

# Performance and Finance Scrutiny Sub-Committee AGENDA

**DATE:** Thursday 16 July 2015

**TIME:** 7.30 pm

**VENUE:** Committee Room 6,  
Harrow Civic Centre

## **MEMBERSHIP** (Quorum 3)

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**Chair:** Councillor Phillip O'Dell

### **Councillors:**

Jeff Anderson  
Primesh Patel

Richard Almond  
Barry Macleod-Cullinane

### **Reserve Members:**

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- |                    |                   |
|--------------------|-------------------|
| 1. Mrs Chika Amadi | 1. Amir Moshenson |
| 2. Ghazanfar Ali   | 2. Bharat Thakker |
| 3. Aneka Shah      |                   |

**Contact:** Miriam Wearing, Senior Democratic Services Officer  
Tel: 020 8424 1542 E-mail: [miriam.wearing@harrow.gov.uk](mailto:miriam.wearing@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. APPOINTMENT OF VICE-CHAIR

To consider the appointment of a Vice-Chair to the Sub Committee for the Municipal Year 2015-16.

## 3. 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 Sub-Committee;
- (b) all other Members present.

## 4. MINUTES (Pages 5 - 10)

That the minutes of the meeting held on 26 March 2015 be taken as read and signed as a correct record.

## 5. PUBLIC QUESTIONS \*

To receive any public questions received in accordance with Committee Procedure Rule 17 (Part 4B of the Constitution).

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

**[The deadline for receipt of public questions is 3.00 pm, Monday 13 July 2015. 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 Committee Procedure Rule 15 (Part 4B of the Constitution).

**7. REFERENCES FROM COUNCIL AND OTHER COMMITTEES/PANELS**

To receive any references from Council and/or other Committees or Panels.

**8. UPDATE ON COUNCIL TAX SUPPORT SCHEME FOLLOWING SCRUTINY CHALLENGE PANEL IN NOVEMBER 2014** (Pages 11 - 26)

Report of the Corporate Director of Resources.

**9. REVENUE AND CAPITAL MONITORING** (Pages 27 - 66)

Report of the Interim Director of Finance.

**10. ANY OTHER BUSINESS**

Which the Chairman has decided is urgent and 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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# PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES

## 26 MARCH 2015

**Chair:** \* Councillor Phillip O'Dell

**Councillors:** \* Richard Almond \* Kiran Ramchandani  
\* Mrs Chika Amadi (1)  
\* Barry Macleod-Cullinane

**In attendance:** Sachin Shah Minute 38  
**(Councillors)**

\* Denotes Member present  
(1) Denotes category of Reserve Member

### 34. Attendance by Reserve Members

**RESOLVED:** To note the attendance at this meeting of the following duly appointed Reserve Members:

Ordinary Member

Reserve Member

Councillor Adam Swersky

Councillor Mrs Chika Amadi

### 35. Declarations of Interest

**RESOLVED:** To note that no interests were declared.

### 36. Minutes

A Member of the Sub-Committee requested clarification regarding the question on the fifth question of Minute 29. The Chair responded that the

Member's question should be forwarded to the Environmental Leads for further information.

**RESOLVED:** That the minutes of the meeting of 6 January 2015 be taken as read and signed as a correct record.

**37. Public Questions, Petitions and References from Council and Other Committees / Panels**

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

**RESOLVED ITEMS**

**38. Revenue and Capital Monitoring**

The Sub-Committee received a report of the Director of Finance and Assurance, which had previously been considered by Cabinet on 19 February 2015. The Portfolio Holder for Finance and Major Contracts assisted the Director in delivering the report.

Following a brief overview of the report by the Director of Finance and Assurance, Members asked the following questions and received responses from the Director and the Portfolio Holder:

- Q: What plans were in place to deal with the introduction of Universal Credit, and the implementation of the Care Act 2014?

A: Some money from the Better Care Fund had been set aside for the implementation of the Care Act. The total cost was as yet unclear, but Officers would be watching the cost carefully once the Act was implemented. There had been discussions about different boroughs being part of a pilot scheme for a small number of recipients of Universal Credit, and contingency funds were there for the pressure of this.

- Q: How did the demolition of Grange Farm stack up as a mitigation of the costs of housing people in bed-and-breakfast accommodation?

