile situation with a significant number of external events, beyond the Council's control, adversely impacting on funding and the nature of demand for Harrow services. The economy is showing the early signs of recovery but this is not expected to lead to any change in the Government's policy regarding funding levels to Local Government. This continues to create a very challenging environment for the very real role that local government plays in the local community and the positive impact that the Council can have on people's quality of life. This does mean that the Council will have to consider how to fund specific new projects requested by Members.
- 1.5 The provisional grant settlement for 2014/15 is expected to be announced on 19 December 2013 with the final settlement in late January and the impact of the announcements on the draft budget will be reported to Cabinet in February 2014.

## **External Environment**

- 2.1 The challenging environment the Council faces is caused by a number of external factors which the Council must make budgetary provision for in the MTFS. The key external factors are summarised below along with the relevant MTFS adjustments:
  - Harrow is one of the lowest funded councils in London. Earlier in the year London Councils estimated the reductions in formula grant for 2014/15. Harrow's reduction was estimated at £1m and this is adjusted for in the refreshed MTFS.
  - From April 2013, as a result of the change in the NNDR scheme, Council's are allowed to keep 30% of increases in Business Rates. Historically Harrow has not increased its tax base due to the trend of converting commercial property to domestic use.
  - The Government has announced Council Tax Freeze Grants over the last couple of years. The MTFS agreed in February 2013 assumed no such grant on account of the indicative assumption of a 2% Council Tax increase. The MTFS for 2014/15 to 2016/17 has been refreshed to reflect a 0% increase in Council Tax. The impact of this assumption for three years is shown in table 2 below:

**Table 2: Financial Impact of 0% Increase in Council Tax 2014/15 to 2016/17**

<b>Action</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cost of 0% increase in Council Tax	1,861	1,861	1,861	<b>5,583</b>
Receipt of Council Tax Grant – 2014/15	(1,055)	0	1,055	<b>0</b>
Receipt of Council Tax Grant – 2015/16		(1,055)	1,055	0
<b>Net Impact</b>	<b>806</b>	<b>806</b>	<b>3971</b>	<b>5,583</b>

(The numbers in this table are based on 2013/14 data and will be updated once the tax base is finally agreed and the grant settlement is received in December 2013.)

The following points explain the contents of table 2 above:

- The estimated cost of a reduction of 1% in Council Tax is £930.5k
  - In 2014/15 the estimate CT freeze grant is £1.055m. This will be received for **two** years only therefore comes out of the MTFS in 2016/17
  - In 2015/16 the estimate CT freeze grant is £1.055m. This will be received for **one** year only therefore comes out of the MTFS in 2016/17
  - In 2016/17 there has been no indication of a CT freeze grant being received therefore no grant has been built into the MTFS.
- From 1 April 2013 the responsibility for the Council Tax Support Scheme was transferred to the Council but with a 10% reduction in budget meaning Harrow had to save £3.8m to be able to fund the scheme in year one. A report was taken to Cabinet in November recommending no amendments be made to Harrow's support scheme for 2014/15 hence no adjustment have been made in the refreshed MTFS.
  - The Government are implementing the largest ever reform to the benefits system in an effort to save £18bn from the welfare bill. The changes are complex and the original MTFS included growth of £2m in 2013/14 to create a Welfare Reform contingency with £1m of the growth scheduled for removal in 2015/16. The anticipated pressures of welfare reform have not yet materialised as expected and this is reflected in the refreshed MTFS by the £2m growth being removed in 2014/15. This does however increase the level of potential risk as we cannot yet assess the full impact of welfare reform until it is fully implemented. In addition the council is currently experiencing increased numbers of homelessness families which will increase this risk further.
  - The care and support spending round settlement announced the creation of a £3.8bn pooled health and social care budget from 2015-16. This is predicated on much better integration between health and social care, so that care is centred around the person rather than the service. In the Spending Review 2013 an extra £200m was announced for 2014/15 to support integration. The specific details of this funding and how it will be transferred to Local Authorities remains subject to confirmation.

- The 2011 Census data shows there has been a 15% increase in population in the last 10 years with the biggest growth being in the birth rate with a 33% increase in 0-4 year olds increasing the demand for both school and nursery places. For people aged over 80 years old the census showed an estimated increase of 1000 people. The original MTFS allowed for adult demographic growth of £2.8m in 2013/14 and £2.6m in 2014/15. In the refreshed MTFS a further £600k growth has been included for demographic growth within Adult Services.

## Financial Performance for 2012/13 and 2013/14

- 3.1 In 2012/13 the Council under spent by £0.996m after a planned transfer to reserves of £9.808m as detailed below:

MTFS Implementation cost	£4.849m
Carry forward requests 12/13	£3.268m
Business Risk	<u>£1.691m</u>
	<b>£9.808m</b>

- 3.2 In 2013/14 the Council budget includes £10m of investment and a challenging savings target of £22.4m. The 2013/14 Quarter 2 Revenue Monitoring Report forecasts a net budget pressure of £2.61m on directorate budgets reducing to a pressure of £1.88m after accounting for corporate items. The directorates continue to work on management actions to further reduce the forecast pressure by year end.

## 2014/15 Budget Refresh Process

- 4.1 The MTFS as approved by Cabinet / Council in February 2013 is detailed in Appendix 1. The strategy covered the four year period 2013/14 to 2016/17. It showed a balanced budget position for 2013/14 and 2014/15 and a budget gap of £15.693m and £14.236m for 2015/16 and 2016/17 respectively. The detailed investment and saving schedules supporting the approved MTFS are detailed in Appendix 2. A number of the narratives have been re-freshed. The original MTFS narrative is shown in bold and the re-fresh amendments are shown in normal text.
- 4.2 Officers were asked to review approved investments and savings for 2013/14 and 2014/15 to ensure they are financially robust and deliverable and that they are in line with the current administrations policies of Cleaner, Safer and Fairer. The refresh process has resulted in a total of 67 proposed changes and takes the budget gap for 2014/15 to a small surplus of £24k. The budget gaps for 2015/16 and 2016/17 are £19.481m and £18.612m respectively. The revised MTFS assumes a 0% increase in Council Tax over the three year period. These changes are summarised in table 2 below and shown in detail in Appendix 3.

**Table 2: MTFS Refresh – Proposed Changes for 2014/15**

	<b>Children &amp; Families</b>	<b>Environment &amp; Enterprise</b>	<b>Community, Health &amp; Wellbeing</b>	<b>Resources</b>	<b>Technical</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unachievable savings	300	1,490	2,357	460	0
Re-profiled investments / savings	0	456	0	(310)	0
Agreed growth no longer required	0	(726)	0	0	0
New growth	800	855	867	150	0
Substitute savings	0	(1,010)	0	(280)	0
Technical budget changes	0	0	0	0	(5,433)
<b>TOTAL</b>	<b>1,100</b>	<b>1,065</b>	<b>3,224</b>	<b>20</b>	<b>(5,433)</b>

4.3.1 Appendix 4 details the investments and savings to the budget for 2014/15 to 2016/17 after the MTFS refresh changes as detailed in appendix 3.

### **Proposed Directorate Changes**

4.4 In total the proposed directorate changes add growth of £5.409m into the MTFS in 2014/15. The impact is summarised in table 2 above and the details are shown in Appendix 3. Further details are provided for the more significant items:

#### **Children and Families**

- The unachievable savings value of £300k relates to procurement. Procurement savings of £690k were planned over 2 years. Savings are being achieved on placements budgets through the work being undertaken with the West London Alliance. SEN Transport is subject to a separate savings target of £641k over 2 years therefore there is limited scope for further savings to achieve the full target of £690k.
- The growth of £800k covers two areas. First growth of £300k is requested to cover an increase in demand for Special Needs transport. Between Autumn term 2012 and Autumn term 2013 the number of young people requiring transport increased by 45 at a cost of £145k. If this trend continues the estimated demand pressure in 2014/15 is £300k.
- Secondly growth of £500k has been allocated to cover the costs of an additional 12 Social Worker posts.

## **Environment and Enterprise**

- The unachievable savings value of £1.490m covers nine savings. Three of the savings which total £560k are proposed for removal in line with the current administrations priorities as detailed:
  - Returning parks to open space (£275k)
  - Review parks and cemeteries opening and locking and review specialist dog waste collection (£105k)
  - Introduction of Civic Centre staff car parking charges and other free car parks (£180k)
- The proposal to re-profile involves moving the savings for efficiencies from the Towards Excellence programme (£375k) and Grounds maintenance: annualised hours (£81k) from 2014/15 to 2015/16.
- The directorate are releasing previously agreed growth to go back into the MTFS. There are three elements of growth no longer required the most significant being growth of £568k agreed for 20 minute free parking.
- Seven bids for additional growth are proposed totalling £855k which are matched by substitute savings of £1.010m. £700k of the substitute savings is proposing to re-align the budget for Parking Services income to reflect historical performance. The other significant substitute saving is for £300k relating to a proposal to increase leisure centre parking income.
- Between now and February 2014 a number of commercially sensitive issues are being resolved that may need to be accommodated within the final MTFS when it comes back to Cabinet in February.

## **Community Health and Wellbeing**

- Within the twelve agreed savings proposed for removal there are three significant items, from the £14.5m savings agreed over the two year period 2013-14 and 2014-15. The first is £500k to secure further earmarked investment from the PCT / CCG in Adult Social Care. The NHS Transfer grant is budgeted at £3.535m in 2013/14. Agreement on the s256 has now been reached and has resulted in the Council supporting the CCG STARRS service by £500k. Whilst the transfer for 2014-15 has yet to be agreed (and the grant is estimated to increase slightly to £3.636m), it is unlikely that the grant transfer will be significantly higher than the agreed 2013-14 position, hence the removal of this saving. The second relates to savings in older people's integrated care for £800k. Again this is related to funding negotiations with the CCG and their capacity to work with the Council to deliver the savings.
- The third significant unachievable saving is the commercialisation of Hatch End pool, Harrow Arts Centre, Museum and Bannister stadium (£355k). A commercialisation project has been set up to further investigate whether this saving can be delivered in the longer term.
- There are three bids for additional growth the most significant being for £600k demographic growth in Adult Services, and is in addition to the current MTFS demographic growth. The additional growth is as a result of an increasing number of referrals and increasing signs of complexity, an increasing number of cases moving into the borough and a significant increase in mental health referral rates. Overall the CCG financial position is very serious and it is



possible that there will be continued pressures experienced as a result, although the Council will continue to work constructively to ensure that no inappropriate costs are borne by Adult Social Care. This will mean that the growth position will need to be continually monitored until the final budget is set.

## Resources

- There are six unachievable savings are proposed for removal, the most significant being to withdraw the expansion of Legal Practice Shared Services (£200k).
- The two growth bids are IT related. £100k is proposed for the revenue implications of security enhancements required by Public Services Network (PSN) and £50k is proposed for the contractual increase for channel migration supplier costs.
- The substitute saving of £280k is a new saving in relation to the current consultation process to delete the post of Chief Executive and associated business support.

## Proposed Technical Budget Changes

4.5 In total the proposed technical budget changes create capacity of £5.433m in the MTFs for 2014/15. The significant changes are detailed below:

- **Capital financing costs and investment income** – Following a review additional capital financing costs of £910k and £700k are required in 2014/15 and 2015/16 respectively. This is as a result to delays in capital receipts.
- **New Homes Bonus** – In March 2013 the government announced the creation of the Local Growth Fund for LEP's who will access funding from 2015. Nationally the fund will amount to £2 billion in 2015/16 and £170m of this funding will come from the New Homes Bonus (NHB). London Councils have modelled what the NHB top slice will look like and their estimate for Harrow is £1.6m in 2015/16. This has been reflected in the refreshed MTFs.
- **Education Support Grant** – The MTFs was based on £2.5m of ESG being received in 2013/14 with the grant reducing by £1m per annum over 2014/15 and 2015/16, leaving £500k in the 2016/17 base budget. These assumptions have been reviewed taking into account updated pupil numbers, estimated academy conversions and government announcements on funding reductions. In January 2013 DFE announced a £10m reduction in ESG between 13/14 and 14/15 and from 2015/16 the ESG will be reduced nationally by £200m with this funding being transferred to the creation of the Local Growth Fund for LEP's. The MTFs has been refreshed to assume additional grant in 14/15 but with grant reductions in 2015/16 and 2016/17. By 2016/17 there will be £300k left in the base budget.
- **Council Tax and CT Freeze Grant** - The MTFs assumed an annual 2% increase in Council Tax. To freeze the Council Tax at 0% increase over the 3 year period 2014/15 to 2016/17 is estimated to cost £1.861m per annum. A Council Tax freeze grant of £1.055m is assumed for 2014/15 and 2015/16. The financial implications of this are shown in table 1.

- **Formula Grant Reduction** – A reduction in formula grant of £1m is estimated for 2014/15. This is based on estimates from London Councils and will be finalised once the grant settlement is announced on 19 December.
- **Council Tax Base / Collection Fund** – Additional funding of £1.519m has been assumed as a result of the increase in the council tax base as a result of a mixture of new properties and an under spend on the Council Tax Support Scheme. A prudent increase of £100k has been assumed in the Council Tax base for 2015/16 and 2016/17 and this will be refreshed for the February Cabinet report using the agreed Council Tax base. The Collection Fund is assumed to increase by £681k as a result of the additional collection of arrears, new properties coming on stream mid year and static growth on the Council Tax Support Scheme.
- **Budget Planning Contingency** - The contingency currently stands at £1.171m. The MTFS planned to increase the contingency by £1.829m in 2014/15. To achieve a balanced budget position the proposal is to not increase the contingency in 2014/15 and keep it at its 2013/14 level. A contingent figure in the region of £1m in the base budget is consistent with previous years.
- **Welfare Reform Contingency** – In 2013/14 growth of £2m was built into the MTFS to fund anticipated pressures as a result of the governments Welfare Reforms. The plan was to reduce the growth by £1m in 2015/16 to leave £1m in the base budget going forward. The implementation of the Welfare Reform cost pressures have not materialised as expected. To achieve a balanced budget for 2014/15 it is proposed to remove the Welfare Reform Contingency in full in 2014/15. There is a risk to this proposal, if anticipated costs start to materialise these will have to be contained within current resources.
- **Reduce inflation on goods and services** - The current MTFS assumes inflation of 2% per annum on goods and services. As at October RPI is 2.6% per the Office for National Statistics. The proposal is to reduce inflation to 1.3% for the three years 2014/15 to 2016/17 which creates £600k within the MTFS each year. This proposal is a concern for the directorates and will require strong contract management to manage the reduction. Officers will ensure this limited budget is prioritised in an efficient manner in order to reflect where price inflation does and does not occur.

## Public Health Funding 2014/15

- 5.1 A two year ring fenced grant allocation for Public Health was announced in January 2013 with Harrow allocated £9.146m for 2014-15. The DOH recently announced the extension of the ring fenced grant for a further year to 31<sup>st</sup> March 2016. In setting the allocations, the DOH set a minimum of 2.8% and maximum of 10% growth in budgets for each year – 19 local authorities are at the minimum in 2014-15 and 8 at the maximum. The increase for Harrow in 2014-15 is 3.1%, marginally above the minimum increase, resulting in Harrow being the 2nd lowest spend per head of population over the 33 London boroughs.
- 5.2 2013/14 has been the first year that Public Health team have operated within the Council and in agreement with Barnet Council, a joint team has been developed and is supported by a single Director of Public Health. Given a number of

uncertainties around liabilities and potential additional responsibilities, a prudent approach was taken in setting the commissioning intentions and a contingency was held to mitigate some of these risks whilst taking time to consider appropriately how best to utilise this funding to meet both public health and wider Council objectives.

- 5.3 During this first year of operation a number of contracts have been reviewed and consolidated with existing Council contracts, and a programme of procurement will continue into 2014-15 to ensure that commissioned services provide value for money, meet public health outcomes and reflect the commitment to providing support to those most in need. Appendix 4 details the level of funding proposed across both the mandatory and discretionary services and proposes additional investments in priority areas, a contingency and enables an unallocated amount of grant to be held for later allocation as appropriate.
- 5.4 Cabinet are asked to approve the draft Public Health budget for 2014/15 as detailed in Appendix 5. Following approval of the draft budget the commissioning intentions will be presented to the Health and Wellbeing Board at its meeting in January 2014.

## **Contingency**

- 6.1 The planned contingency within the budget for 2014/15 was £5m made up of £2m for Welfare Reform and £3m for budget planning. Following the refresh process the proposed contingency for 2014/15 will be £1.171m. This is a significant reduction and will mean directorates will have to monitor their budgets very tightly and pressures, as far as possible, will have to be contained within current resources. The contingency is needed if, for example, decision makers decide not to implement proposals due to adverse equalities implications.

## **Equality Impact Assessments**

- 7.1 All new service budget proposals and those previously approved which cover 2013/14 and 2014/15 are subject to an initial equalities impact assessment. Full equalities impact assessments will be carried out on proposals where appropriate. An equalities impact assessment will be carried out on the whole budget, when all proposals have been identified, to ensure that decision makers are aware of any overall impact on any particular protected group.

## **London Boroughs Grants Scheme**

- 8.1 The London Boroughs Grants Committee proposed a scheme for London that cost London Boroughs £9m in 2013-14 compared to £11.5m in 2012-13. This gave Harrow a saving of £74k in 2013-14.
- 8.2 The Leaders Committee at London Councils met on 12 November 2013 to propose contributions for 2014/15. Harrow's contribution is £239,219, a reduction of 9.3% on last year.
- 8.3 Cabinet is asked to agree the sum of £239,219 as Harrow's contribution to the London Grant Scheme in 2014/15.

## Proposals for General Reserves

- 9.1 The detailed risk assessment of the budget will be updated for February cabinet. The Cabinet agreed the following reserves policy in February 2012:

**The risk assessment of the budget dictates the minimum level of general balances required.**

**One of the calls on any under spend at the end of the year will be a contribution to general balances. The value of the contribution will be determined with regard to the size of the under spend, the underlying strength of the balance sheet, the need to support the transformation programme, and other priorities.**

At the current time no amendments are required to the reserves policy.