A: Properties that had been bought back from leaseholders were being used as short-term accommodation for people who were being housed in bed-and-breakfast accommodation, and almost every vacant property that had become available in Harrow was being used for homeless families.

- Q: Was this not being considered in 2013?

A: Had been proposed by PH and was in manifesto. Arrears have risen by a third due to benefits cuts and a 40% cut in the Discretionary Housing Fund.

- Q: How many houses have been built by this administration?  
A: No houses have been completed, but the building process is underway for a number of homes.
- Q: Have rent increases above inflation affected arrears?  
A: Most arrears have come from the private sector; benefits cuts and a 40% reduction in the Discretionary Housing Fund have been the main contributors to arrears and homelessness.
- Q: Will the Council receive money from the Home Office at the end of the Council's financial year?  
A: The Council had budgeted to receive money from the Proceeds of Crime Act, but the amount received would probably be less than in previous years. The money would usually come from large fraud / wholesale crime.
- Q: At what stage in the year did the bed-and-breakfast problem become apparent?  
A: The increase in people who require bed-and-breakfast accommodation had risen in a linear fashion, and was a big issue for the Council.
- Q: Had the option of moving people who couldn't afford rents in Harrow out of the borough been explored?  
A: There were a few initiatives, but these tended not to be taken up by families whose children were at an important time in their education such as their GCSEs.
- Q: If the Council is in reach of 62% of the total capital programme, what progress has been made towards being better at spending?  
A: A scrutiny panel had been investigating this area. The capital spend was much more focused, and the fragmented way in which this was spent could lead to underspending, for example, money could be reclaimed due to work not completed by service providers. Some money was being spent in order to save more money in the long term, such as the spending of next year's budget on street lights.
- Q: Are there allowances in the budget for the fact that the Council is required to deliver complicated projects in urban environments?  
A: There are some allowances for this, but there is room for improvement in this area.
- Q: Are robust resources being dedicated to the handover of the IT contract? There had not been effective scrutiny of this area, involving

the opposition. At the Chief Officers' Employment Panel Members were told that the handover was being sufficiently resourced, and the Director's post was being reduced to three days per week.

A: The rationale for the post was to manage the handover of the contract, and the reason for the reduction in days was that the day-to-day work undertaken by this post had been distributed to other posts. There had also been an extra £100,000 contribution from the Council going towards the contract.

- Q: What level of resource was being dedicated to this contract, as Members were informed at Chief Officers' Employment Panel that the reduction in days would be sufficient?

A: The amount of resources at the Director level was sufficient. The £100,000 would pay for two relatively junior Officers to work on challenging invoices.

- Q: When in the financial year will the handover of the contract take place, and what will be the impact on service delivery?

A: Harrow Council were having discussions with the current service provider about what they can deliver before the end of the contract.

- Q: Is Harrow Council doing enough to keep energy bills as low as possible?

A: The lights in the Civic Centre are activated by motion sensors. The building is patrolled by security officers 24 hours a day, which is why the lights can sometimes be seen on at night.

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

### **39. School Travel Plans Update**

The Sub-Committee received a report regarding School Travel Plans.

Following a brief overview of the report by the Traffic and Road Safety Team Leader, Members asked the following questions and received responses from the Team Leader:

- Q: Was there enough enforcement activity taking place for the School Travel Plans?

A: Two CCTV vans were being used around the borough, and they were effective as a deterrent to stop people from parking where they are not allowed to. Several "walking buses" had also been set up.

- Q: Has there been mapping to see if the plans had been having any impact?



A: Surveys had been undertaken, and the Traffic and Road Safety Team knew where people were coming from and could see when people change their behaviour.

- Q: Were complaints mapped so problem areas could be identified?

A: Complaints were recorded on a system that was searchable.

- Q: Was there capacity for schools situated close together to cooperate in the implementation of the plan?

A: Schools were encouraged to communicate and work together, and the Traffic and Road Safety Team had reviewed satellite images and introduced zebra crossings, which schoolchildren had been encouraged to use.

- Q: Regarding schools that did not have a “star” accreditation, was this because they had not tried to implement the plan yet?

A: There had been high staff turnover in some schools which had made ongoing engagement difficult, but this was starting to improve. Some schools were not aware of the benefits in taking part in the scheme and attaining the “star” accreditation.

- Q: Were the timescales for schools to adopt the Travel Plans realistic?

A: One of the objectives behind the Travel Plans is to change the culture of the school, and this was achievable as new children start the school every year.

- Q: Is help available for schools that have a ‘silver’ accreditation, but need help to achieve the ‘gold’ accreditation?

A: The main priority was to engage with schools that don’t have any accreditation, but there are resources within the team to support schools that had committed to implementing their Travel Plans.

- Q: How are the accreditations managed, and is the “bronze” target a realistic one?

A: Transport for London awarded the accreditations. “Bronze” was awarded when 40% of pupils were using alternative methods of travelling, “silver” for 50% and “gold” for 60%. The targets were achievable if parents, teachers and pupils were engaged with the plan.

- Q: Is delivering communications to parents via their children a reliable and effective method of engaging with parents?

A: There were also newsletters, forums, and ambassadors for the scheme who work with teachers to try and get all parties engaged. The

budget for the scheme was £80,000, and £50,000 of this was allocated for physical measures such as zebra crossings.

- Q: Are the targets different for each school?

A: The target for a school would be one step above their current level, so schools with no accreditation would have a “bronze” target, schools with a “bronze” accreditation would have a “silver” target.

- Q: What about the schools that do not appear on the list?

A: The ownership of the list had changed hands since the list was last updated, and members of staff were aware that it needed to be updated.

- Q: Would sixth form colleges like St Dominic’s be included in the plans, as the surrounding area had a lot of congestion?

A: The School Travel Plans were mostly aimed at primary schools, but the team could review the causes of congestion and try to tackle it.

- Q: There were no additional funds in 2015 – 16 for the deployment of crossing guards, what impact would this have on the walking buses?

A: The Traffic and Road Safety Team had been working to improve the infrastructure of the walking buses and replace the crossing guards with other physical measures.

- Q: Would it be possible for refuse collection vehicles to plan routes so they did not contribute to areas of heavy congestion?

A: Health and Safety audits had been done on the routes taken by refuse collection vehicles, and the routes had been planned using a Route Optimisation Programme.

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

(Note: The meeting, having commenced at 7.30 pm, closed at 9.15 pm).

(Signed) COUNCILLOR PHILLIP O'DELL  
Chair

**REPORT FOR: PERFORMANCE &  
FINANCE SCRUTINY SUB-  
COMMITTEES**

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<b>Date of Meeting:</b>	16 July 2015
<b>Subject:</b>	Update on Council Tax Support Scheme Following Scrutiny Challenge Panel in November 2014
<b>Responsible Officer:</b>	Tom Whiting – Corporate Director of Resources
<b>Scrutiny Lead Member area:</b>	Councillor Stephen Wright – Policy Lead Member Councillor Primesh Patel – Performance Lead Member
<b>Exempt:</b>	No
<b>Wards affected:</b>	All
<b>Enclosures:</b>	None

**Section 1 – Summary and Recommendations**

The report provides members with an officer update following last years review of the Council's Council Tax Support Scheme by Scrutiny.

**Recommendations:**

That Scrutiny Members note the report and the actions carried out as set out in the report to Cabinet dated 11/12/2014.

## **Section 2 – Report**

### **Introductory paragraph**

In November 2014 the Overview and Scrutiny Committee carried out a Challenge Panel review of the Council's Council Tax Support Scheme. This followed the localisation of Council Tax Support on 1/4/2013, but with a simultaneous reduction in grant of ten per cent (10%).

The CTS Challenge Panel took place on the 27th October 2014 and the main aims were to:

1. explore the impact on Harrow's residents of the introduction of the local council tax support scheme and the contribution it may be making to household debt problems
2. understand how residents affected by the scheme are managing to make their Council Tax payments
3. consider the findings of the CTS consultation to inform the development of the new scheme
4. consider other schemes both London wide and nationally in relation to lessons learnt and how the findings can influence the development of the new scheme

The panel invited and heard evidence from Council officers, the Portfolio Holder, local voluntary organisations and charities

A response to the Scrutiny Panel's findings was taken to Cabinet on 11/12/2014.

### **Current situation**

The Council must consider whether to revise or replace its Council Tax Support scheme each financial year. As such it is necessary for Harrow to consider whether the scheme requires reviewing annually and must do this in time to ensure it has sufficient time to consult and determine the scheme prior to the deadline set out in the legislation.