- 9.2 The value of non ear marked reserves as at 01 November 2013 is £8.646m.
- 9.3 The schedule of property disposals is subject to delays dependent upon a mixture of issues including the disposals process and the change in market conditions. To support managing this scenario Members are asked to agree to the establishment of a capital financing risk reserve to allow for delays in capital receipts.

## Schools Budget 2014/15

- 10.1 The funding arrangements for the Dedicated Schools Grant and the Schools budget for 2014/15 are detailed in Appendix 6. Cabinet are asked to note the statutory changes to schools funding for 2014/15 and approve the proposed arrangements for the 2014/15 schools funding formula (as agreed by Schools Forum on 15 October 2013),

## Legal implications

- 11.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

*A public authority must, in the exercise of its functions, have due regard to the need to:*

- (a) *eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) *advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*

(c) *foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

*Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:*

(a) *remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;*

(b) *take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;*

(c) *encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.*

*The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.*

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) *Tackle prejudice, and*

(b) *Promote understanding.*

*Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:*

- *Age*
- *Disability*
- *Gender reassignment*
- *Pregnancy and maternity*
- *Race,*
- *Religion or belief*
- *Sex*
- *Sexual orientation*
- *Marriage and Civil partnership*

11.2 It is important that robust equalities impact assessments are completed and that consultation is done whilst the budget is in a formative stage prior to final approval in February 2014.

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

## **Consultation**

12.1 As a matter of public law the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in 3 circumstances:

- Where there is a statutory requirement in the relevant legislative framework;
- Where the practice has been to consult or where a policy document states the council will consult then the council must comply with its own practice or policy; and
- Exceptionally, where the matter is so important that there is a legitimate expectation of consultation.

- 12.2 Regardless of whether the Council has a duty to consult, if it chooses to consult, such consultation must be carried out fairly. In general, a consultation can only be considered as proper consultation if:
- Comments are genuinely invited at the formative stage;
  - The consultation documents include sufficient information about the proposal to allow those being consulted to be properly informed and to give an informed response;
  - There is adequate time given to the consultees to consider the proposals; and
  - There is a mechanism for feeding back the comments and those comments are conscientiously taken into account by the decision maker / decision making body when making a final decision.

12.3 Finally there will be staff consultation about these proposals in line with the Council's procedures.

## **Financial Implications**

13.1 Financial matters are integral to this report.

## **Performance Issues**

14.1 The in- year measurement of the Council is reported in the Strategic Performance Report. The Corporate Plan, which will be developed alongside the Budget Report, will have measures within it which will set out how Council delivery in 2014/15 will be measured and this again will be reported through the Strategic Performance Report.

## **Environmental Impact**

15.1 The environmental impact of the draft budget will be complex and the net position is not known at present.

## **Risk Management Implications**

16.1 As part of the budget process the detailed budget risk register will be reviewed and updated. This helps to test the robustness of the budget and support the reserves policy.

## **Corporate Priorities**

17.1 The draft budget for 2014/15 supports delivery of the Council's vision and priorities.

### Section 3 - Statutory Officer Clearance

Name:...Simon George

On behalf of  
Director of Finance and  
Assurance

Date: 2 December 2013

Name: ...Jessica Farmer

On behalf of  
Monitoring Officer

Date: 2 December 2013

### Section 4 – Performance Officer Clearance

Name:Alex Dewsnap.....

On behalf of  
Divisional Director  
Strategic Commissioning

Date: 30 November 2013

## Section 5 – Environmental Impact Officer Clearance

Name:.....Andrew Baker....

On behalf of  
Corporate Director of  
Environment & Enterprise

Date: 2 December 2013

## Section 6 - Contact Details and Background Papers

Contact: Dawn Calvert  
Head of Strategic Finance and Business, email  
dawn.calvert@harrow.gov.uk

Background Papers:

- None

**Call-In Waived by the  
Chairman of Overview  
and Scrutiny Committee**

**YES/ NO / NOT APPLICABLE\***

*(for completion by Democratic  
Services staff only)*

*\* Delete as appropriate*





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	2012-13	2013-14	2014-15	2015/16	2016-17
	£000	£000	£000	£000	£000
<b>Budget Requirement Brought Forward</b>		173,113	181,063	174,120	168,874
Capital Financing Costs		1,102	-743	-390	841
Grant Changes		11,914	642	475	-525
Other Technical Changes		4,557	1,235	2,279	3,289
Inflation		2,784	3,160	4,060	4,060
Transformation		-2,234	-296	-140	0
Community Health and Wellbeing		-2,255	-6,282	2,800	2,500
Children and Families		-1,076	-1,672	413	413
Environment and Enterprise		-4,469	-1,414	675	753
Resources		-2,373	-1,573	275	-225
<b>Total</b>		<b>7,950</b>	<b>-6,943</b>	<b>10,447</b>	<b>11,106</b>
<b>FUNDING GAP</b>		<b>0</b>	<b>0</b>	<b>-15,693</b>	<b>-14,236</b>
<b>Total Change in Budget Requirement</b>		<b>7,950</b>	<b>-6,943</b>	<b>-5,246</b>	<b>-3,130</b>
<b>Revised Budget Requirement</b>	<b>173,113</b>	<b>181,063</b>	<b>174,120</b>	<b>168,874</b>	<b>165,744</b>
Collection Fund Deficit/-surplus	-1,335	-1,045	-500	0	0
Revenue Support Grant	-67,196	-52,100	-43,075	-36,282	-31,066
Top Up		-20,154	-20,773	-20,773	-20,773
Retained Non Domestic Rates	0	-14,725	-14,872	-15,021	-15,171
<b>Amount to be raised from Council Tax</b>	<b>104,582</b>	<b>93,039</b>	<b>94,900</b>	<b>96,798</b>	<b>98,734</b>
<b>Council Tax at Band D</b>	<b>£1,186.55</b>	<b>£ 1,210.28</b>	<b>£ 1,234.49</b>	<b>£ 1,259.18</b>	<b>£1,284.36</b>
<b>Increase in Council Tax (%)</b>		<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>
Tax Base	88,140	76,874	76,874	76,874	76,874
Collection rate	98.50%	97.50%	97.50%	97.50%	97.50%
Gross Tax Base	89,482	78,845	78,845	78,845	78,845



**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	TECHNICAL BUDGET CHANGES				Existing MTFS			2013-14 Net Budget £000
	2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2013-14 £000	2014-15 £000	2015-16 £000	
	<b>Capital and Investment</b>							
	<b>Capital financing costs and investment income</b>							
Tech 001		1,102	-743	-390	841			
	<b>Total Capital and Investment Changes</b>	<b>1,102</b>	<b>-743</b>	<b>-390</b>	<b>841</b>			<b>0</b>
	<b>Grant Changes</b>							
	<b>New homes bonus - Top slice of New Homes Bonus to fund LEP announced in Comprehensive Spending Review (CSR) 2013</b>	-1146	-591	-525	-525			-2,867
Tech 002	<b>SSCF Grant received from General London Authority (GLA) - reduction. Grant no longer unringfenced</b>	98						0
Tech 003	<b>Council Tax Support Grant 2012-13 scheme - one off only</b>	2,608						0
Tech 004	<b>PCT Funding via s256 agreement. CCG funding via s256 agreement. Funding allocated initially by the government to Health partners</b>	-546	233					
Tech 005	<b>Grants rolled into Formula Grant. Specific grants that are now included in formula funding</b>	13,714						0
Tech 006	<b>Education Support Grant. New grant in relation to Local Education Authority (LEA) functions, previously included in formula Grant</b>	-2,500	1,000	1,000				-2,500
Tech 007	<b>Early Intervention Grant Spend Transferred to Dedicated Schools Grant (DSG)</b>	-314						314
	<b>Total Grant Changes</b>	<b>11,914</b>	<b>642</b>	<b>475</b>	<b>-525</b>			<b>-5,053</b>
	<b>Other Technical Changes</b>							
Tech 012	<b>Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London (TfL)</b>	681	350	360	370			9,662
	<b>Provisions and Reserves</b>							
Tech 013	<b>Contribution to insurance provision</b>	300	0	0	0			1,730
	<b>Capitalisation strategy/recharges strategy</b>							

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	TECHNICAL BUDGET CHANGES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	
Tech 014	Reduce reliance on capitalisation	986	14	0	0	14	
	Miscellaneous						
Tech 015	Print Contract Costs-reversal of one off balloon payment allocation One off cost in 2012-13	-421				421	
Tech 016	Pinner Road costs prior to disposal - one off in 2012-13	-10				10	
Tech 017	Balance on Support Service Cost (SSC) annual review - net charge to non general fund. Cost to general fund of reduction in support service charges to HRA.	150	150			3,422	
Tech 018	Budget planning contingency	171	1,829	3000	3000	171	
Tech 019	Contingency for Welfare Reform and other pressures	2,000		-1000		2,000	
Tech 020	Saving from formula change on freedom passes - agreed at London councils TEC in December 2012 Reallocation of costs between London boroughs giving Harrow a reduction in costs		-108	-81	-81	9,662	
Tech 021	Utility inflation - allocation in 2012-13 overstated	-300					
Tech 022	Redundancy provision	1,000	-1,000			1,000	
	<b>Total Other Technical Changes</b>	<b>4,557</b>	<b>1,235</b>	<b>2,279</b>	<b>3,289</b>	<b>28,092</b>	
	Pay and Inflation						
Tech 023	Pay Award @ 1% 2013-14 and 2014-15, then 2% pa	950	950	1850	1850		
Tech 024	Employer's Pension Contributions @ 0.25% in 2013-14 and then 0.5% p.a.	200	400	400	400		
Tech 025	Inflation on goods and services @ 1.5% in 2013-14 and 2% p.a. from 2014-15	1,360	1,810	1,810	1,810		
Tech 026	Additional provision for electricity and gas price increases	257					

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)

Item No	TECHNICAL BUDGET CHANGES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	
Tech 027	Excess of September RPI ( 2.9%) on National Non Domestic Rates on Council properties above 2%	17					
	<b>Total Pay and Price Inflation</b>	<b>2,784</b>	<b>3,160</b>	<b>4,060</b>	<b>4,060</b>	<b>0</b>	
	<b>CROSS CUTTING TRANSFORMATION PROGRAMME</b>						
Tech 028	Mobile and Flexible working - implementation and running costs	96	24				
Tech 029	Terms and conditions. Savings arising from renegotiated terms and conditions with staff.	-960	-320	-140			
Tech 030	Commercialisation project. Benefits incorporated into Directorate proposals.	100					
Tech 031	Procurement - Category Management savings. Improved terms with the Council's suppliers. Note savings have been reallocated to service directorates						
Tech 032	Agency Staff - reduction in usage. Note savings have been reallocated to service directorates						
Tech 033	Staffing - Vacancy management. Increase in the time taken to fill vacant posts. Note savings have been reallocated to service directorates						
	<b>Total Transformation</b>	<b>-764</b>	<b>-296</b>	<b>-140</b>	<b>0</b>	<b>0</b>	
	<b>Total Corporate</b>	<b>19593</b>	<b>3998</b>	<b>6284</b>	<b>7665</b>	<b>23039</b>	

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	CHILDREN'S SERVICES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
	Investment in Services						
CF 001	Increase in CLA (Children Looked After) placement budgets reflecting growth in child population and changing demographic	178	178	178	178	6,865	
CF 002	Increase in CWD (Children with Disabilities) client costs reflecting growth in child population	82	82	82	82	1,326	
CF 003	Increase in staffing costs reflecting growth in child population and changing demographic	153	153	153	153	8,413	
CF 004	Loss of Youth Justice Board funding	90	10			496	
CF 005	Transfer of duties from Youth Justice Board in respect of new duties for young people on remand	270				270	
CF 006	Special Educational Needs (SEN) post to undertake new statutory duties	50				433	
CF 007	Qualified Social Worker - Recruitment & Retention Market Supplement	150				4,852	
CF 008	Creation of Advanced Practitioner Social Worker (SW) posts	310	70			8,413	
CF 009	Principal Social Worker role - post-Munro	70				776	
CF 010	Health Co-ordinator post at Northwick Park Hospital (NWP)	50				618	
CF 011	Youth Scrutiny Proposals including improvement of communication and engagement and development of extra summer activities	70				641	
CF 012	Project Management Costs including Special Needs Transport, Children's Centre remodelling and developing new transformation projects	97	-97			97	
CF 014	Shortfall in targeted savings from business support model	185				3,316	



**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	CHILDREN'S SERVICES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
CF 015	Corporate Indexing Scanning (CIS) Staffing	45				421
	<b>Total Investment in Services</b>	<b>1,800</b>	<b>396</b>	<b>413</b>	<b>413</b>	<b>36,937</b>
	Savings					
CF 016	Integrated Children's Services - Remaining staffing savings from restructure in 2011-12	-100				12,033
CF 017	Consolidation of staffing structure including proposed deletion of 1 Divisional Director post 2015/16	-167	-148			2,079
CF 018	Deletion of Head of Education Strategy & School Organisation	-50	-50			381
CF 019	Reconfiguration of Early Intervention Service to support the Families First Programme	-150	-150			1,954
CF 020	Children's Centres remodelling to reconfigure the local offer	-373	-200			1,373
CF 021	Special Needs Transport II - demand management including Independent Travel Training	-56	-45			3,383
CF 022	Special Needs Transport III - full market engagement including outsourcing of some routes	-40	-500			3,383
CF 023	Introduction of Charging for non Statutory Educational Psychology to schools	-125	-90			521
CF 024	Review of semi supported provision including potential closure of Honeypot Lane		-410			625
CF 025	Procurement Savings including placements	-620	-70			18,806
CF 026	Savings from commissioning budgets including connexions, parenting support, drugs & alcohol and clinic in a box	-835	-255			2,870

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	CHILDREN'S SERVICES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
CF 027	Recommissioning of Respite Care for CWD		-100			1,326
CF 028	Consolidation of Early Years training functions - including reductions in contracts & staffing	-100	-50			150
CF 029	Business Support Savings to reduce by 9FTE	-260				1,859
	<b>Total Children and Families Savings</b>	<b>-2,876</b>	<b>-2,068</b>	<b>0</b>	<b>0</b>	<b>50,743</b>
	Late Savings					
CF 030	Prices	-105				18,806
CF 031	Vacancy Rate 0.5%	-62				12,400
CF 032	Agency savings	-66				9,044
CF 033	Procurement	-52				18,806
	<b>Sub total</b>	<b>-285</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59,056</b>
	<b>Net Children &amp; Families</b>	<b>-1,361</b>	<b>-1,672</b>	<b>413</b>	<b>413</b>	<b>146,736</b>

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	ENVIRONMENT & ENTERPRISE	Existing MTFS				2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000					
	Investment in Services									
E&E001	Public Realm Services (PRS) - Vehicle early termination payments	295	-295						2,477	
E&E002	Transformation growth	163	-163						163	
E&E003	Parking review - 20 minute free parking	261	307						-4,448	
E&E004	Additional Harrow Town Centre cleaning following from Outer London Fund 2 (OLF2)	87								2,046
E&E005	CCTV camera income decline		70	56	45					
E&E006	CRC (Carbon Reduction Commitment)/EA (Environment Agency) increase in cost of CRC scheme	93							392	
E&E007	Welfare to work Xcite:	108							108	
E&E008	West London Waste Authority (WLWA) Levy	1,218	689	677	708				7,960	
E&E009	Procurement related pressures due to change in market price and profit share for Dry recyclables	256								-795
E&E010	Maintenance of CCTV cameras	71							494	
	<b>Total Investment in Services</b>	<b>2,552</b>	<b>608</b>	<b>733</b>	<b>753</b>				<b>8,399</b>	
	Savings									
E&E011	Public Realm Integrated Service Model (PRISM) efficiencies. Towards Excellence Programme efficiencies	-1,500	-350						11,278	
E&E012	Further management reductions in Environment	-100	-285						287	
E&E013	Public Realm Post reductions. Efficiency in management and support to Borough's allotments		-24							
E&E014	SLA Income - HRA, Schools & Other Bodies. Increased income from revised SLA with schools	-19							392	
E&E015	Textile recycling	-10							-795	

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	ENVIRONMENT & ENTERPRISE	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
E&E016	Climate Change - Flexible retirement and consumables budget	-31	-58			392
E&E017	Increase Income and rental from Corporate Estate	-80				-988
E&E018	Increasing the level of fees recharged for adaptations undertaken using Council or Disabled Facilities Grant (DFG) funding. Business as usual.					
E&E019	Additional income for adaptation works Establishing the Harrow Home Improvement Agency as a stand alone organisation. Transformation Project	-75	0			388
E&E020		-75	-75			388
E&E021	Introduction of Civic Centre staff car parking charges and other free car parks Property Co/FM growth and efficiencies (2012-13 reversal)	-135	-45			-191
E&E022		-100				145
E&E023	Property Co/FM growth and efficiencies Consolidation of Civic Centre accommodation to secure utility cost savings. Transformation Project	-251				2,479
E&E024		0	-122	-58		
E&E025	Consolidation of property services within old Environment and Enterprise Directories. Transformation Project Undertake maintenance and cleaning of corporate premises only to the minimum standard necessary for statutory compliance.	-180				328
E&E026	Recharge utility costs for computer room to Capita	-100				1,845
E&E027	Management Efficiencies	-83				1,845
E&E028	Reduce highways maintenance budget	-75				503
E&E029	Traffic & Highways post reductions efficiencies	-273				2,373
		-251				381

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)