In June 2014, at the review of the scheme for 2015/16 financial year, Harrow, via, Cabinet, agreed to consultation on various additional draft scheme models. Cabinet subsequently decided not to change the scheme for the financial year 2015/16, and the Council agreed to continue with the existing scheme at the full Council meeting held on 22/01/2015.

Again in June 2015, at the review of the scheme for 2016/17 financial year, Cabinet agreed, after considering whether to review the scheme, that the scheme should not be revised or replaced. As such Harrow will continue with

the CTS scheme currently in place, as previously adopted by Full Council, for the 2016/17 financial year.

## **Mitigations**

Both Officers and the Councillor Sachin Shah, Portfolio Holder for Finance and Major Contracts, have listened and taken into account the findings of the Challenge Panel review.

From 1/4/2015, Harrow has

- Reduced Summons Court Costs by £10 to £120
- Allocated £215k to Access Harrow to put an additional 6 experienced Council Tax Officers on the telephones to help reduce waiting times
- Allocated £275 to the Harrow Emergency Relief Scheme to cover the withdrawal of £485k DWP funding from 2015/16
- Allocated £250k to fund the waiving of court / bailiff costs in cases where there is clear financial hardship
- Ring fenced £250k into a contingency fund to deal with future appropriate emergencies

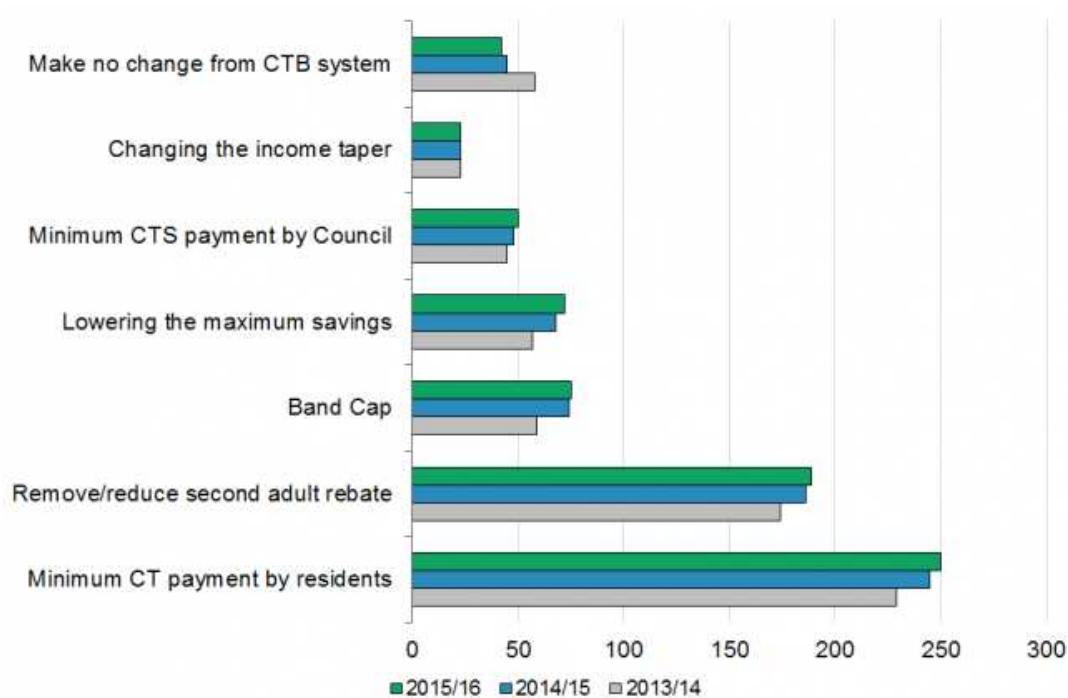
Many of the suggestions recommended by the Panel have been taken on board and impacts on residents continue to be monitored.

## **How have other councils changed the support available?**

From April 2015, only 42 councils (out of 326) are continuing to provide the levels of support available under the former Council Tax Benefit system, down from 45 in April 2014 and 58 in April 2013.

The most common change that local authorities have made from the former CTB system has been to introduce a “minimum payment” which requires everyone to pay at least some council tax regardless of income. From April 2015, 250 schemes include a minimum payment, up from 245 in April 2014 and 229 in April 2013.

Along with a minimum payment, councils can make other changes to CTS. The graph below summarises the components of the 326 local schemes in England. Some local authorities introduced more than one new measure (for example reducing the second adult rebate and introducing a band cap), so councils may be counted more than once.



- 190 councils have reduced or removed the second adult rebate (the benefit homeowners not on a low income are entitled to if they share their home with someone on a low income), 4 more than April 2014 and 16 more than April 2013.
- 75 councils have introduced a band cap which involves limiting the amount of benefit received in higher value properties to the amount provided to those in lower value properties, one more than April 2014 (two councils introduced and one council removed a band cap) and 16 more than in April 2013. The most common band cap applied is D.
- 72 councils have lowered the maximum savings limit (the savings limit over which one is no longer eligible for council tax benefit), 4 more than in April 2014 (one council returned their savings limit to CTB levels of £16,000) and 15 more than in April 2013. Most reduced the threshold to £6,000 from £16,000.
- 50 councils have introduced a minimum CTS payment to residents, 2 more than April 2014 (one council removed its minimum CTS payment) and 5 more than in April 2013. A minimum CTS payment of £5 per week would mean that claimants entitled to less than this would receive nothing.
- 23 councils changed the income taper (the amount by which support is withdrawn as income increases) from the CTB rate of 20p per £1. The total that have changed the taper rate include 20 above the CTB rate

and 3 below it. The overall number of councils that have a different rate from that under CTB has not changed since April 2013, although there have been rate changes between the years by some councils.

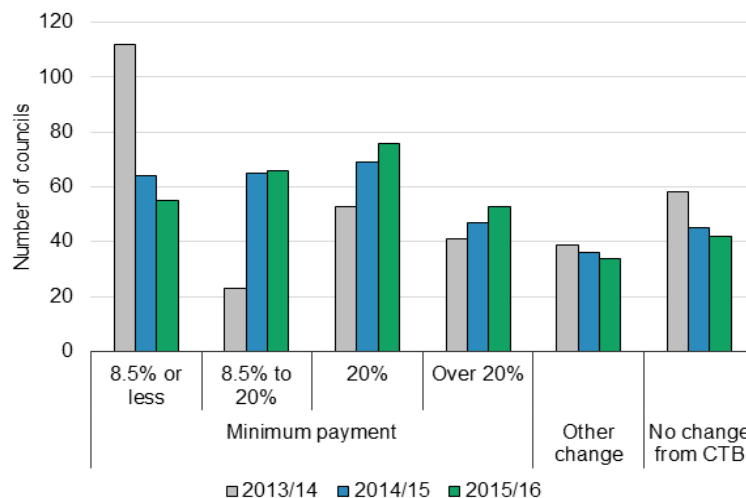
**Minimum Payments**

From April 2014, 245 schemes included a minimum payment, 16 more than in April 2013. From April 2015, this number increased to 250.

The size of this minimum payment varies by area; in 55 councils it is 8.5% or less of council tax liability and 53 councils it is over 20%. A minimum payment of 8.5% was common in the first year of CTS because grant funding was available to councils that did not withdraw support from claimants by more than 8.5% in the first year. In April 2013, 112 councils set their minimum payment at 8.5% or less.

The graph below shows the number of different councils by the level of minimum payment:

- There has been a large drop in the number of councils with smaller minimum payments levels (of 8.5% or less); from 112 in April 2013 to 64 in April 2014 to 55 in April 2015.
- The number of councils with a minimum payment of between 8.5% and 20% in April 2015 was 66, up from 65 in April 2014 and 23 in April 2013.
- 76 councils had a minimum payment of 20% in April 2015, up from 69 in April 2014 and 53 in April 2013.
- 53 councils had a minimum payment over 20% in April 2015, up from 47 in April 2014 and 41 in April 2013.