Item No	ENVIRONMENT & ENTERPRISE	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
E&E030	Licensing - scope for additional income	-40				454
E&E031	Review of loss making car parks	-150				-1,055
E&E032	Parking permit charge increase	-40				-1,577
E&E033	Trading Standards and Proceeds of Crime Act savings (linked to review of SLA with Brent trading Standards)	-50	-100			458
E&E034	Cost reduction of maintaining parking equipment	-30				-1,055
E&E035	Reduce the number of off-street car park sites and dispose of selected car park sites		-100			
E&E036	Soft Market testing of statutory animal services and review of commercial animal services	-60				-89
E&E037	Review operations of the CCTV control room during the night	-30				494
E&E038	Review Brent-Harrow Trading Standards consortium and / or provide Trading Standards on a reduced scale.	-140				458
E&E039	Revenue maximisation - Fleet sponsorship: Explore advertisement opportunities for PRS fleet		-25			
E&E040	Returning Parks to Open Space	-350				1,137
E&E041	Grass Verge Maintenance reduction		-165			
E&E042	Graffiti removal reduce scope	-52				2,046
E&E043	Grounds maintenance: Annualised hours	-80	-81			1,137
E&E044	Reduce to a 6 weekly. Efficiencies in residential cleaning cycle	-82				330
E&E045	Reduction in some non town centre sweepers	-116				330
E&E046	Review fine turf service standards		-29			
E&E047	Review level of Parks maintenance	-35				1,137
E&E048	Review NHS to carry out clinical collections	-12				35

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	ENVIRONMENT & ENTERPRISE	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
E&E049	Review on street automated public conveniences	-80				65
E&E050	Review parks and cemeteries opening and locking	-70				1,137
E&E051	Review specialist dog waste collection	-35				1,137
E&E052	Schools Grounds Maintenance, review Service Level Agreement from April 2013	-57				0
E&E052	Special waste collection Change deployment of service	-25				41
E&E054	Review Trade Waste	-220				526
E&E055	PRISM growth and efficiencies (2012-13 reversal)	-200				287
E&E056	Environment Consumables	-100				287
E&E057	Procurement - Transport Review	-350				2,477
E&E058	Procurement Savings - others	-140	-273			11,684
E&E059	Additional planning fees income following change from central government			-290		
E&E060	Introduce differential charging policy for planning applications to provide for fast track income generation. Additional income from pre-application advice.	-15				-33
E&E061	Residual from Major Projects budget	-25				0
E&E062	Procurement savings on Northgate contract	-6				382
E&E063	Enterprise Post Deletions	-1,083				575
E&E064	Enterprise Consumables	-93				-590
E&E065	Procurement - Category Management savings	-76				11,684
E&E066	Agency Staff - reduction in usage	-160				18,381
E&E067	Staffing - Vacancy management	-150				18,381
	<b>Total Environment &amp; Enterprise Savings</b>	<b>-7,490</b>	<b>-2,022</b>	<b>-58</b>	<b>0</b>	

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	ENVIRONMENT & ENTERPRISE	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
	Net Environment & Enterprise Directorate	-4,938	-1,414	675	753	

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	COMMUNITY, HEALTH AND WELLBEING	Existing MTFS					Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
	<b>Investment in Services</b>						
	<b>Adults</b>						
CHW001	<b>Demographic Growth.</b> Costs associated with increased demand for eligible users	2,800	2,600	2,800	2,500	29,216	
CHW002	<b>Mental Health Properties</b>	50				3,792	
CHW003	<b>West London Alliance.</b> Increased subscription fees	10				622	
	<b>Housing Services Housing General Fund (HGF)</b>						
CHW004	<b>Homelessness [100 families &amp; anticipated B&amp;B Housing Benefit (HB) changes).</b> Savings from 2012-13 MTFS assumed to arise from increased subsidy for B&B placements which did not actually materialise.	-250	-250				
CHW005	<b>Homelessness.</b> Growth to meet the challenges of welfare reform, in terms of additional staffing and additional expenditure now being incurred to deliver appropriate solutions to meet housing need	1,000	-500			2,873	
CHW006	<b>Invest to Save in Private Sector Leasing (PSL)</b> Incentive payments to landlords for entering medium term lease arrangements. This will result in reduced expenditure on B&B shown as savings below.	289	-289				
	<b>Community &amp; Culture</b>						
CHW007	<b>Cultural Strategy Review growth and efficiencies</b>	-150				643	
CHW008	<b>London Youth Games</b>	8				12	
CHW009	<b>Under One Sky</b>	25				105	
CHW010	<b>Support for specialist welfare advice services</b>	90	-90			709	
	<b>Public Health</b>						
CHW011	<b>Public Health Transition costs</b>	100	-100			800	
	<b>Total Investment in Services</b>	<b>3,972</b>	<b>1,371</b>	<b>2,800</b>	<b>2,500</b>		
	<b>Savings</b>						
	<b>Adults Services</b>						
CHW012	<b>Contract Management - managing inflation</b>	-100				-2,206	
CHW013	<b>Contract Management - efficiencies</b>	-150	-100			-2,206	
CHW014	<b>Contract Management - Home care providers</b>	-900				6,515	



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Item No	COMMUNITY, HEALTH AND WELLBEING	Existing MTFS						Net Budget £000
		2013-14	2014-15	2015-16	2016-17	Net Budget £000		
		£000	£000	£000	£000			
CHW015	West London Alliance (WLA) Joint Procurement: Approved Provider Credition (APC) Residential Care	-150	-150			9,819		
CHW016	Central North West London (CNWL): Mental Health Efficiencies	-100				3,792		
CHW017	Voluntary Sector Funding. Reversal of 2012/13 growth		-100					
CHW018	Voluntary Sector Funding		-200					
CHW019	Residential Care Strategic Review. Only the most complex service users to be supported in residential establishments.	-1,550	-3,000					
CHW020	Investment in Community Based Services. Cost of providing services as a result of not placing service users in residential care.	775	1,500			-1,111		
CHW021	Day Care Strategic Review	-300	-300			2,210		
CHW022	Purchasing Budget [community based efficiencies]. Market development providing greater choice in services leading to reductions in cost.		-1,000					
CHW023	Commissioning Staff. Review of staffing structures.		-300					
CHW024	Share Complaints team with another local authority and/ or aggregate within Council. Originally intended these savings would be delivered through a shared service approach which will continue to be explored but may be accommodated within wider staff changes as appropriate to deliver the savings.		-104					
CHW025	Sharing of Joint Assessment Team with another local authority. Originally intended these savings would be delivered through a shared service approach which will continue to be explored but may be accommodated within wider staff changes as appropriate to deliver the savings.		-93					
CHW026	Reablement. Services provided reduce long term requirement for services.	-900				6,889		

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Item No	COMMUNITY, HEALTH AND WELLBEING	Existing MTFS					Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
CHW027	Cessation of Funding for Transport Clubs	-75				1,442	
CHW028	Supporting People - targeted efficiency savings through specific contracts		-1,324				
CHW029	Secure further earmarked investment from PCT/CCG in Adult Social Care	-500				-2,206	
CHW030	Decommission Greenview Services	-230				637	
CHW031	Occupational Therapy. Staff time supporting Disabled Facilities Grant to be capitalised.	-230				229	
CHW032	Meals on Wheels. Review options for service provision.		-190				
CHW033	Older People Integrated Care. Consideration of jointly provided services with Health.		-800				
CHW034	Late savings - vacancy management	-69				-2,206	
CHW035	Late savings - agency costs	-73				-2,206	
CHW036	Late savings - reduced inflation allocation	-197					
CHW037	Housing Services (HGF)						
CHW038	Housing Needs - Private Sector Leasing Scheme. Income generation		-25				
CHW039	Housing Service Efficiency Review. Saving in staffing costs		-70				
CHW040	Reallocation of staff time from General Fund (GF) to Housing Revenue Account (HRA) - to reflect service demands	-215				3,897	
CHW041	Deletion of vacant Enabling Project Officer Post	-36				224	
CHW042	Invest to Save - cash incentives. Used to free up HRA properties to house families from the waiting list. Savings result from reduced B&B expenditure.	-48	-48			2,873	
CHW043	Affordable PSL accommodation. B&B savings projected to arise as a result of incentive payments to landlords under the spend to save proposal.	-240					
CHW044	Reduced costs at Travellers Site	-10				13	
CHW045	Late savings - vacancy management	-16				3,897	
CHW046	Late savings - agency costs	-17					
CHW046	Late savings - reduced inflation allocation	-6				3,897	

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Item No	COMMUNITY, HEALTH AND WELLBEING	Existing MTFS					Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
CHW047	<b>Empty Homes Initiative.</b> Reduced cost of temporary accommodation as a result of bringing empty properties back into use.		-300				
CHW048	<b>Community and Culture</b>						
	<b>Community Development review of structure and service re-provision</b>	-48	-15			163	
CHW049	<b>Libraries Transformation 2 -reversal of one off investment in 2012-13</b>	-150					5,385
CHW050	<b>Libraries Transformation 2</b> Impact of final contract negotiations around profit share and short term use of Civic Centre by contractor	-25	-71				
CHW051	<b>Library Volunteers.</b> Support provided by volunteers.		-40				5,385
CHW052	<b>Combine Gayton &amp; Civic Centre Libraries</b>	-75					1,184
CHW053	<b>Cultural Strategy Review efficiencies - savings subject to tender with Ealing &amp; Brent</b>	-200	-400				9,385
CHW054	<b>Procurement Efficiencies</b>	-40	-77				
CHW055	<b>Reduce Adult Learning Subsidy.</b> Services to be funded by grant.	-73	-50				136
CHW056	<b>Reduce subsidy to harrow young musicians</b>	-28	-10				58
CHW057	<b>Share responsibility for Community Cohesion across Council</b>	-63					63
CHW058	<b>Commercialisation Hatch End Pool, Arts Centre, Museum &amp; Bannister stadium.</b> Commercialisation project set up to investigate the longer term deliverability of these savings.	-117	-238				
CHW059	<b>Review main grants budget</b>	-69					1,142
CHW060	<b>Reduce officer support for grants</b>	-40					709
CHW061	<b>One off support for commissioning for voluntary sector</b>	-40					104
							709
CHW062	<b>Deletion of post supporting community festivals</b>		-48				105
CHW063	<b>Late savings - vacancy management</b>	-25					5,123
CHW064	<b>Late savings - agency costs</b>	-27					24
CHW065	<b>Late savings - reduced inflation allocation</b>	-11					9,385

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Item No	COMMUNITY, HEALTH AND WELLBEING	Existing MTFS					Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
	<b>Public Health</b>						
CHW066	Contribution to Director of Public Health (DPH) salary funded by grant	-50				800	
CHW067	Contribution to overheads from Barnet/Harrow Public Health. Charge overhead costs to grant.	-250				800	
CHW068	Further Public Health Efficiencies. Funding existing Council revenue funded services.		-100			800	
	<b>Unallocated (nominally Transformation)</b>						
CHW069	Late savings - procurement	-167					
	<b>Total CHW Savings</b>	<b>-6,834</b>	<b>-7,653</b>	<b>0</b>	<b>0</b>		
	<b>Net CHW Directorate</b>	<b>-2,862</b>	<b>-6,282</b>	<b>2,800</b>	<b>2,500</b>		

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	RESOURCES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
	<b>Investment in Services</b>						
	<b>Customer Services</b>						
RES001	Web development & licences	10					658
RES002	IT & text alerts. Costs to build and enable alerts to be sent to customers by Access Harrow.	50					658
RES003	<b>Helpline Income shortfall.</b> Realignment of budget to reflect income actually received.	80					597
RES004	<b>Card Payment System.</b> Costs to enable the Council to securely manage the receipt of card payments	92					751
	<b>IT / Project Management Office (PMO)</b>						
RES005	<b>BTP Contract Indexation.</b> Cost of contractual increases in excess of 2%.	60	30				11,651
RES006	<b>Transfer from capital - Microsoft annual licence costs more economic than buying.</b> Revenue costs of annual licences, which are cheaper than longer licences funded from capital	88					11,651
	<b>Strategic Commissioning</b>						
RES007	<b>Local Information System Licences and Running Costs</b>	18					18
RES008	<b>Reduction in DAT contribution due to PCT budget reductions (reversal of one off growth in 2012-13)</b>	-25					0
RES009	<b>Experian &amp; LIS.</b> Addition of new census data into LIS system and update of Experian profiles.	3	22	-25			17
RES010	<b>Refresh of Residents Panel.</b> Refresh of membership.	10	-10				14
	<b>Human Resource Development (HRD)</b>						
RES011	<b>Cashiers Service Resilience.</b> Additional staffing to provide more resilient service.	50					751
RES012	<b>Corporate services savings shortfall</b>	20					20

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Item No	RESOURCES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
RES013	<b>Increased Resources in Payroll.</b> Additional staffing to support auto enrolment.	35				545
RES014	<b>Reduced West London Waste Authority (WLWA) SLA Income to Payroll.</b> Reduction in SLA income as West London Waste ceases to use Harrow services.	20	15			15
	<b>Legal and Governance</b>					
RES015	<b>Legal Expansion of Child protection.</b> Additional staffing to support 50% increase in child protection work	120				1,964
RES016	<b>Individual Electoral Registration.</b> Implementation costs	100	-100			100
	<b>Finance</b>					
RES017	<b>Finance Transformation Project.</b> One off implementation costs for development of enhanced service.	200	-200			200
RES018	<b>Finance - Ending Service to WLWA.</b> Reduction in SLA income as West London Waste ceases to use Harrow services.	23	27			27
RES019	<b>Reduced Schools SLA Income.</b> Reduced SLA income following transition of a number of schools to Academies who are not using Harrow's service.	20				-132
	<b>Risk Audit and Fraud</b>					
RES018	<b>Internal Audit - loss of income from ending service to WLWA.</b> Reduction in SLA income as West London Waste ceases to use Harrow services.	17				409
	<b>Collections and Benefits</b>					
RES019	<b>Department of Work and Pensions (DWP) Housing Benefit Reduction in Administration Grant.</b> Following the introduction of Universal Credit administered by central government.		250	500		1,660

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Item No	RESOURCES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	
RES020	<b>Loss of Housing Benefits Overpayments Income Stream.</b> Following the introduction of Universal Credit administered by central government.		200	320	110	630	
RES021	<b>Additional Staff-Revenues Council Tax Support (CTS) collection.</b> Additional staff required as a result of the localisation of Council Tax Benefit and extension of Council Tax to residents who had not previously paid Council Tax.	150				1,660	
RES022	<b>Harrow HELP scheme.</b> Hardship fund to help mitigate the impacts of Welfare Reform.	100				457	
RES023	<b>Public Finance Initiative (PFI) Grant Reduction.</b> Ending of grant in relation to previous PFI contract.	38	43			43	
RES024	<b>DWP HB Reduction in Admin Grant</b>	298	119			1,227	
RES025	<b>Funding for Localised CTB consultation &amp; Implementation (reversal of one off growth in 2012-13)</b>	-100				0	
	<b>Procurement</b>						
RES025	Investment in Procurement Team to restore size of team to that for 2011/12	140				1,238	
	<b>Total Investment in Services</b>	<b>1,617</b>	<b>396</b>	<b>795</b>	<b>110</b>		
	<b>Savings</b>						
	<b>Customer Services</b>						
RES025	<b>Move landlords online with face to face (F2F) by appointment only on fixed days.</b> Access Harrow staff saving following moving interaction with landlords online.	-90				5,475	
RES026	<b>Reduction in staff hours to meet demand through fewer full time posts</b>	-60				5,475	

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	RESOURCES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
RES027	<b>Use of Artificial Intelligence to divert switchboard calls.</b> Reducing use of staff, introduced in 2013-14 with full year impact of saving in 2014-15	-60	-60			5,475
RES028	<b>Restructure of Reception to ensure all day cover.</b> Staffing reduction in Access Harrow.	-10				5,475
RES029	<b>Further channel shift through roll out of My Harrow account.</b> Reduction in Access Harrow staffing resulting from self serve via MHA, website and IVR		-60			5,475
RES030	<b>Close F2F and Telephony Channels for Public Realm Enquiries.</b> Over a 3 year period close face to face contact in Access Harrow for Public Realm queries and migrate to Internet contact.		-30			
RES031	<b>Reconfigure One Stop Shop</b> to self-serve area and close F2F (face to face) advice	-50	-100	-70	-50	5,475
RES032	<b>IT / Project Management Office (PMO)</b>					
RES033	<b>Deletion of Project Manager</b>	-48				405
RES034	<b>Data centre to remain at the Civic Centre.</b> Saving on IT contract from not moving data centre to a remote site.	-250				11,651
RES035	<b>Recharge utility costs for computer room to Capita.</b>	-95				11,651
	<b>Reduction in Telephony Costs utilising SIP</b> Telephony moved a cheaper technology.	-200				153
	<b>Strategic Commissioning</b>					



**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
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Item No	RESOURCES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
RES036	<b>Merger of Corporate Performance Team and Service Performance Team, reducing staffing.</b> Merging of two management posts undertaking similar specialisms across the council to one single Business Intelligence team and the delivery of the new operating model (next saving).		-93				1,381
RES037	<b>Delete post of Senior Professional SIMS.</b> Staff reduction in team supporting the use of the schools information system.	-60					487
RES038	<b>Performance, Research &amp; Analysis Business Case and New Operating Model Strategic Commissioning.</b> Aggregation of posts undertaking similar specialisms across the council to one team which is then reduced to deliver the saving through a more efficient delivery of the service.	-132	-97				1,381
RES039	<b>Merger of Consultation Officer into Communications team. This is a staff reduction of 1FTE which will see the Communications taking the corporate lead for consultations in the Council from 01/04/13</b>	-40					656
RES040	<b>Communications - reduction in number of campaigns. This is a reduction in the contract price for the next two years agreed with Westco.</b>	-46	-46				656
	<b>HRD</b>						
RES041	<b>Reduction in HRD Management team. Post deletion.</b>			-65			622
RES042	<b>Reduction in HRD posts. Deletion of 2 posts.</b>		-75	-75			622