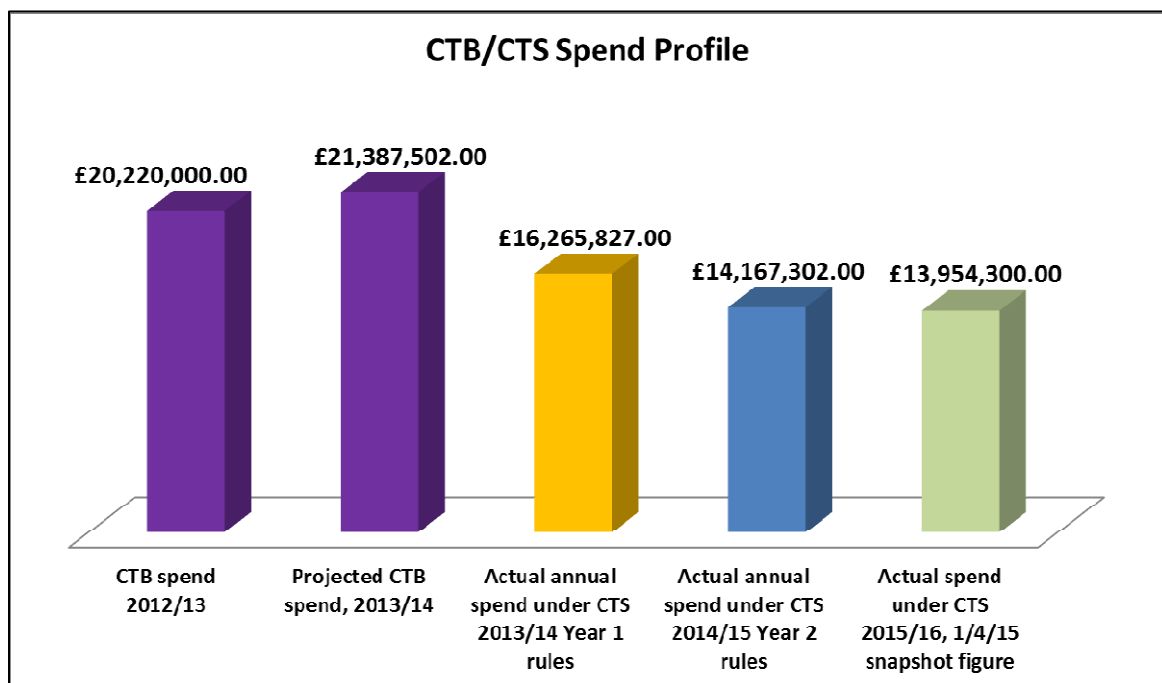
The above shows that more and more authorities have or are moving towards Harrow’s scheme thresholds.

## The Future

The current administration has undertaken not to change the scheme until the end of the current administration. This is likely to mean that the current scheme remains in place until 2018/19. This being on the basis that there are no significant fundamental changes, either in caseload, demographics or the economy, which would require the Council to consider reviewing or replacing the scheme.

Modelling the current CTS caseload commitments and estimating 2016/17 expenditure, would suggest future expenditure in the region of £14m to £14.5 in the next financial year (including the 2% council tax inflation). This is in line with budgeted expenditure.

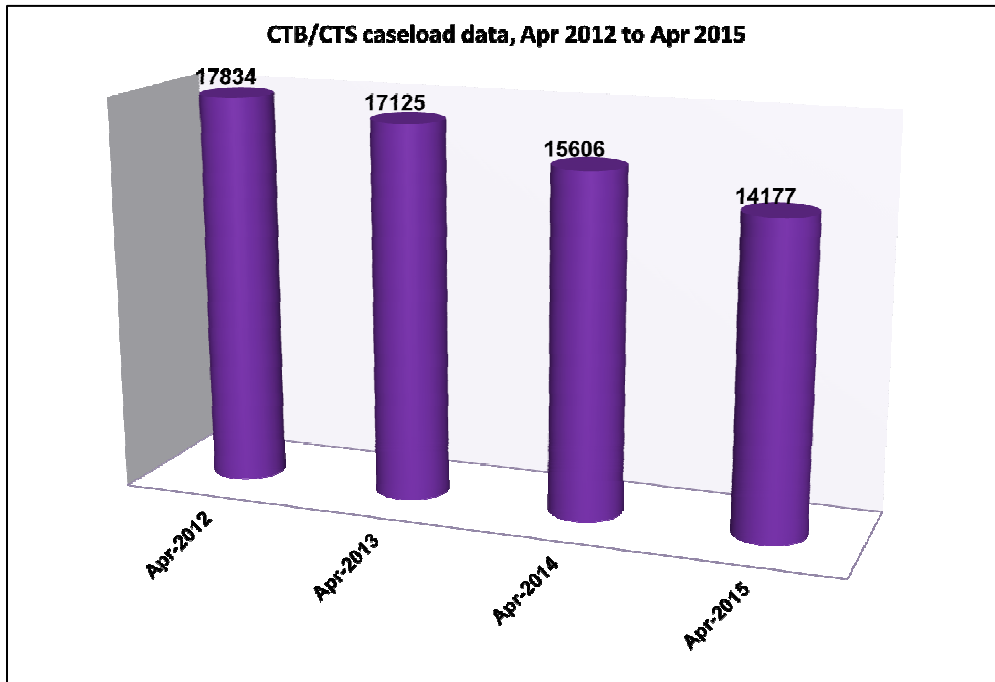
Graph 1 Expenditure



Future years expenditure is likely to rise slightly to reflect any council tax inflation applied. However expenditure is not expected to rise due to higher caseloads.

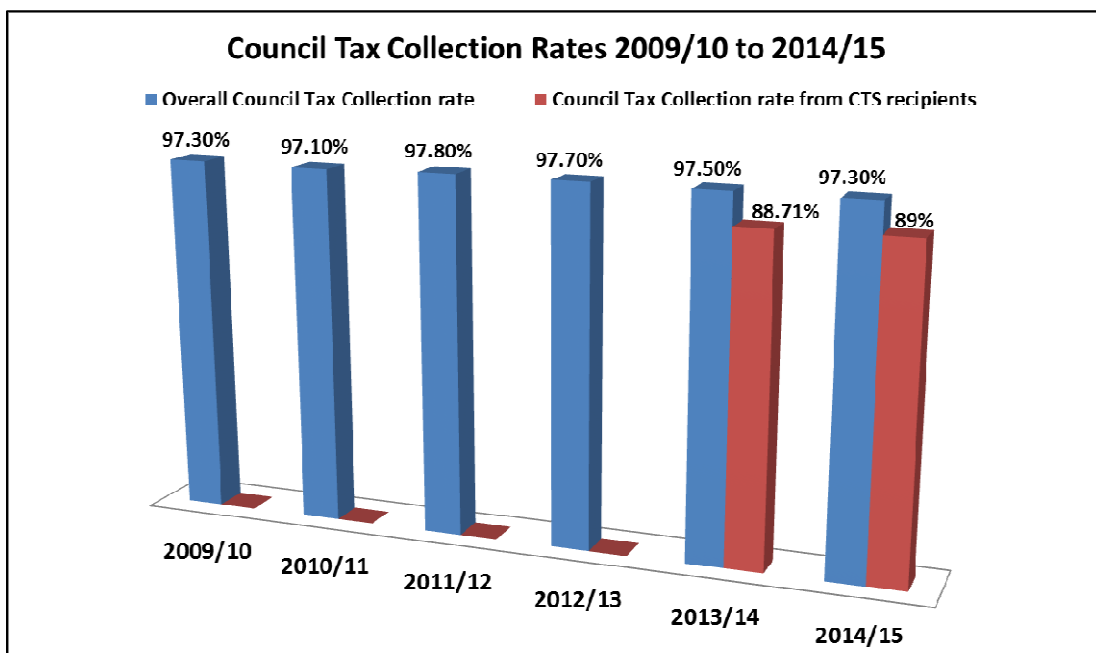


Graph 2 Caseload



Council Tax collection rates in 2014/15 for CTS recipients reached 89% in year which was also above the 70% profile anticipated, resulting in overall collection rates for Council Tax of 97.3% in year. Overall Council Tax collection rates were higher in 2014/15 than the 97% achieved in year for 2013/14. It would appear that collection rates are settling down as claimants get used to having to pay some Council Tax.