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	RESOURCES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
RES043	<b>Re-negotiate Learning &amp; Development (L&amp;D) managed service contract fees</b>	-38					63
RES044	<b>Reduction in Trade Union (TU) facility budget.</b> Reduction in funding provided to support Trade Union staffing.	-30					50
RES045	<b>Print Contract Savings.</b> Letting of contract for printers and photocopyers at lower cost.	-350	-100				496
RES046	<b>Cessation of External recruitment Advertising.</b> Reduce the volume of recruitment advertising in journals and papers and increase use of internet advertising including the council's own site	-25	-75				-25
	<b>Risk Audit and Fraud</b>						
	CORPORATE ANTI-FRAUD TEAM						
RES047	<b>Proceeds of Crime Act - pursue recoveries of fraudulent gains in partnership with Brent, plus additional income recovery.</b>	-20	-19				447
	INTERNAL AUDIT						
RES048	<b>Reduce co-sourcing budget.</b> Reduce the use of external partners to provide specialist support to audit.		-16				35
RES049	<b>Delete vacant post in audit</b>	-30					220
RES050	CORPORATE HEALTH & SAFETY SERVICE						
RES051	<b>Delete 2 posts in Health and Safety.</b>	-82					74
	CIVIL CONTINGENCIES TEAM						
RES052	<b>Joint working opportunity with other boroughs.</b> Share service with another borough.	-35					130
	INSURANCE SERVICE						
RES053	<b>Reduced broker fees through more in-house handling and increased income on third party insurance schemes</b>	-2	-3				23

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	RESOURCES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
RES054	<b>Future trading with Academies.</b> Introduce chargeable service to academies.	-25				-540
RES055	<b>Phase 2 restructure, reduced assistant post from claims handling transfer to Access Harrow / further LEAN efficiencies.</b> Staffing reduction	-20				82
RES056	<b>Reduction of 1FTE Anti Fraud Investigator Post</b>	-50				257
RES057	<b>Reprocurement Occupational Health.</b> Relet contract.	-70				177
RES058	<b>Deletion of Corporate Risk Management Support Service.</b> Deletion of post in 2013.	-30	-30			17
RES059	<b>Cross Council Insurance Claims.</b> Reduce cost of insurance claims against the Council by better risk management.	-30	-70			620
RES060	<b>Reduced Contribution to Insurance Provision.</b> Reduce cost of insurance claims against the Council by better risk management.		-100			620
RES061	<b>Deletion of Divisional Director post as part of Resources Directorate restructure</b>	-118				0
	<b>LEGAL AND GOVERNANCE</b>					
	Legal Practice					
RES062	<b>Legal Practice staffing</b>	-28				70
RES063	<b>Shared Service efficiencies.</b> Reduced staffing on service shared with Barnet.	-75				1,964
RES064	<b>Expansion of Legal Practice Shared Service.</b> Expand Legal shared service to an additional partner.	-100	-100			-100
RES065	<b>Registrars</b>					
RES066	<b>Share/reduce management costs .</b> Reduced staffing	-75				1,964

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	RESOURCES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
RES067	Elections					
RES068	E-canvass Project. Reduced staffing following electronic canvass.	-20		-20		129
RES069	Reduced Number and Frequency Formal Committees. Reduced staffing.	-30		-70		206
RES070	Efficiency savings in Mayor's office. Reduced staffing	-26				38
RES071	Scaled Back Councillor Investigation Process. Reduced staffing.	-50				0
RES072	Increase to Registrars Fee Income Target. Income budget reduced in 2012-13 to reflect actual received, additional income to be received from 2013-14.	50		-100		-54
	<b>Corporate Finance</b>					
RES073	Finance restructure. Reduced staff costs.			-300		1,793
RES074	Audit fees reduced	-160				270
RES075	London Boroughs grant scheme – reduced levy	-74				264
RES076	Treasury Management - increased investment income	-939				
	Procurement					
	<b>Collections and Benefits</b>					
RES077	Deletion of 2 FTE posts in Revenues - Council Tax and National Non Domestic Rates (NNDR)	-60				804
RES078	Deletion of 4 FTE posts in Housing Benefits			-140		1,227
RES079	Deletion of 1 post in Parking Back Office	-25				303
RES080	Staff reductions to match DWP Admin grant reduction			-48		

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)**

Item No	RESOURCES	Existing MTFS					2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000		
RES081	Concessionary Travel - Changes to Transport for London (TFL) grant distribution. Reallocation of levy costs between London Boroughs.	-105	-102				9,662
RES082	Revenues Staffing Reductions				-40	804	
RES083	Housing Benefits Staffing Reductions as Benefits moves to DWP. Reduced staffing required as Housing Benefits transfers to Universal Credit and is no longer administered by Harrow.			-125	-145	1,227	
RES084	Withdraw Discretionary Rate Relief from Charity Shops in 2013-14 and end in 2014-15	-25	-50			50	
RES085	Funding Administration of Emergency Relief Scheme from Grant.	-85				0	
RES086	Restrict the issuing of taxi cards to only that which is available through TFL funding. Reduction in scheme benefits to members.	-200				0	
RES087	Cross Council Efficiencies not delivered in 2012-13. Proposed cross cutting efficiencies in 2012-13 that have not progressed.	215				0	
	<b>Late Savings</b>						
RES088	Vacancy management. Reduction in staffing	-148				40,879	
RES089	Agency. Reduction in use of agency staff combined with improved terms for the Council's agency provider.	-157				40,879	
RES090	Procurement. Additional saving from improved category management.	-205				16,850	
RES091	Inflation. Reduction in inflation allocation to be achieved through supplier management	-86				16,850	
	<b>Total Resources Savings</b>	<b>-4,504</b>	<b>-1,969</b>	<b>-520</b>	<b>-335</b>		

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
(AS APPROVED BY CABINET / COUNCIL FEBRUARY 2013)

Item No	RESOURCES	Existing MTFS				2013-14 Net Budget £000
		2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	
		-2,887	-1,573	275	-225	
	Net Resources Directorate					

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17  
 Proposed changes to MTFS for member approval following budget re-fresh process to be approved for the final budget calculation

APPENDIX 3

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

Item No		2014-15		2015-16		2016-17		2013-14 Net Budget	
		£000	£000	£000	£000	£000	£000	£000	£000
	<b>BUDGET GAP PRIOR TO REFRESH</b>	0	15,693	14,236					
E&E 001 14/15	<b>Recycling Support Team</b> - Positive, friendly people dressed in a fully Council branded uniform, working with refuse crews to support recycling, composting and street scene through active interactions with the public. A team of three plus materials budget for publicity etc.- £125,000. May be self financing if they can divert 1,000 tonnes of residual waste into recycling stream. The provision of the funding will allow increased penetration of recycling issues and benefits. A sustained publicity campaign to boost our recycling performance. A targeted campaign can move the Borough towards a 50% recycling rate, this may be self financing in the long run if waste is diverted from landfill.	125	0	0					147
E&E 002 14/15	<b>Secondary Shopping Centres Beat Sweeping</b> - Reintroduction of high visibility weekend street cleansing in secondary shopping centres which are subject to excessive littering and complaint (including Rayners Lane, Edgware, South Harrow etc) and borough wide rapid response team at weekend. The provision of the funding will support our high streets economic vitality, improve our performance indicator score for litter (NI 195) which has dipped over the last year and improve public satisfaction due to reduction in excessive weekend littering. Weekend operation will also ease pressure on Monday mornings as the catch up will not be so great.	150	0	0					2303
E&E 003 14/15	<b>Street cleansing Blitz Team</b> - The team will be utilised in responding to complaints, Neighbourhood Champion referrals, removal of signal crime, detail cleansing of hot spots and supporting volunteer initiatives. The provision of the funding will allow the improvement of the street cleansing indicator, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work	125	0	0					169
E&E 004 14/15	<b>Neighbourhood Champions (NC)</b> - Restock publicity and NC apparel, re-engage current Neighbourhood Champions. Initiate promotional recruitment of new champions and undertake training. The provision of the funding will allow provision of support staff and reintegration of Neighbourhood Champions, increase in volunteering, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work	100	0	0					0
E&E 005 14/15	<b>Parks/Grounds Blitz Team</b> - The team will be utilised in responding to complaints, Neighbourhood Champion and User Group referrals, removal of signal crime, detail maintenance of hot spots and supporting volunteer initiatives. The provision of the funding will allow the improvement of the street cleansing indicator, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work.	125	0	0					1762
E&E 006 14/15	<b>Enhanced planning enforcement</b> - Engage in Cross Council weeks of action initiative, especially in relation to beds in sheds and unauthorised conversions; and to deliver a step change in enforcement action and pro-active re-enforcement of the statutory planning regime including through engagement on proceeds of crime and to accelerate the delivery of justice through statutory notices and prosecution in response to residents' complaints.	100	0	0					333



Item No		2014-15		2015-16		2016-17		2013-14 Net Budget	
		£000	£000	£000	£000	£000	£000	£000	£000
	<b>BUDGET GAP PRIOR TO REFRESH</b>	0	15,693	14,236					
E&E 007 14/15	<b>Additional transitional management roles to support administration improvement priorities</b> - Following the recent change in administration, it is necessary to retain some management roles to the end of August 2014 to ensure the administration priorities are fully met. <b>Substitute Savings</b>	130	0	0	0	0	18543		
E&E 008 14/15	<b>Budget Realignments for Parking Services (Income re-alignment, no staff impact)</b> Based on the review of historical performance, enforcement of parking and traffic offences for traffic management reasons in 2012/13 recovered more than the budgeted figure. The same rate of recovery has been maintained through 2013/14 so far. To properly reflect expectations an increase in the budgeted figure for 2014/15 is recommended. <b>Key risks:</b> 1. Enforcement results in changes to behaviour and therefore reductions in income are expected over time. 2. The performance can be adversely impacted by inclement weather, technical and legal issues. 3. Policy changes	-700	0	0	0	0	-4,448		
E&E 009 14/15	<b>Textiles Recycling</b> Additional income generated from textiles recycling contract.	-10	0	0	0	0	450		
E&E 010 14/15	<b>Increase in income relating to leisure centre car parks</b> Increase in leisure centre parking income	-300	0	0	0	0	0		
	<b>Total Environment &amp; Enterprise</b>	<b>1,065</b>	<b>-442</b>	<b>11</b>					
	<b>COMMUNITY, HEALTH AND WELLBEING</b>								
	<b>Unachievable savings</b>								
	<b>Adults</b>								
CHW015	<b>West London Alliance (WLA) Joint Procurement: Approved Provider Credition (APC)</b> Residential Care	50	0	0	0	0	9,819		
CHW029	<b>Secure further earmarked investment from PCT/CCG in Adult Social Care</b>	500	0	0	0	0	2,206		
CHW033	<b>Older People Integrated Care.</b> Consideration of jointly provided services with Health.	800	0	0	0	0			
CHW034	<b>Late savings - vacancy management</b>	69	0	0	0	0			
CHW035	<b>Late savings - agency costs</b>	73	0	0	0	0			
	<b>Community and Culture</b>								
CHW050	<b>Libraries Transformation 2</b> Impact of final contract negotiations around profit share and short term use of Civic Centre by contractor	141	-18	0	0	0	5,385		
CHW054	<b>Procurement Efficiencies</b>	139	0	0	0	0			
CHW057	<b>Share responsibility for Community Cohesion across Council</b>	63	0	0	0	0	63		
CHW058	<b>Commercialisation Hatch End Pool, Arts Centre, Museum &amp; Bannister stadium.</b> Commercialisation project set up to investigate the longer term deliverability of these savings.	355	0	0	0	0	1,142		
CHW069	<b>Late savings - procurement</b>	167	0	0	0	0			
	<b>New Growth</b>								
	<b>Adults</b>								

Item No		2014-15		2015-16		2016-17		2013-14 Net Budget	
		£000	£000	£000	£000	£000	£000	£000	£000
	<b>BUDGET GAP PRIOR TO REFRESH</b>								
CHW001 14/15	<b>Demographic Growth.</b> Costs associated with increased demand and complexity for eligible users	0	15,693	14,236	0	0	0	29,216	
CHW002 14/15	<b>Homelessness [100 families &amp; anticipated B&amp;B HB changes).</b> Savings from 2012-13 MTFS assumed to arise from increased subsidy for B&B placements which did not actually materialise.	150	0	0	0	0	0	2,873	
CHW003 14/15	Hatch End Library - contract assumed a self service model. Ongoing discussions with contractor to finalise staffing structure for April 2014.	117	0	0	0	0	0		
	<b>Total Community, Health and Wellbeing</b>	<b>3,224</b>	<b>-18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
	<b>RESOURCES</b>								
	<b>Unachievable Savings</b>								
RES041	<b>Reduction in Human Resource Development ( HRD) Management team.</b> Post deletion.	65	0	0	0	0	0	622	
RES042	<b>Reduction in HRD posts.</b> Deletion of 2 posts.	75	0	0	0	0	0	622	
RES069	<b>Reduced Number and Frequency Formal Committees.</b> Reduced staffing.	70	0	0	0	0	0	206	
RES083	<b>Housing Benefits Staffing Reductions as Benefits moves to Department for Work and Pensions (DWP).</b> Reduced staffing required as Housing Benefits transfers to Universal Credit and is no longer administered by Harrow.	0	125	20	0	0	0	1,227	
RES084	<b>Withdraw Discretionary Rate Relief from Charity Shops in 2013-14 and end in 2014-15</b>	50	0	0	0	0	0	50	
RES064	<b>Expansion of Legal Practice Shared Service.</b> Expand Legal shared service to an additional partner.	200	0	0	0	0	0	-100	
	<b>Re-profiled Investment / Savings</b>								
RES019	<b>DWP Housing Benefit Reduction in Administration Grant.</b> Following the introduction of Universal Credit administered by central government.	-250	-250	500	0	0	0	1,660	
RES020	<b>Loss of Housing Benefits Overpayments Income Stream.</b> Following the introduction of Universal Credit administered by central government.	-200	-120	210	0	0	0	630	
RES078	<b>Deletion of 4 FTE posts in Housing Benefits</b>	140	-140	0	0	0	0	3,117	
	<b>New Growth</b>								
RES 001 14/15	Revenue implications of security enhancements required by Public Services Network (PSN)	100	0	0	0	0	0	10,332	
RES 002 14/15	Contractual increase for channel migration supplier costs	50	0	0	0	0	0	5,429	
	<b>Substitute Saving</b>								
RES 003 14/15	To delete the post of Chief Executive and associated business support	-280	0	0	0	0	0	280	
	<b>Total Resources</b>	<b>20</b>	<b>-385</b>	<b>730</b>	<b>0</b>	<b>0</b>	<b>0</b>		
	<b>TECHNICAL BUDGET CHANGES</b>								
Tech 001	<b>Capital financing costs and investment income</b>	910	700	0	0	0	0		
Tech 002	<b>New homes bonus</b> - Top slice of New Homes Bonus to fund LEP announced in Comprehensive Spending Review (CSR) 2013	0	1600	180	0	0	0	-2,867	
Tech 003	<b>SSCF Grant received from Greater London Authority (GLA) - reduction.</b>	62	0	0	0	0	0	62	
Tech 005	<b>PCT Funding via s256 agreement.</b> CCG funding via s256 agreement.	-233	0	0	0	0	0	-	
Tech 007	<b>Education Support Grant.</b> New grant in relation to Local Education Authority (LEA) functions, previously included in formula Grant	-1,500	500	200	0	0	0	-2,500	
Tech 001 14/15	Council Tax Freeze Grant	-1055	-1055	2110	0	0	0	0	
Tech 002 14/15	Formula Grant reduction as indicated in March 2013 budget	1000	0	0	0	0	0	52,100	

Item No	2014-15	2015-16	2016-17	2013-14 Net Budget
	£000	£000	£000	£000
	0	15,693	14,236	
<b>BUDGET GAP PRIOR TO REFRESH</b>				
Council Tax Base to reflect actual base for 2014/15 and projected increase of 0.1% in future years	-1519	-100	-100	93,039
Collection Fund	-681	681	0	-1,045
Council Tax increase at 0% for 2014/15, 2015/16 and 2016/17	1861	1861	1861	0
Tech 006 14/15				
Tech 018	-1,829	0	0	1,171
Tech 019	-2,000	1000	0	2,000
Tech 025	-600	-600	-600	-
Tech 029	151	46	-16	-
<b>Terms and conditions.</b> Savings arising from renegotiated terms and conditions with staff.				
<b>Total Technical Budget Changes</b>	<b>-5,433</b>	<b>4,633</b>	<b>3,635</b>	
<b>TOTAL ADJUSTMENTS</b>	<b>-24</b>	<b>3,788</b>	<b>4,376</b>	
<b>REVISED BUDGET GAP</b>	<b>-24</b>	<b>19,481</b>	<b>18,612</b>	

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## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	TECHNICAL BUDGET CHANGES		Proposed MTFS		Category	Consultation		EQIA	
	2014-15 £000	2015-16 £000	2016-17 £000	General		Specific	Initial	Full	
Tech 001		167	310	841	N/A - technical budget adjustment	N/A		N/A	N/A
		<b>167</b>	<b>310</b>	<b>841</b>					
Tech 002		-591	1,075	-345	N/A - technical budget adjustment	N/A		N/A	N/A
		62	0	0	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 003		-500	1,500	200	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 007		-1,055	-1,055	2,110	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 001		1,000	0	0	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 002		<b>-1,084</b>	<b>1,520</b>	<b>1,965</b>					
Tech 012		350	360	370	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 003		-1,519	-100	-100	N/A - technical budget adjustment	Yes		N/A	N/A
14/15									
Tech 004		-681	681	0	N/A - technical budget adjustment	Yes		N/A	N/A
14/15									
Tech 005		1,861	1,861	1,861	N/A - technical budget adjustment	Yes		N/A	N/A
14/15									
Tech 014		14	0	0	Agreed February 2013	Yes		N/A	N/A
Tech 017		150	0	0	Agreed February 2013	Yes		N/A	N/A
Tech 018		0	3,000	3,000	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 019		-2,000	0	0	N/A - technical budget adjustment	Yes		N/A	N/A
Tech 020		-108	-81	-81	Agreed February 2013	Yes		N/A	N/A
Tech 022		-1,000	0	0	Agreed February 2013	Yes		N/A	N/A
		<b>-2,933</b>	<b>5,721</b>	<b>5,050</b>					
Tech 023		950	1,850	1,850	Agreed February 2013	Yes		N/A	N/A
Tech 024		400	400	400	Agreed February 2013	Yes		N/A	N/A
Tech 025		1,210	1,210	1,210	N/A - technical budget adjustment	Yes		N/A	N/A
		<b>2,560</b>	<b>3,460</b>	<b>3,460</b>					
Tech 028		24	0	0	Agreed February 2013	Yes		N/A	N/A
Tech 029		-169	-94	-16	N/A - technical budget adjustment	Yes		N/A	N/A

**MTFS 2014/15 to 2016/17 – Proposed investments / savings**

Item No	TECHNICAL BUDGET CHANGES			Proposed MTFS			Category		Consultation		EQIA	
	2014-15 £000	2015-16 £000	2016-17 £000	2014-15 £000	2015-16 £000	2016-17 £000	General	Specific	Initial	Full		
		-145	-94			-16						
	<b>Total Transformation</b>											
		-1435	10917			11300						
	<b>Total Corporate</b>											

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	CHILDREN'S SERVICES	Proposed MTFS			Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific		Initial
	Investment in Services								
CF 001	Increase in Children Looked After (CLA) placement budgets reflecting growth in child population and changing demographic	178	178	178	Agreed February 2013	Yes	N/A	Yes	N/A
CF 002	Increase in Children with Disabilities (CWD) client costs reflecting growth in child population	82	82	82	Agreed February 2013	Yes	N/A	Yes	N/A
CF 003	Increase in staffing costs reflecting growth in child population and changing demographic	153	153	153	Agreed February 2013	Yes	N/A	Yes	N/A
CF 004	Loss of Youth Justice Board funding	10	0	0	Agreed February 2013	Yes	N/A	N/A	Yes
CF 008	Creation of Advanced Practitioner Social Worker posts	70	0	0	Agreed February 2013	Yes	N/A	N/A	Yes
CF 012	Project Management Costs including Special Needs Transport, Children's Centre remodelling and developing new transformation projects	-97	0	0					
CF 001 14/15	Additional 12 Social Worker posts. Growth of £500k already approved by Leader for 2014/15.	500	0	0	Agreed February 2013	Yes	N/A	Yes	N/A
CF 002 14/15	Special Needs Transport increase in demand	300	0	0	New growth	Yes	N/A	N/A	N/A
	<b>Total Investment in Services</b>	<b>1,196</b>	<b>413</b>	<b>413</b>					
	<b>Savings</b>								
CF 017	Consolidation of staffing structure including proposed deletion of 1 Divisional Director post 2015/16	-148	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CF 018	Deletion of Head of Education Strategy & School Organisation	-50	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CF 019	Reconfiguration of Early Intervention Service to support the Families First Programme	-150	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CF 020	Children's Centres remodelling to reconfigure the local offer	-200	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CF 021	Special Needs Transport II - demand management including Independent Travel Training	-45	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CF 022	Special Needs Transport III - full market engagement including outsourcing of some routes	-500	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CF 023	Introduction of Charging for non Statutory Educational Psychology to schools	-90	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CF 024	Review of semi supported provision including potential closure of Honeypot Lane	-410	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CF 025	Procurement Savings including placements	230	0	0	Unachievable saving	Yes	Yes	Yes	N/A
CF 026	Savings from commissioning budgets including connexions, parenting support, drugs & alcohol and clinic in a box	-255	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CF 027	Recommissioning of Respite Care for CWD	-100	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CF 028	Consolidation of Early Years training functions - including reductions in contracts & staffing	-50	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
	<b>Total Children and Families Savings</b>	<b>-1,768</b>	<b>0</b>	<b>0</b>					
	<b>Net Children &amp; Families</b>	<b>-572</b>	<b>413</b>	<b>413</b>					

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	ENVIRONMENT & ENTERPRISE	Proposed MTFS				Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000	General		Specific	Initial	Full	
	Investment in Services									
E&E001	Public Realm Services (PRS) - Vehicle early termination payments	-295	0	0	Agreed February 2013	Yes	N/A	N/A	N/A	N/A
E&E002	Transformation growth	-163	0	0	Agreed February 2013	Yes	N/A	N/A	N/A	N/A
E&E003	Parking review - 20 minute free parking	-261	0	0	Agreed growth no longer required	Yes	N/A	N/A	N/A	N/A
E&E005	CCTV camera income decline	0	70	56	Agreed growth no longer required	Yes	N/A	N/A	N/A	N/A
E&E006	CRC (Carbon Reduction Commitment)/EA (Environment Agency) increase in cost of CRC scheme	-88	0	0	Agreed growth no longer required	Yes	N/A	N/A	N/A	N/A
E&E008	West London Waste Authority (WLWA) Levy	689	677	708	Agreed February 2013	Yes	N/A	N/A	N/A	N/A
E&E 001 14/15	<b>Recycling Support Team</b> - Positive, friendly people dressed in a fully Council branded uniform, working with refuse crews to support recycling, composting and street scene through active interactions with the public. A team of three plus materials budget for publicity etc.- £125,000. May be self financing if they can divert 1,000 tonnes of residual waste into recycling stream. The provision of the funding will allow increased penetration of recycling issues and benefits. A sustained publicity campaign to boost our recycling performance. A targeted campaign can move the Borough towards a 50% recycling rate, this may be self financing in the long run if waste is diverted from landfill.	125	0	0						
E&E 002 14/15	<b>Secondary Shopping Centres Beat Sweeping</b> - Reintroduction of high visibility weekend street cleansing in secondary shopping centres which are subject to excessive littering and complaint (including Rayners Lane, Edgware, South Harrow etc) and borough wide rapid response team at weekend. The provision of the funding will support our high streets economic vitality, improve our performance indicator score for litter (NI 195) which has dipped over the last year and improve public satisfaction due to reduction in excessive weekend littering. Weekend operation will also ease pressure on Monday mornings as the catch up will not be so great.	150	0	0	New growth	Yes	N/A	N/A	N/A	N/A
E&E 003 14/15	<b>Street cleansing Blitz Team</b> - The team will be utilised in responding to complaints, Neighbourhood Champion referrals, removal of signal crime, detail cleansing of hot spots and supporting volunteer initiatives. The provision of the funding will allow the improvement of the street cleansing indicator, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work	125	0	0	New growth	Yes	N/A	N/A	N/A	N/A
E&E 004 14/15	<b>Neighbourhood Champions (NC)</b> - Restock publicity and NC apparel, re-engage current Neighbourhood Champions. Initiate promotional recruitment of new champions and undertake training. The provision of the funding will allow provision of support staff and reintegration of Neighbourhood Champions, increase in volunteering, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work	100	0	0	New growth	Yes	N/A	N/A	N/A	N/A



## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	ENVIRONMENT & ENTERPRISE	Proposed MTFS			Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific	Initial	Full
E&E 005 14/15	<b>Parks/Grounds Blitz Team</b> - The team will be utilised in responding to complaints, Neighbourhood Champion and User Group referrals, removal of signal crime, detail maintenance of hot spots and supporting volunteer initiatives. The provision of the funding will allow the improvement of the street cleansing indicator, improvement in reduction of fear of crime, improved customer satisfaction and support of volunteer work.	125	0	0	New growth	Yes	N/A	N/A	N/A
E&E 006 14/15	<b>Enhanced planning enforcement</b> - Engage in Cross Council weeks of action initiative, especially in relation to beds in sheds and unauthorised conversions; and to deliver a step change in enforcement action and pro-active re-enforcement of the statutory planning regime including through engagement on proceeds of crime and to accelerate the delivery of justice through statutory notices and prosecution in response to residents' complaints.	100	0	0	New growth	Yes	N/A	N/A	N/A
E&E 007 14/15	<b>Additional transitional management roles to support administration improvement priorities</b> - Following the recent change in administration, it is necessary to retain some management roles to the end of August 2014 to ensure the administration priorities are fully met.	130	0	0	New growth	Yes	N/A	N/A	N/A
	<b>Total Investment in Services</b>	<b>737</b>	<b>747</b>	<b>764</b>					
	<b>Savings</b>								
E&E011	<b>Public Realm Integrated Service Model (PRISM) efficiencies.</b> Towards Excellence Programme efficiencies	25	-375	0	Re-profiled saving	Yes	Yes	Yes	Yes
E&E012	<b>Further management reductions in Environment</b>	-145	0	0	Unachievable saving	Yes	Yes	Yes	Yes
E&E013	<b>Public Realm Post reductions.</b> Efficiency in management and support to Borough's allotments	-24	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
E&E016	<b>Climate Change - Flexible retirement and consumables budget</b>	-58	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
E&E019	<b>Establishing the Harrow Home Improvement Agency as a stand alone organisation. Transformation Project</b>	75	0	0	Unachievable saving	Yes	Yes	Yes	Yes
E&E020	<b>Introduction of Civic Centre staff car parking charges and other free car parks</b>	135	0	0	Unachievable saving	Yes	Yes	Yes	Yes
E&E023	<b>Consolidation of Civic Centre accommodation to secure utility cost savings. Transformation Project</b>	-122	-58	0	Agreed February 2013	N/A	N/A	Yes	N/A
E&E025	<b>Undertake maintenance and cleaning of corporate premises only to the minimum standard necessary for statutory compliance.</b>	100	0	0	Unachievable saving	N/A	N/A	N/A	N/A
E&E031	<b>Review of loss making car parks</b>	150	0	0	Unachievable saving	Yes	Yes	Yes	Yes
E&E033	<b>Trading Standards and Proceeds of Crime Act savings (linked to review of SLA with Brent trading Standards)</b>	-100	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
E&E039	<b>Revenue maximisation - Fleet sponsorship: Explore advertisement opportunities for PRS fleet</b>	-25	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
E&E040	<b>Returning Parks to Open Space</b>	275	0	0	Unachievable saving	Yes	Yes	Yes	Yes
E&E041	<b>Grass Verge Maintenance reduction</b>	-165	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
E&E043	<b>Grounds maintenance: Annualised hours</b>	0	-81	0	Re-profiled saving	Yes	Yes	Yes	Yes
E&E046	<b>Review fine turf service standards</b>	-29	0	0	Agreed February 2013	Yes	Yes	N/A	N/A
E&E050 / 051	<b>Review parks and cemeteries opening and locking and specialist dog waste collection</b>	105	0	0	Unachievable saving	Yes	Yes	Yes	Yes
E&E058	<b>Procurement Savings - others</b>	-273	0	0	Agreed February 2013	Yes	N/A	N/A	N/A

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	ENVIRONMENT & ENTERPRISE	Proposed MTFS			Consultation		EQIA		
		2014-15 £000	2015-16 £000	2016-17 £000	Category	General	Specific	Initial	Full
	<b>Budget Realignments for Parking Services (Income re-alignment, no staff impact)</b> Based on the review of historical performance, enforcement of parking and traffic offences for traffic management reasons in 2012/13 recovered more than the budgeted figure. The same rate of recovery has been maintained through 2013/14 so far. To properly reflect expectations an increase in the budgeted figure for 2014/15 is recommended. <b>Key risks:</b> 1. Enforcement results in changes to behaviour and therefore reductions in income are expected over time. 2. The performance can be adversely impacted by inclement weather, technical and legal issues. 3. Policy changes	-700	0	0	Substitute saving	Yes	N/A	N/A	N/A
E&E 008 14/15	<b>Textiles Recycling</b> Additional income generated from textiles recycling contract.	-10	0	0	Substitute saving	Yes	N/A	N/A	N/A
E&E 010 14/15	<b>Increase in income relating to leisure centre car parks</b> Increase in leisure centre parking income	-300	0	0	Substitute saving	Yes	Yes	N/A	N/A
	<b>Total Environment &amp; Enterprise Savings</b>	<b>-1,086</b>	<b>-514</b>	<b>0</b>					
	<b>Net Environment &amp; Enterprise Directorate</b>	<b>-349</b>	<b>233</b>	<b>764</b>					

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	COMMUNITY, HEALTH AND WELLBEING	Proposed MTFS			Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific	Initial	Full
	<b>Investment in Services</b>								
	<b>Adults</b>								
CHW001	<b>Demographic Growth.</b> Costs associated with increased demand for eligible users	3,200	2,800	2,500	Growth agreed February 2013 / New growth	Yes	N/A	N/A	N/A
CHW004	<b>Housing Services Housing General Fund (HGF)</b>								
	<b>Homelessness [100 families &amp; anticipated B&amp;B HB changes).</b> Savings from 2012-13 MTFS assumed to arise from increased subsidy for B&B placements which did not actually materialise.	-100	0	0		Yes	N/A	N/A	N/A
CHW005	<b>Homelessness.</b> Growth to meet the challenges of welfare reform, in terms of additional staffing and additional expenditure now being incurred to deliver appropriate solutions to meet housing need	-500	0	0	Unachievable saving	Yes	N/A	N/A	N/A
CHW006	<b>Invest to Save in Private Sector Leasing (PSL)</b> Incentive payments to landlords for entering medium term lease arrangements. This will result in reduced expenditure on B&B shown as savings below.	-289	0	0	Agreed February 2013	Yes	N/A	Yes	N/A
	<b>Community &amp; Culture</b>								
CHW010	<b>Support for specialist welfare advice services</b>								
CHW003 14/15	Hatch End Library - contract assumed a self service model. Ongoing discussions with contractor to finalise staffing structure for April 2014.	117	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
	<b>Public Health</b>								
CHW011	<b>Public Health Transition costs</b>	-100	0	0	Agreed February 2013	Yes	N/A	N/A	Yes
	<b>Total Investment in Services</b>	<b>2,238</b>	<b>2,800</b>	<b>2,500</b>					
	<b>Savings</b>								
	<b>Adults Services</b>								
CHW013	<b>Contract Management - efficiencies</b>	-100	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
CHW015	<b>West London Alliance (WLA) Joint Procurement: Approved Provider</b>	-100	0	0	Unachievable savings	Yes	N/A	N/A	N/A
CHW017	<b>Credition (APC) Residential Care</b>	-100	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
CHW018	<b>Voluntary Sector Funding.</b> Reversal of 2012/13 growth	-200	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
CHW019	<b>Residential Care Strategic Review.</b> Only the most complex service users to be supported in residential establishments.	-3,000	0	0					
CHW020	<b>Investment in Community Based Services.</b> Cost of providing services as a result of not placing service users in residential care.	1,500	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CHW021	<b>Day Care Strategic Review</b>	-300	0	0	Agreed February 2013	Yes	N/A	N/A	Yes
CHW022	<b>Purchasing Budget [community based efficiencies].</b> Market development providing greater choice in services leading to reductions in cost.	-1,000	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
CHW023	<b>Commissioning Staff.</b> Review of staffing structures.	-300	0	0	Agreed February 2013	Yes	Yes	Yes	Yes

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	COMMUNITY, HEALTH AND WELLBEING	Proposed MTFS			Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific	Initial	Full
CHW024	<b>Share Complaints team with another local authority and/ or aggregate within Council.</b> Originally intended these savings would be delivered through a shared service approach which will continue to be explored but may be accommodated within wider staff changes as appropriate to deliver the savings.	-104	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CHW025	<b>Sharing of Joint Assessment Team with another local authority.</b> Originally intended these savings would be delivered through a shared service approach which will continue to be explored but may be accommodated within wider staff changes as appropriate to deliver the savings.	-93	0	0					
CHW028	<b>Supporting People - targeted efficiency savings through specific contracts</b>	-1,324	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CHW029	<b>Secure further earmarked investment from PCT/CCG in Adult Social Care</b>	500	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
CHW032	<b>Meals on Wheels.</b> Review options for service provision.	-190	0	0	Unachievable savings	Yes	Yes	N/A	Yes
CHW034	<b>Late savings - vacancy management</b>	69	0	0	Unachievable savings	Yes	N/A	N/A	N/A
CHW035	<b>Late savings - agency costs</b>	73	0	0	Unachievable savings	Yes	N/A	N/A	N/A
CHW037	<b>Housing Services (HGF)</b>								
CHW038	<b>Housing Needs - Private Sector Leasing Scheme.</b> Income generation	-25	0	0	Agreed February 2013	Yes	N/A	Yes	N/A
CHW041	<b>Housing Service Efficiency Review.</b> Saving in staffing costs	-70	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CHW047	<b>Invest to Save - cash incentives.</b> Used to free up HRA properties to house families from the waiting list. Savings result from reduced B&B expenditure.	-48	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
CHW048	<b>Empty Homes Initiative.</b> Reduced cost of temporary accommodation as a result of bringing empty properties back into use.	-300	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
CHW049	<b>Community and Culture</b>								
CHW048	<b>Community Development review of structure and service re-provision</b>	-15	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CHW050	<b>Libraries Transformation 2</b> Impact of final contract negotiations around profit share and short term use of Civic Centre by contractor	70	-18	0	Unachievable savings	Yes	N/A	N/A	Yes
CHW051	<b>Library Volunteers.</b> Support provided by volunteers.	-40	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CHW053	<b>Cultural Strategy Review efficiencies - savings subject to tender with Ealing &amp; Brent</b>	-400	0	0	Agreed February 2013	Yes	N/A	N/A	Yes
CHW054	<b>Procurement Efficiencies</b>	62	0	0	Unachievable savings	Yes	N/A	N/A	N/A
CHW055	<b>Reduce Adult Learning Subsidy.</b> Services to be funded by grant.	-50	0	0	Agreed February 2013	Yes	N/A	Yes	N/A
CHW056	<b>Reduce subsidy to harrow young musicians</b>	-10	0	0	Agreed February 2013	Yes	Yes	Yes	N/A
CHW057	<b>Share responsibility for Community Cohesion across Council</b>	63	0	0	Unachievable savings	Yes	N/A	N/A	N/A
CHW058	<b>Commercialisation Hatch End Pool, Arts Centre, Museum &amp; Bannister stadium.</b> Commercialisation project set up to investigate the longer term deliverability of these savings.	117	0	0	Unachievable savings	Yes	N/A	Yes	N/A
CHW062	<b>Deletion of post supporting community festivals</b>	-48	0	0	Agreed February 2013	Yes	Yes	N/A	Yes
CHW068	<b>Public Health</b>								
CHW068	<b>Further Public Health Efficiencies.</b> Funding existing Council revenue funded services.	-100	0	0	Agreed February 2013	Yes	N/A	Yes	N/A
CHW068	<b>Transformation</b>								



## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	RESOURCES	Proposed MTFS			Category	Consultation		EQIA
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific	
	Investment in Services							
	Customer Services							
	IT / Project Management Office (PMO)							
RES005	BTP Contract Indexation. Cost of contractual increases in excess of 2%.	30	0	0	Agreed February 2013	Yes	N/A	N/A
RES 001 14/15	Revenue implications for security enhancements required by Public Services Network (PSN)	100	0	0	New growth	Yes	N/A	N/A
RES 002 14/15	Contractual increase for channel migration supplier costs	50	0	0	New growth	Yes	N/A	N/A
	<b>Strategic Commissioning</b>							
RES009	Experian & LIS. Addition of new census data into LIS system and update of Experian profiles.	22	-25	0	Agreed February 2013	Yes	N/A	N/A
RES010	Refresh of Residents Panel. Refresh of membership.	-10	0	0	Agreed February 2013	Yes	N/A	N/A
RES014	Human Resource Development (HRD)	15	0	0	Agreed February 2013	Yes	N/A	N/A
	<b>Reduced West London Waste Authority (WLWA) SLA Income to Payroll.</b>							
	Reduction in SLA income as West London Waste ceases to use Harrow services.					Yes	N/A	N/A
	<b>Legal and Governance</b>							
RES016	Individual Electoral Registration. Implementation costs	-100	0	0	Agreed February 2013	Yes	N/A	N/A
	<b>Finance</b>							
RES017	Finance Transformation Project. One off implementation costs for development of enhanced service.	-200	0	0	Agreed February 2013	Yes	N/A	N/A
RES018	Finance - Ending Service to WLWA. Reduction in SLA income as West London Waste ceases to use Harrow services.	27	0	0	Agreed February 2013	Yes	N/A	N/A
	<b>Collections and Benefits</b>							
RES019	Department for Work and Pensions (DWP) Housing Benefit Reduction in Administration Grant. Following the introduction of Universal Credit administered by central government.	0	250	500	Re-profiled investment	Yes	N/A	N/A
RES020	Loss of Housing Benefits Overpayments Income Stream. Following the introduction of Universal Credit administered by central government.	0	200	320	Re profiled investment	Yes	N/A	N/A
RES023	Public Finance Initiative (PFI) Grant Reduction. Ending of grant in relation to previous PFI contract.	43	0	0	Agreed February 2013	Yes	N/A	N/A
RES024	DWP HB Reduction in Admin Grant	119	0	0	Agreed February 2013	Yes	N/A	N/A
	<b>Total Investment in Services</b>	<b>96</b>	<b>425</b>	<b>820</b>				
	<b>Savings</b>							
	<b>Customer Services</b>							
RES027	Use of Artificial Intelligence to divert switchboard calls. Reducing use of staff, introduced in 2013-14 with full year impact of saving in 2014-15	-60	0	0				
RES029	Further channel shift through roll out of My Harrow account. Reduction in Access Harrow staffing resulting from self serve via MHA, website and IVR	-60	-60	0	Agreed February 2013	Yes	Yes	Yes
RES030	Close Face to Face (F2F) and Telephony Channels for Public Realm Enquiries. Over a 3 year period close face to face contact in Access Harrow for Public Realm queries and migrate to Internet contact.	-30	-70	-50	Agreed February 2013	Yes	Yes	Yes
RES031	Reconfigure One Stop Shop to self-serve area and close F2F (face to face) advice	-100	-190	-100	Agreed February 2013	Yes	Yes	Yes
	<b>Strategic Commissioning</b>							

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	RESOURCES	Proposed MTFS			Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific		Initial
RES036	<b>Merger of Corporate Performance Team and Service Performance Team, reducing staffing.</b> Merging of two management posts undertaking similar specialisms across the council to one single Business Intelligence team and the delivery of the new operating model (next saving).	-93	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
RES038	<b>Performance, Research &amp; Analysis Business Case and New Operating Model Strategic Commissioning.</b> Aggregation of posts undertaking similar specialisms across the council to one team which is then reduced to deliver the saving through a more efficient delivery of the service.	-97	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
RES040	<b>Communications - reduction in number of campaigns. This is a reduction in the contract price for the next two years agreed with Westco.</b>	-46	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES042	<b>HRD</b>								
RES045	<b>Reduction in HRD posts.</b> Deletion of 2 posts.	0	-75	0	Unachievable saving	Yes	Yes	Yes	Yes
RES046	<b>Print Contract Savings.</b> Letting of contract for printers and photocopiers at lower cost.	-100	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES047	<b>Cessation of External recruitment Advertising.</b> Reduce the volume of recruitment advertising in journals and papers and increase use of internet advertising including the council's own site	-75	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES048	<b>CORPORATE ANTI-FRAUD TEAM</b>								
RES049	<b>Proceeds of Crime Act - pursue recoveries of fraudulent gains in partnership with Brent, plus additional income recovery.</b>	-19	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES050	<b>INTERNAL AUDIT</b>								
RES051	<b>Reduce co-sourcing budget.</b> Reduce the use of external partners to provide specialist support to audit.	-16	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES052	<b>INSURANCE SERVICE</b>								
RES053	<b>Reduced broker fees through more in-house handling and increased income on third party insurance schemes</b>	-3	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES054	<b>Deletion of Corporate Risk Management Support Service.</b> Deletion of post in 2013.	-30	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
RES055	<b>Cross Council Insurance Claims.</b> Reduce cost of insurance claims against the Council by better risk management.	-70	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES056	<b>Reduced Contribution to Insurance Provision.</b> Reduce cost of insurance claims against the Council by better risk management.	-100	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES057	<b>LEGAL AND GOVERNANCE</b>								
RES058	<b>Legal Practice</b>								
RES059	<b>Expansion of Legal Practice Shared Service.</b> Expand Legal shared service to an additional partner.	100	0	0	Unachievable saving	Yes	N/A	N/A	N/A
RES060	<b>E-canvas Project.</b> Reduced staffing following electronic canvas.	-20	0	0	Agreed February 2013	Yes	N/A	Yes	Yes
RES061	<b>Increase to Registrars Fee Income Target.</b> Income budget reduced in 2012-13 to reflect actual received, additional income to be received from 2013-14.	-100	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES062	<b>Corporate Finance</b>								
RES063	<b>Finance restructure.</b> Reduced staff costs.	-300	0	0	Agreed February 2013	Yes	Yes	Yes	Yes
RES064	<b>Collections and Benefits</b>								
RES065	<b>Deletion of 4 FTE posts in Housing Benefits</b>	0	-140	0	Reprofiled saving	Yes	Yes	Yes	Yes
RES066	<b>Staff reductions to match DWP Admin grant reduction</b>	-48	0	0	Agreed February 2013	Yes	Yes	Yes	Yes

## MTFS 2014/15 to 2016/17 – Proposed investments / savings

Item No	RESOURCES	Proposed MTFS			Category	Consultation		EQIA	
		2014-15 £000	2015-16 £000	2016-17 £000		General	Specific	Initial	Full
RES081	Concessionary Travel - Changes to Transport for London (TFL) grant distribution. Reallocation of levy costs between London Boroughs.	-102	0	0	Agreed February 2013	Yes	N/A	N/A	N/A
RES082	Revenues Staffing Reductions	0	0	-40	Agreed February 2013	Yes	Yes	Yes	Yes
RES083	Housing Benefits Staffing Reductions as Benefits moves to DWP. Reduced staffing required as Housing Benefits transfers to Universal Credit and is no longer administered by Harrow.	0	0	-125	Unachievable saving	Yes	Yes	Yes	Yes
RES 003 14/15	To delete the post of Chief Executive and associated business support	-280	0	0	Substitute saving	Done	Done	Done	Done
	<b>Total Resources Savings</b>	<b>-1,649</b>	<b>-535</b>	<b>-315</b>					
	<b>Net Resources Directorate</b>	<b>-1,553</b>	<b>-110</b>	<b>505</b>					



**Draft Public Health Funding 2014/15****APPENDIX 5****Mandatory Services**

Sexual Health (incl Family Planning)	2,735,948	
Health Checks	334,750	
Supporting Child Health	<u>687,820</u>	
		3,758,518

**Discretionary Services**

Tobacco Control	228,500	
Drug & Alcohol Misuse	2,175,156	
Physical Activity	134,620	
Other	<u>495,873</u>	
		3,034,149

**Staffing & Support Costs**

Staffing	1,121,496	
Non-staffing	314,000	
Overheads	<u>270,525</u>	
		1,706,021

New Investment		415,000
Contingency		312,500
Unallocated Grant		<u>225,952</u>
<b>Total Expenditure</b>		<b><u><u>9,452,140</u></u></b>

**Funded by**

Department of Health Grant	9,146,000	
MOPAC funding	56,140	
Council funded	<u>250,000</u>	
<b>Total Income</b>		<b><u><u>9,452,140</u></u></b>

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## Schools Budget 2014-15

### 1. Introduction

The Dedicated Schools Grant (DSG) is a ring fenced grant of which the majority is used to fund individual school budgets. It also funds certain central services provided by the local authority such as Early Years (private and voluntary sector nurseries) and fees for out of borough pupils at independent special schools.

In March 2012 the DfE announced their intention to introduce a new school funding methodology with effect from April 2013. Schools budgets have been set for 2013-14 based on this new methodology which was reported to Cabinet on 13<sup>th</sup> December 2012.

### 2. School Funding Reform 2014-15

In 2014-15 the DSG will continue to be split into the following three blocks:

- Schools Block
- High Needs Block
- Early Years Block

The DfE issued the “2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities” on 8<sup>th</sup> July 2013 to enable local authorities and their Schools Forums in planning the local implementation of the reformed funding system for 2014-15.

The Formula Factors and changes since 2013-14 are shown at Table 1. At its meeting on 15<sup>th</sup> October 2013, Schools Forum agreed to retain the same factors for 2014-15 as used in 2013-14.

**Table 1**

#### Funding Formula Factors and changes since 2013-14

<b>Changes for 2014-15:</b>	<b>Comment</b>
<b>Pupil led funding</b> (basic entitlement per pupil and other pupil led factors) Minimum level for pupil led funding set at 80 per cent	No impact. Harrow already allocates over 90 per cent through these factors
<b>Age Weighted Values (Mandatory factor)</b> Minimum AWPV values set at £2,000 for primary and £3,000 for Key Stage 3 and Key Stage 4	No impact. Harrow exceeds these values
<b>Primary Prior Attainment Factor</b>	No impact.

Early Years Foundation Stage Profile (EYFSP) Retained as prior attainment factor for primary schools	
<b>Secondary Prior Attainment Factor</b> Changed so that it now counts pupils achieving below Level 4 in Maths <b>OR</b> English instead of Maths <b>AND</b> English	This has more than doubled the number of pupils counted in this calculation. This has increased the value of funding distributed through this factor by nearly £5m. It is proposed that the cash value per pupil should be reduced to fund this pressure.
<b>Deprivation (Mandatory)</b> Factors retained. Can use Free School Meals (FSM) or Ever 6 FSM, and/or IDACI	It is proposed to retain FSM.
<b>Scarcity Factor</b> New for 2014-15	At its meeting on 10 <sup>th</sup> September 2013 Schools Forum agreed that this factor is not relevant
<b>Looked After Children (LAC)</b> Only one indicator rather than a choice of three. Any child who has spent a day or more in care	No impact
<b>Pupil Mobility</b> In 2014-15 this only applies to schools with more than 10% mobility and applies to pupils who were mobile in the last three years	This has reduced the amount of funding distributed through this factor by just over £1m, affecting both sectors. It is proposed that the cash value per pupil should be increased to redistribute this reduction
<b>Lump Sum</b> Maximum reduced to £175,000 and the value can be different for primary and secondary schools. Merging schools can keep 85% of two lump sums for the full financial year after amalgamation	Harrow's lump sum remains at £154,230. This will impact on one amalgamation which took place in Sept 2013.
<b>Schools with Falling Rolls</b> Schools Forum can agree a top-slice of the Dedicated Schools Grant (DSG). Fund applies to Academies and maintained schools where places will be required in 2 to 3 years and schools are rated by OfSTED as good or outstanding	No fund at present, unlikely to be required in 2014-15
<b>De-delegation</b> No change. De-delegation reviewed each year	Currently only £31,270 for Schools Support has been de-delegated for Trade Union duties.
<b>Minimum Funding Guarantee</b> Remains at -1.5% per pupil. LAs can cap gains under the formula to fund the MFG	It is proposed that a cap of 1% is applied to gains, in order to fund those schools whose funding reduction is below 1.5%. In 2013-14

the cap on gains was set at 0.5%.
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The main changes since 2013-14 relate to the Secondary Prior Attainment Factor and Pupil Mobility. A consultation was issued to all maintained school and academy school head teachers in October 2013. This consultation closed on 8<sup>th</sup> November 2013.

The consultation included three proposals:

- adjust the per pupil funding for the Secondary Prior Attainment Factor in order that a similar level of funding be distributed through this factor as in 2013-14
- adjust the per pupil funding for the Pupil Mobility Factor in order that a similar level of funding be distributed through this factor as in 2013-14
- cap gains on schools whose budgets increase between years in order to fund those schools whose funding reduction is below 1.5%.

The level of adjustment and capping will not be known until the DSG allocation for the Schools Block is announced for 2014-15. This is likely to be mid-December 2013.

All high schools responded to the consultation and were in agreement with the proposals. No response was received from the primary sector.

### **3. Setting Schools Budgets 2014-15**

The final 2014-15 Schools Block DSG is based on pupil numbers as recorded on October 2013 School Census, multiplied by a per pupil unit of funding. The per pupil unit of funding for 2014-15 remains the same as 2013-14 at £4,927.48.

Based on provisional October 2013 census data, the forecast DSG for 2014-15 for the Schools Block is £145m. It should be noted that at the time of writing (11<sup>th</sup> November 2013) not all of the academy high school census data had been returned to the LA from the DfE. Therefore, this calculation assumes that pupil numbers for 4 academy high schools remain the same as October 2012. However, this is unlikely and so the above figure can be indicative only. Under the current regulations the council continues to calculate the basis of the academy budgets through the Harrow Schools Funding Formula. The DfE then recoup the DSG in respect of the academy budgets and pass this funding onto academies directly.

Schools will also receive the Pupil Premium in respect of pupils who have ever been eligible for Free School Meals (FSM) in the last six years. In 2013/14 the rate for both eligible primary and secondary pupils is £900. In 2014/15 this increases to £1,300 per eligible primary pupil and £935 per eligible secondary pupil. The pupil premium is a specific grant that the council has to pass onto schools. Schools can decide how they will use the

additional funding to achieve improved outcomes for deprived children. On 1 October 2013, Children's Minister, Edward Timpson MP, announced a new 'pupil premium plus' that will increase the funding for children in care at school to £1,900 per pupil from April 2014, an increase of £1,000 per pupil since 2013-14.

#### **4. Central Services**

Services currently funded from centrally retained DSG are included in either the High Needs block or Early Years block where appropriate, with the remaining falling into the Schools Block. All the funding in the schools block has to be passed to schools apart from the following named exceptions which can still be retained but are frozen at 2012-13 levels:

- Co-ordinated Admissions
- Servicing of Schools Forum

In addition, the following services will be delegated to schools:

- Behaviour Support Services
- Support to underperforming ethnic minority groups and bilingual learners
- Trade Union Facilities Time

Schools Forum has agreed to continue to de-delegate funding in respect of Trade Union Facilities Time.

At its meeting in November 2013 Schools Forum will consider a request to create a ring fenced Growth Fund from the DSG in order to fund in year pupil growth. This is important for Harrow given the scale of additional classes identified through the Primary Expansion Programme.

- **Additional Class Funding**

Proposed to allocate £63,000 of revenue funding for each additional class to provide for staffing plus some equipment for the period September to March (this equates approximately to 7 months of the 2014-15 reception per pupil funding). This will cover additional classes in both maintained and academy schools but not Free Schools.

At this stage it is not proposed to allocate similar funding for the secondary sector.

- **Trigger Funding**

Proposed to provide additional funding where pupil numbers in the Secondary Sector on the January census exceed those recorded in the previous October, by 2%. The funding will be based on average per pupil funding, though it is proposed to cap this at £100,000. This will

cover additional classes in both maintained and academy schools but not Free Schools.

## **5. High Needs Block**

The high needs funding system has been designed to support a continuum of provision for pupils and students with special educational needs (SEN), learning difficulties and disabilities, from their early years to age 25.

The following are funded from the High Needs Block:

- Harrow Special Schools
- Additional resourced provision in Harrow mainstream schools
- Places in out of borough special schools and independent special schools
- High Value Costed Statements in mainstream schools
- Post-16 SEN expenditure including FE settings
- SEN support services and support for inclusion
- Alternative Provision including Pupil Referral Units and Education Other Than At School

In 2013-14 high needs pupils are funded on a mixture of places and pupils, the “place-plus” approach. This will continue in 2014-15.

There are continued concerns about the financial risks posed by the changes to the funding for SEN provision. The 2013-14 High Needs Block will form the basis of the 2014-15 baseline. The DfE have not confirmed how they will fund growth in the High Needs Block in future years. In guidance issued on 4<sup>th</sup> October 2013 the DfE state:

*“The total national high needs budget for the financial year 2014 to 2015 has yet to be agreed and we are working on the expectation that resources will continue to be tight and increases in some allocations will need to be balanced by reductions in others”*

## **6. Early Years Block**

- **3 and 4 year old nursery entitlement**

Since 2004 all three and four year olds have been entitled to a free part time early education place. As in 2013-14 the funding for three and four year olds will be based on a per pupil amount of £4,320.96. Early years funding differs from main school funding because providers have to be funded for the pupil numbers that they actually have during the financial year, rather than on an earlier fixed data point.

Therefore the allocation for the Early Years block will be updated in summer 2014 to reflect January 2014 Early Years Census data and

then again at the end of the financial year to reflect January 2015 Early Years Census.

Nursery settings are funded through the Early Years Single Funding Formula (EYSFF). In October 2013 Schools Forum agreed to a review of the EYSFF with a view to implementation of a revised formula from April 2015.

- **2 year old nursery entitlement**

From September 2013 free entitlement became a statutory requirement for eligible two year olds. Local authorities' allocations included a notional amount for statutory places and a notional amount for trajectory building, to be used to create places in preparation for provision of entitlement for 40% of two year olds from September 2014. In Harrow this totalled £2.304m as well as a capital allocation of £438k.

The DfE is considering the most appropriate method for allocating funding to support the rise to 40% entitlement.



# REPORT FOR: **CABINET**

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<b>Date of Meeting:</b>	12 December 2013
<b>Subject:</b>	Draft Capital Programme 2014-15 to 2017-18
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Simon George, Director of Finance and Assurance
<b>Portfolio Holder:</b>	Councillor Tony Ferrari (Portfolio Holder for Finance)
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Enclosures:</b>	Appendix 1 – Proposed Capital Programme

## Section 1 – Summary and Recommendations

This report sets out the proposed capital programme for 2014-15 to 2017-18 for consultation.

### **Recommendations:**

Cabinet is requested to: approve the draft capital programme, as detailed within Appendix 1, for consultation, with the final version to be presented at the February meeting of Cabinet.

**Reason:** To enable the Council to have an approved capital programme for 2014-15 to 2017-18 and to enable preparation work to be undertaken for future years.

## Section 2 – Report

### Development of the Capital Programme

1. This report sets out the Council's proposals for Capital investment over the next four years. These provide for a very substantial investment of £248m in infrastructure on General Fund and Housing Revenue Account services.
2. The proposed capital programme has been prepared in the current climate of increased revenue pressures, reduced external funding from Central Government as well as current property market conditions which are still more difficult than they were at the start of the world economic crisis. This limits the scope to receive capital and s106 planning receipts.
3. The existing capital programme is a one year detailed programme with an indicative envelope for the subsequent three years. In recognition of the need to plan ahead in relation to multi year programmes and to enable preparation work to be undertaken for future years' projects the programme proposed covers four years.
4. The approved Capital Strategy continues to provide a clear approach to Capital Programme development and requires the incorporation of the corporate priorities and alignment with the Council's Asset Management Plans and Property Strategy, equalities and health and safety implications. The strategy thus results in a greater visibility and accountability of capital programme development.
5. Service directorates were invited to bid for capital resources. A sophisticated ranking process was used in order to prioritise the capital bids received from departments against the available capital envelope.
6. This ranking was then reviewed by a sub-group of the Capital Forum and the following amendments were made:
  - Council funding of £1.739m in respect of Social Care IT developments was reduced in anticipation of future govt grant announcements
  - A number of bids were scaled back to allow the overall programme to fit within budget. These were Street Lighting, highways, Leisure and libraries infrastructure, Parks buildings and corporate IT systems.
  - Two large items of capital were removed again to allow the overall programme to fit within budget (Replacement of Hatch End swimming pool and expenditure to develop the Harrow Arts Centre).

This re-prioritisation was reviewed by the Corporate Strategy Board and lead members.

7. As well as the pressures highlighted in the first paragraph, flexibility in the capital programme is also constrained by a number of factors:
  - Unavoidable spending requirements such as major repairs to the Council's buildings and carriageway and footway resurfacing, and providing school places.

- Restrictions in the way funding can be used e.g. ring fenced funding such as Transport for London and DfE grants for schools.
- The availability of capital receipts
- Limited capacity to fund borrowing. Although there are no specific limits to borrowing in order to fund capital expenditure, since the introduction of the prudential borrowing framework, Councils must however consider the revenue implications in the context of the overall revenue budget commitments in the medium term. Proposals must be affordable and the revenue resources available to the Council have reduced and are anticipated to continue to do so in the medium term.

8. The proposed capital programme includes provision in the following priority areas:

- **Cleaner:** A borough where our streets are cleaned regularly and our parks and green spaces are places to enjoy.
  - Parks improvements
  - Green grid
  - Street trees
  - Parks buildings
  - Parks litter bins
  - Neighbourhood investment schemes
  - Flood defence
- **Safer:** Work with police to make Harrow even safer
  - Improved street lighting
  - CCTV crime reduction cameras
- **Fairer:** Harrow is a place where our hard working residents can bring up their families knowing they will have fair access to opportunity.
  - Primary and secondary school expansion programme
  - Disabled facilities grants
  - Renovation grants
  - Empty property grants and private sector initiatives
- **Other/Combination of priorities**
  - Highways Improvements
  - Civic Centre modernisation and development
  - ICT infrastructure to facilitate a number of transformation projects, including mobile and flexible working
  - High priority major works to corporate buildings
  - Leisure and Libraries capital infrastructure

The Summary Capital Programme is attached at Appendix 1.

9. The gross value of the proposed General Fund programme is £61.7m for 2014-15, with external funding of £45.4m and a net cost to the Council of £16.3m.

### **Backlog Maintenance**

10. The Council has considerable backlog maintenance – the figures from the latest Asset Management Plan are as follows:

- School buildings - £30m
- Corporate, Education and Miscellaneous buildings - £11.3m
- Highways – £150m

The level of investment contained within this programme does not clear the full backlog. It should be noted that the Council cannot afford to fully address the backlog in the short-term, however, the Council will do at least what is necessary in order to comply with health and safety legislation. The programme does include projects which address some of the backlog and also the investment in the civic centre will free up buildings for disposal and hence remove some of the backlog maintenance requirement.

### **Environment and Enterprise**

11. Despite the financial pressures the Council faces the proposed programme for Environment and Enterprise allows for a modest increase compared to 2013-14.

12. This allocation allows for substantial highways works, to address some of the backlog, improvement to the ageing street lighting and drainage infrastructure.

13. The programme also provides for investment in Parks improvements and Parks buildings and for the replacement of Parks litter bins.

14. There is provision for a number of Carbon reduction schemes. Carbon reduction schemes result in savings in both energy costs and carbon costs.

15. There is provision for a collaboration with GLA/TfL on a project to enhance the quality and safety of Harrow on the Hill station and bus station including provision of step free access. The Council contribution of £3.1m, mainly earmarked for 2017-18 but with early design costs in 2014/15, is aimed at (and conditional upon) leveraging in the significant investment required by GLA/TfL to deliver the project over a series of phases.

### **Children's Services**

16. Harrow is facing a significant pressure on places for both primary pupils and secondary pupils and also needs to expand its SEN provision. There is also a £30m maintenance backlog. Provision for addressing the pupil place requirements in schools and commencing to address the maintenance backlog is included within the proposed programme.

17. It is anticipated that the cost will be fully met from Government grant.

18. We have received grant or had funding confirmed by the DfE for £63m so far against the programme total expenditure of £73.7m. It is anticipated

that the balance will be met from future grant allocations of Basic Need and Capital Maintenance.

### **Community, Health and Wellbeing**

19. The programme provides for a targeted programme of improvements to the Council's leisure and library facilities. There will be ongoing contractual commitments around the replacement of Lifecycle gym equipment which will need to be included in future planning years.

20. The Government's reforms of Health and Social Care require significant investment in IT systems to support them. Provision for this has been included, with an assumption that 50% of the costs will be supported by grant. There is a further scheme not included in the draft programme which is still under consideration. Should the grant funding not be allocated as anticipated the schemes will be funded within overall available resources.

21. Provision has been made for Disabled Facility Grants to provide adaptations for vulnerable residents.

### **ICT Investment**

22. The Council outsourced the provision of IT services to Capita in November 2010. The programme of work allows for improved disaster recovery, increased resilience, flexible working and a scaleable service. As part of this outsourcing there has been a significant capital investment in software and equipment. The capital investment under the contract has not progressed as rapidly as originally envisaged but is now anticipated to complete in 2013-14.

23. The programme provides for further enhancement of systems and for refreshing the IT infrastructure and corporate systems.

### **Capital Receipts**

24. The capital programme assumes a programme of property disposals that are expected to raise £12m in 2014-15, £12m in 2014-15 and thereafter £2m p.a.

### **Housing Revenue Account (HRA)**

25. The HRA Capital Programme is detailed in a separate report to Cabinet elsewhere on this agenda.

### **Capital Funding**

26. The capital programme is funded from a number of sources. These include:

- External Funding of the order of £44m in 2014-15, primarily from the DfE and Transport for London;
- Borrowing;
- Capital receipts;
- s106 planning agreements in relation to specific schemes;

- Direct Revenue Financing (Housing Revenue Account).

It is anticipated that the General Fund programme will be financed as follows:

**Table 1: New borrowing requirement**

<u>General Fund Programme</u>	2014-15	2015-16	2016-17	2017-18
	£m	£m	£m	£m
Planned spending	61.7	46.9	38.4	36.0
External funding	(45.4)	(27.1)	(21.3)	(19.6)
Capital Receipts	(12.0)	(12.0)	(2.0)	(2.0)
<b>Net Prudential Borrowing</b>	<b>4.30</b>	<b>7.80</b>	<b>15.10</b>	<b>14.40</b>

27. The revenue implications of this new borrowing, in the context of the Council's treasury management activity, are set out in the table below. The revenue implications are factored in to the revenue budget report for 2014-15 to 2016-17 being considered by Cabinet elsewhere on this agenda. The table below shows for each year what the full year's effect of that year's capital programme and capital receipts are. The table only includes the revenue effects of the programme that is proposed and excludes the revenue implications of previous years' capital programmes. It also excludes the impact of other changes to funding the existing programme e.g. interest rate changes.

**Table 2: Capital Financing Implications of Capital Programme**

	2014-15	2015-16	2016-17	2017-18
	£000	£000	£000	£000
MRP		214	431	1,988
Interest		201	422	1,192
<b>Total</b>	<b>0</b>	<b>415</b>	<b>853</b>	<b>3,180</b>

28. The table above reflects the impact of the 2014-15 to 2017-18 programmes to each financial year. There is no MRP impact in 2014-15 as MRP in relation to expenditure in 2014-15 does not commence until 2015-16. The Council as at 28th November had cash balances of £148m and as such it is very likely that for 2014-15 any borrowing would be made internally (That is to say from our own cash balances rather than taking on an additional external loan).

There is no new planned borrowing in respect of the HRA programme. This is because under HRA Reform, the HRA is allowed to keep all of its net income rather than transferring some to the Government. This income will allow the HRA to maintain its capital programme without the need for further borrowing. In addition, the HRA will be at its "borrowing cap" so cannot borrow any more. These issues are more fully explained in the HRA budget report to this meeting.

29. It should be noted that the capital financing costs are based on a number of assumptions about the level of capital expenditure, level of capital receipts, timing of any borrowing, interest rates, and use of the minimum revenue provision. The revenue budget reflects the best estimate based on these assumptions.

## **Harrow's Community Infrastructure Levy (CIL)**

30. Harrow's CIL came into effect on 1st October 2013 and enables the Council to levy a charge on certain types of new development to help fund improvements to local infrastructure such as schools, transport, green spaces, health and leisure facilities. Harrow's CIL is an additional levy on top of the London Mayor's existing Crossrail CIL. The Harrow CIL is underpinned by the Infrastructure Delivery Plan (IDP) which sets out the infrastructure required to enable investment and planned growth in the Borough. Against an infrastructure bill, estimated to be at least £150m, CIL is expected to account for circa £20-30m, depending upon the level development permitted and the ability of the development industry to bring new proposals forward. In this context, CIL is additional top-up funding, but is not the primary source of funding for infrastructure and, even with CIL funding, there will still remain a funding gap that requires choices and priorities to be made.

31. To date, no firm arrangements have been made regarding the governance for spending CIL receipts. Based upon experience with tariffs previously, officers consider that the most transparent and appropriate means of managing infrastructure delivery in future, is through a single but expanded and dynamic IDP process that addresses the following requirements:

- Long (10 year+) and short term (1-3 year) strategic infrastructure delivery programmes
- A clear and transparent approval process for all infrastructure projects
- Consultation with the community on infrastructure delivery (including the obligation to pass CIL to the local communities impacted by development)
- Engagement with the development industry about priorities and capacity, including their potential role in assisting delivery
- Effective monitoring of progress against the infrastructure plans and the effective implementation of the spatial vision for the borough set out in the adopted Local Plan

32. Over the coming months, officers from Planning and Finance will work up options and approaches to the resolution of the many issues to do with the effective delivery of infrastructure in Harrow, and will engage members in these discussions before reporting back to Cabinet in Spring 2014.

## **Harrow's Infrastructure Delivery Plan (IDP)**

33. The IDP identifies the types and quantum of social, physical and environmental infrastructure required to support development and growth within the Borough to 2026, and sets this out in a detailed delivery plan. In particular it:

- § Provides a benchmark of existing infrastructure provision, identifying how well existing needs are met;
- § Identifies what new infrastructure is being planned as well as future infrastructure requirements to support existing population change as

well as the new housing and employment growth planned for through the Council's Spatial Strategy;

- § Provides an indication of the potential costs and means of funding the required infrastructure through public funding, developer contribution and other sources;
- § Establishes responsibilities for delivery of individual projects, when and where infrastructure will be provided, and provides a basis for collaborative and effective working between stakeholders.

34. The effectiveness of the IDP is in capturing Harrow's future infrastructure improvements and requirements in one place. As such, the IDP represents the beginning of a long-term (10 year) capital works programme for the Council, providing an overarching framework for the consideration of a coordinated programme of delivery across all service areas and rational basis for the evaluation and prioritisation of individual project bids for capital investment.

35. The proposed capital programme for 2014-15 – 2017-18 will deliver a number of the infrastructure improvements identified in the IDP. Going forward, closer alignment of the capital programme to the delivery against the IDP will significantly aid in Council's communication of a clear and coherent picture around its strategic investment choices and decisions.

36. However, it is not intended that the IDP be a static document, rather it will be subject to periodic review and updated as necessary to take account of improvements already delivered, new population projections, changes in demands for different infrastructure provision, development completions and changes in service delivery and/or service funding. Such information will routinely be feed-in from the various service areas, enabling the IDP to provide a 'top-down' approach to Council's strategic decision-making about its future investment in capital improvements alongside other funding initiatives and property disposals.

### **Governance Structure For Delivery Of The Programme**

37. The processes and procedures implemented surrounding the governance of the capital programme have continued to be developed. All capital projects are now included in VERTO, the Council's project management system.

38. Governance of the Capital Programme in 2013-14 will continue to include monitoring and review by Capital Forum on a monthly basis, with reporting to Cabinet at the end of each quarter.

### **Options considered**

39. These are as detailed in paragraph 6.

### **Legal Implications**

40. Included in the body of the report.



## **Financial Implications**

41. Financial matters are integral to the report.

## **Performance Issues**

42. The capital programme proposed represents a significant investment by the Council in infrastructure. This will have an impact on a range of performance indicators across the Council's services.

43. Monitoring of the approved programme, including Capital Forum, is ongoing and is essential for good financial management. As well as performing project assessments on completed projects it will be important to develop and track performance measures to ensure that the Council can evidence and demonstrate good value for money (VFM).

44. Target for spend. It is proposed that a performance target is set of 90% of the approved budget for the programme being spent in 2014-15. Having approved an investment programme it is important that the programme is then substantially delivered in the planned timeframe, in line with member priorities.

## **Environmental Impact**

45. The Council adopted the climate change strategy in September 2009 and set an annual target to reduce corporate and borough carbon emissions by 4% a year.

46. Capital expenditure of this scale will have an environmental impact on the Council's operations (and the wider borough). The investment carries the risk of increasing carbon emissions. Hence each proposed project is required to consider their respective carbon impacts and include measures to ensure that the above target is supported.

47. Some of the projects will specifically support the strategy in terms of mitigation and adaptation.

## **Risk Management Implications**

48. The individual schemes within the programme will either be incorporated within departmental registers or have individual registers. A significant consideration in developing the programme has been the risks arising from not keeping our infrastructure in good order. Not doing so would lead to an increase in health and safety risks and additional costs in replacing assets when they deteriorate too much to repair.

## **Equalities implications**

Was an Equality Impact Assessment carried out? Yes

49. One of the aims of the Capital Strategy is to ensure the responsible allocation of funding in line with the Council's priorities and legislative requirements such as equalities legislation. Equalities implications form part of

the way that the projects are prioritised. The officer's initial views are that no protected group is adversely effected by the proposals. A number of the projects proposed in the programme will require full Equality Impact Assessments before they commence. Following consultation the impact will be further reviewed before the programme is finalised.

50. Decision makers should have due regard to the public sector equality duty in making their decisions. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as material in the press and letters from residents. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

*A public authority must, in the exercise of its functions, have due regard to the need to:*

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

*The relevant protected characteristics are:*

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

51. Consultation responses received on this draft programme will be taken into account in drafting the final EIA.

### **Section 3 - Statutory Officer Clearance**

Name: Simon George.....	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: ...2 December 2013.....		
Name: Jessica Farmer.....	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: 18 November 2013.....		

## Section 4 – Performance Officer Clearance

Name: Alex Dewsnap.....	<input checked="" type="checkbox"/>	on behalf of the* Divisional Director Strategic Commissioning
Date: ...30 November 2013.....		

## Section 5 – Environmental Impact Officer Clearance

Name: Andrew Baker.....	<input checked="" type="checkbox"/>	on behalf of the* Corporate Director (Environment & Enterprise)
Date: 12 November 2013.....		

## Section 6 - Contact Details and Background Papers

**Contact:** Steve Tingle Email: [steve.tingle@harrow.gov.uk](mailto:steve.tingle@harrow.gov.uk)

**Background Papers:** Capital Strategy – annex 2 to Capital Programme report to Cabinet 9 Feb 2012

<b>Call-In Waived by the Chairman of Overview and Scrutiny Committee</b> <i>(for completion by Democratic Services staff only)</i>
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**YES/ NO / NOT APPLICABLE\***

*\* Delete as appropriate.*

*If No, set out why the decision is  
urgent with reference to 4b - Rule  
47 of the Constitution.*

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**Capital Bids 2014/15 to 2017/18**

Project Title	Description	2014/15			2015/16			2016/17			2017/18		
		Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000
<b>ENVIRONMENT AND ENTERPRISE</b> Flood Defence 2014 - 2018	Changing climate trends clearly indicate in an increase in severe rainfall events. It is essential, both from a legislative, safety and business continuity perspective, to invest long-term in renewal of an ageing drainage infrastructure. Failure to do so will increase the likelihood of flooding impact on individuals, properties and business continuity.	300		300	300		300	300		300		300	
Waste & Recycling 2014 - 2018	The Waste Service requires a rolling stock of wheeled bins to replace damaged and lost 240 litre wheeled bins within the current collection scheme. Bins become damaged as they become older and the plastic teeth which ensure the bins remain on the hoist when lifted become weaker due to age deterioration. There is also a requirement to provide bins to new developments within the borough once they are completed.	200		200	200		200	200		200		200	
High 9 Programme 2014 - 2018	With a current gross replacement cost of over £700m, the highway is Harrow's largest asset, with 445 lane based km of non-principal road lengths and 900km of footways. The highway is the critical network that facilitates the functioning of the transport system and ultimately, the community. Its condition affects every resident, business and person living in or passing through the borough.	5,500		5,500	5,500		5,500	5,500		5,500		5,500	
Highways Drainage 2014 - 2018	Coupled with the necessary investment in flood defence works, standard highway drainage at numerous borough-wide locations is also the cause of frequent highway flooding. Harrow's highway drainage network comprises over 20,000 gullies and approximately 100km of below-ground piped drains, most of which was built in the 1930's during the development of London's suburbs.	225		225	225		225	225		225		225	
Capital 14/15-17/18 - TFL Local Implementation Plan Programme (incl CPZ)	To deliver the transport projects and initiatives identified in the Transport Local Implementation Plan (LIP) over the four year period from 2014/15 - 2017/18. TfL provide external grant to fund the delivery of the LIP programme of investment. Harrow contribute to the LIP programme by supporting the delivery of parking management schemes.	2,374	2,074	300	2,374	2,074	300	2,374	2,074	300	2,374	2,074	300

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Parks Buildings 2014 - 2018	Harrow's building assets in parks and open spaces have suffered from under-investment, under-maintenance and under-use for many years. There are serious concerns with the potential safety of a significant number of buildings through failure of electrical systems, water ingress through roofs and asbestos management concerns.	200		200	200		200	200		200		200	
Parks Improvements 2014 - 2018	Harrow's parks and open spaces are an ageing asset that have suffered from under-investment, under-maintenance and consequential under-use for many years. The majority of parks infrastructure is reaching the end of its life. This programme addresses the worst areas of deterioration to protect the park and provide safe access and use of facilities for users. Harrow is already committed to parks renewal through improvement in maintenance standards.	500		500	500		500		500		500	500	
Street Trees 2014 - 2018	Due to the age of the tree population, underlying clay soil geology and restricted root zone in highway situations many trees are high risk both in terms of safety and potential damage to property. In addition, much of our tree stock was planted in the 1930s and trees of this age do not respond well to the stress of an urban environment, placing our tree stock into a higher risk category.	50		50	50		50		50		50	50	
Street Lighting 2014 - 2018	Through Harrow's Highway Asset Management Plan (HAMP), the asset value and lighting investment needs for the future are identified. This helps identify asset age, condition and replacement costs, providing the framework for rational assessment of assets in determining lighting investment needs, based on a set of weighted priority scores.	1,500		1,500	1,500		1,500		1,500		1,500	1,500	
CCTV Crime Reduction cameras 14/15	Cost effective provision of additional cameras on street for crime, disorder and to a lesser extent, enforcement purposes.	575		575	0		0		0		0	0	
Corporate Accommodation 14/15	Ongoing annual planned maintenance for the Civic Centre and other Corporate Business Office Accommodation and Environmental Management.	433		433	246		231		231		155	155	

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High Priority Planned Maintenance 14/15	High Priority Planned Maintenance for Corporate Property (excluding schools and the Civic Centre). The outstanding high priority maintenance requirements for Condition D (life expired and/or serious risk of imminent failure) is over £5m for corporate properties, excluding schools and the civic centre complex. The condition of the corporate property has been identified as part of the stock condition survey.	430		430	570		570	700		700	275		275
Carbon Reduction (Corporate)	Programme to retrofit corporate buildings with energy efficiency measures	300		300	300		300	300		300	300		300
Carbon Reduction (Schools)	Installation of energy saving measures in schools to reduce carbon emissions	1,000	1,000	0	1,000	1,000	0	1,000	1,000	1,000	1,000	1,000	1,000
Replacement of Parks Litter Bins 2014 - 2015	Waste bins in Parks are quite aged, in very poor condition and are insufficient in numbers, contributing toward debris strewn in park areas. The ideal size would be 165 litres made of cast iron and animal proof, purchased and fixed for approx. £1k each. It is estimated that 400 are required over the four years of the programme.	100		100	100		100	100		100	100		100
Green and Programme - 2014 - 2018	A programme providing an umbrella for cross Council, multi partner engagement in the efficient management of spending to improve Harrows Green infrastructure, as part of the delivery of the spatial vision for the borough set out in the statutory development plan.	343	143	200	343	143	200	343	143	200	343	143	200
Harrow on Hill Station	Collaboration with TfL on a project to enhance quality of and provide step free platform access to Harrow on the Hill station and bus station. The Council contribution levers in £22m of investment by TfL.	100		100	2,000	2,000	0	12,000	12,000	0	11,000	8,000	3,000
Neighbourhood Investment Schemes	Each ward is provided with an equal sum which can be spent by ward members in a variety of ways on asset improvement.	210		210	210		210	210		210	210		210
<b>ENVIRONMENT AND ENTERPRISE TOTAL</b>		<b>14,340</b>	<b>3,217</b>	<b>11,123</b>	<b>15,618</b>	<b>5,217</b>	<b>10,401</b>	<b>25,733</b>	<b>15,217</b>	<b>10,516</b>	<b>24,232</b>	<b>11,217</b>	<b>13,015</b>
<b>CHILDREN AND FAMILIES</b>													

**Capital Bids 2014/15 to 2017/18**

Project Title	Description	2014/15		2015/16		2016/17		2017/18	
		Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000
School Expansion Phase 2 Programme 2014-16	This project is the second phase of the School Expansion Programme and will involve the permanent expansion of 12 primary schools and the associated capital works. Two of the project will be delivered through the Priority Schools Building Programme and will have little or no budget. The remaining 10 are delivered using Basic Need and Targeted Basic Need funding from the EFA. There is a deadline for the delivery of the TBNP-funded schools of September 2015.	13,720	13,720	0	7,450	7,450	0	0	0
School Expansion Programme Phase 1 2014/15	This project is the completion of the first phase of the School Expansion Programme comprising the permanent expansion of 7 primary schools. Three of the schools are part of the Priority School Building Programme which will be delivered by the EFA. Of those, two were developed outside the programme, and continue to have budget against them in order to top up the government funded project if required. Four of the projects are complete, and there are therefore now only three remaining projects.	8,370	8,370	0	0	0	0	0	0
School Expansion Phase 3 Programme 2014/16	The latest round of projections are showing yet another increase in the final expected sustainable peak in primary numbers. There will be further analysis before Phase 3 is taken forward, but based on current projection it would lead to a further 3 expansions being required. These are likely to be expensive solutions as we have already expanded the schools with simpler solutions. Without scoping based on specific schools, an estimate of £2.5m is being allowed for each of 3 expansions.	300	300	0	3,000	3,000	0	1,200	1,200
SEN Expansion Programme	SEN strategy is still under consideration. However, a number of successful SEB bids were made under TBNP, and these projects are now listed. It is expected currently that this will be the extent of the programme.	6,600	6,600	0	3,600	3,600	0	0	0



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Secondary School Expansion Programme	Following the significant growth in our primary population, the numbers are expected to filter through to the secondary schools. Secondary expansion strategy is still under development, but we have been successful in two TBNP bids for secondary expansion/new school, and for the purposes of the bids, some basic assumptions have been made to enable a projected requirement for the entire programme. This includes assuming a final additional Primary expansion of 26 forms of entry, with 85% filtering	9,200	9,200	0	4,525	4,525	0	500	500	0	5,000	5,000	0
Children's Capital Maintenance Programme 2014-18	Four years ago a comprehensive survey of all schools revealed an £85m maintenance backlog on our school premises. Since then, the majority of our High Schools have transferred to academy status, and recently the condition of some of our primary schools has led to them being accepted on a national programme for school rebuilds. However, a significant backlog remains in our remaining primary and high schools which needs to be addressed as well as trying to develop an ongoing proactive maintenance	1,300	1,300	0	1,300	1,300	0	1,300	1,300	0	1,300	1,300	0
Bulge Classes 2014-18	The pupil numbers in Harrow have risen rapidly in recent year, particularly at primary intake level. This has given rise to the School Expansion Programme which is covered in other bids. However, until permanently expanded schools are available, the short term measure has been to provide 'bulge classes' in multiple schools across the borough. These are where an additional form of entry are placed in a particular year which then passes through the school without being followed by additional classes.	150	150	0	150	150	0	150	150	0			0
School Amalgamations 2014-16	Harrow has a policy to amalgamate what was previously known as first and middle (now sometimes known as infant and junior) schools in Harrow to become primary schools with one set of governance. When schools amalgamate, it is necessary to physically rearrange parts of the schools to allow item to function (e.g. admin, reception, entrance arrangements etc). These projects are the capital works to the remaining six schools in Harrow which require amalgamation.	700	700	0	700	700	0			0			0

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Feasibility Studies 2014/15	As strategies reveal the areas of work that are needed such as for the school expansion programme or SEN expansions, it is necessary to carry out feasibility studies to establish options and provide outline costs before we can ascertain the funding requirement which allows us to plan and bid accordingly. This funding is for all feasibility studies which are necessary in advance of specific project proposals and business cases.	50	50	0	50	50	0	50	50	0	50	50	0
<b>CHILDREN &amp; FAMILIES TOTAL</b>		<b>40,390</b>	<b>40,390</b>	<b>0</b>	<b>20,775</b>	<b>20,775</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>0</b>	<b>7,550</b>	<b>7,550</b>	<b>0</b>
<b>COMMUNITY, HEALTH AND WELLBEING</b>													
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.	300		300	300		300	300		300	150		150
Replacement sports pitches at Bannister Stadium	Replacement of sports pitches lost from Kodak site at Bannister Stadium to be funded from s106 from Kodak site development.	1,000	1,000	0									
Reform of Social Care funding	The Capital funding will be used to support the implementation of the Dilnot Commission and build new information system(s) to support the requirements including self-assessment tools to mitigate the large increase in demand for assessment and financial modelling.	250	125	125	575	288	287	475	238	237	125	63	62
Residential Service Personalisation	The Capital Investment is required to develop new and adapt existing Case Management Systems and the online Social Care Marketplace 'My Community ePurse' to accommodate the requirements of Residential Personal Budgets.			0	250		250	250		250			0

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Integrated Health Model	Develop a connection to the Health N3 Secure Network Integrating IT systems (MOSAIC and Jade) to develop an integrated care record across health and social care Development of buildings (existing or new) to allow the set up of shared treatment facilities for health and social care IT infrastructure to support a move to 24/7 availability of care	250	125	125	500	250	250	500	250	250	500	250	
Carers Services Changes	The investment will include the development of a Resource Allocation System for Informal Carers and new Information & Advice on-line systems. An On-line self assessment system will also be required to manage the scale of demand likely to approach the Council.	100	50	50	100	50	50	100	50	50	100	50	
Mosaic Implementation 14/15 – Adults and Children's Services	The purpose of this project is to implement Corelogic's next generation case management system, Mosaic, replacing Framework-1. The project will include business process reengineering across both Children's and Adults Directorates as well as implementation of, and migration to, Mosaic. Financial aspects of the system will also be re-designed to take into account changes to statutory returns.	250		250						0		0	
Empty properties grant and private sector initiatives 2014/15 to 2017/18	This is a project proposal for approval of £800k capital funding over the 4 year 2014/15 to 2017/18 capital programme (£200k per annum). £150k is requested annually to bring approximately 25 private sector empty properties in Harrow back into use by offering renovation grants to landlords (for up to 70% of renovation costs) in exchange for nomination rights to the Council. The properties would be used to house homeless households and those in emergency B & B accommodation. A further £50k p.a. is proposed for private sector initiatives to be developed to prevent homelessness and save on the B & B cost.	200		200	200		200	200		200		200	
DFG 14/15	Delivery of adaptations vulnerable residents of the borough, for owner occupiers, RSL and private tenants.	1,500	510	990	1,500	510	990	1,500	510	990	1,500	510	990
Renovation Grants 14/15	To support the delivery of the disabled facilities grant programme	70		70	70		70	70		70		70	

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Quality Outcomes for People with Dementia	Building on the innovative work started at Milmans the project aims to develop dementia-friendly solutions to be interoperable with existing services and technologies, such as connectivity between informal and existing 'formal' care networks, such as telecare.	150		150	50		50	50		50		50	
In-house Residential Establishments	Investment to maintain the infrastructure of the Council's internal residential and day care facilities.	100		100	100		100	100		100		100	
<b>COMMUNITY, HEALTH AND WELLBEING TOTAL</b>		<b>4,170</b>	<b>1,810</b>	<b>2,360</b>	<b>3,645</b>	<b>1,098</b>	<b>2,547</b>	<b>3,545</b>	<b>1,048</b>	<b>2,497</b>	<b>823</b>	<b>1,872</b>	
<b>RESOURCES</b>													
IT Corporate systems refresh	Refresh of Corporate IT Systems, SAP CRM replacement £500k, 16-17 Exchange to SaaS £750k, Sharepoint to SaaS £250k. Every Year Business IT Systems £500k	1,300		1,300	500		500	1,500		1,500		500	
IT End User Hardware Refresh	Replacement of remaining desktops with thin clients where possible - £129k in 14-15 then rolling replacement of assets £475k pa.	125		125	475		475	475		475		475	
IT Infrastructure Refresh	Refresh of communications infrastructure: 15-16 WAN and Telephony, 16-17 LAN			0	1,100		1,100	1,300		1,300		0	
IT BTP Refresh	Refresh of hardware for past BTP projects as included in original project cost models. Ongoing benefits realised through original implementation are dependent upon systems continuing to function.	213		213			0	300		300		0	
Minerva Transition Costs	Project Minerva is investigating options for transforming business processes for Resources. Estimated £500k on exit from the Capita contract to acquire assets at their book value. Costs of new systems have been included in the IT Corporate Systems proposal.			0	500		500	0		0		0	
IT improvement projects	Ongoing additions and enhancements to the IT services as required by changing business requirements. In previous years this has funded security improvements, iPad infrastructure, Member's email solution, additional wife etc. Evolving requirements for future years include further security improvements around protective marking, system monitoring and system segregation, and improvements to conferencing facilities and mobile telephony to support new ways of working.	750		750	500		500	500		500		500	

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IT Mobile and Flex	Mobile and Flex provides collaboration software and paperless working solutions in support of mobile and flexible working along with change management training and consultancy. The systems will have been delivered in 2013-14. This bid is for the continuation of the roll out of those system and training to users in the following two years. The priority and importance of this project has increased as a result of increased accommodation pressures	401		401	316		316					0	
<b>RESOURCES TOTAL</b>		<b>2,789</b>	<b>0</b>	<b>2,789</b>	<b>3,391</b>	<b>0</b>	<b>3,391</b>	<b>4,075</b>	<b>0</b>	<b>4,075</b>	<b>1,475</b>	<b>1,475</b>	
<b>GENERAL FUND CAPITAL BIDS TOTAL</b>		<b>61,689</b>	<b>45,417</b>	<b>16,272</b>	<b>43,429</b>	<b>27,090</b>	<b>16,339</b>	<b>38,353</b>	<b>21,265</b>	<b>17,088</b>	<b>35,952</b>	<b>19,590</b>	
<b>HOUSING REVENUE ACCOUNT</b>													
HRA 14/15-17/18	The figures are taken from the 30 year HRA business plan which was approved by cabinet on 20 June 2013. This demonstrated that the HRA is in a sound financial position following the introduction of self financing, and has sufficiently strong revenue streams to support both a significant investment programme in the stock and the commencement of a programme of building new affordable housing. The programme is based on information from the stock condition and ensures the programme continues	7,527		7,527	7,827		7,827	8,412		8,412	9,139	9,139	
Affordable Housing		2,000		2,000	4,400		4,400					0	
<b>HRA TOTAL</b>		<b>9,527</b>	<b>0</b>	<b>9,527</b>	<b>12,227</b>	<b>0</b>	<b>12,227</b>	<b>8,412</b>	<b>0</b>	<b>8,412</b>	<b>9,139</b>	<b>9,139</b>	
<b>TOTAL PROGRAMME</b>		<b>71,216</b>	<b>45,417</b>	<b>35,326</b>	<b>67,883</b>	<b>27,090</b>	<b>40,793</b>	<b>55,177</b>	<b>21,265</b>	<b>33,912</b>	<b>54,230</b>	<b>34,640</b>	

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