Graph 3 Collection Rates



## Progress against Scrutiny Challenge Recommendations

### Scrutiny Panel Recommendations – page 21

- 1. That the Council adopts the pre-consultation exercise undertaken by Adult Services as a principle of best practice for all future CTS consultations.**

Update

*Agreed and incorporated into process.*

- 2. That the Council ensure better engagement with vulnerable groups including those with language barriers.**

Update

*Agreed and process will be improved when we next consult.*

- 3. That the lawfulness of the recent consultation is reviewed in light of the Haringey Judgment as well as the lawfulness of any of the proposed changes.**

Update

*The Haringey case law and guidance will be taken into account for future consultations.*

- 4. That the Council identify the most vulnerable groups affected by any future proposed changes to the Scheme through consultations, with a view to exempting them from charges, and highlight this in consultation and Cabinet reports.**

Update

*Harrow already models any parameter configurations/proposed changes to the CTS scheme and therefore identifies impacts through modeling and the extensive EqlA that is always carried out against any proposed changes. This process already identifies all the impacted vulnerable groups.*

### Scrutiny Panel Recommendations – page 26

- 1. That the Council (Portfolio Holder) writes to the Secretary of State and the Department for Work and Pensions (DWP) expressing concern regarding the long-term sustainability of the CTS Scheme with consideration given to cyclical and single shocks.**

Update

*Letter written and sent.*

- 2. That the Council write to the DWP requesting reduction of the Housing Benefit Taper which contributes to the Taper rate as a whole.**

Update

*Letter written and sent.*

**3. The Council pro-actively encourages local businesses to pay the London Living Wage which has a knock on effect on residents' ability to pay their Council Tax.**

4. Update

Agreed. This is an aspiration of the Administration.

**5. That the Council Tax collection policy is corrected and the assumption that all persons "can pay and won't" is removed as an approach. This Panel would like to see a debt recovery policy based on an individual's ability to pay rather than a fixed point that they must pay by a certain end-point (31st March of each year).**

Update

*The current Council Tax policy does not work on this principle and caters for both those who can't pay as well as those who won't pay.*

**6. That it is recognised as unacceptable that Harrow has the highest minimum payment (30%) of any London Borough and that the Scheme must be revised to bring the threshold down to the London average as a minimum.**

Update

*Whilst it is a fact that at 30% Harrow has one of the highest minimum payment for working age claimants, this was in order to ensure that disabled claimants, in the protected group, would have a lower minimum payment (currently 14%). As Cabinet recently decided not to change the scheme for 2016/17 there are no plans to change the taper percentage.*

**7. That the Council should prioritise reducing the taper applied to working-age claimants as much as possible as it is a disincentive to work and encourage as many people as possible into jobs which will then reduce the cost of the Scheme and to the Council.**

Update

*Not agreed; While it is accepted that the taper is high, we do not believe that reducing the taper should be the priority.*

**8. That the proposed collection rate should be set at 85% as opposed to the assumed 70% and the resulting planned increase in funds be used to reduce the taper down from 30%. This would support the Council's efforts to make work pay and assist workless or claimant households into (better) paid work.**

Update

*Not agreed. Increasing the budgeted amount that the Council aims to collect would lead to further pressure on families to pay more.*

**9. That future reports to Cabinet and Council and future consultations include examples of what these changes would mean for the daily, weekly, monthly and yearly finances of households in receipt of CTS so that councillors' can better appreciate the consequences of the CTS Scheme and proposed changes.**

Update

*Examples of weekly financial impacts were set out in the consultation documentation and were also in the CTS Cabinet report. Consideration will*

*be given to how in future more information can be given so the wider Members are more aware of the implications.*

- 10. That research is carried out as to why other comparable boroughs introduced no CTS changes (e.g. Merton) or more minimal ones than Harrow (e.g. Redbridge).**

Update

*Whilst it is extremely useful to understand the rationale behind other Council's decisions, we must understand that our own scheme has to comply with Harrow Council's financial circumstances. The scheme was originally designed to ensure it was cost neutral as the Council was not in a position to spend extra funds beyond the grant that was passed on due to localisation.*

*Some research has been done, we know that the CTS scheme must not be looked at in isolation from the rest of a local authorities expenditure. This is because service priorities in one authority may be very different in another; resulting in varying funding allocation decisions based on local need and circumstances.*

- 11. That the Council identifies the level of cost-shunting onto other Council services e.g. Housing and Adults'/Children's social care as a result of the CTS Scheme and steps be taken to mitigate or avoid this.**

Update

*Officers have recently reinstated the Welfare Reform Board who's objectives are to understand the wider impacts of welfare reform, including CTS, and to ensure appropriate mitigations are considered.*

- 12. That the Council identifies the level of cost shunting to other parts of the Public Sector, e.g. NHS as a result of our CTS Scheme and steps be taken to mitigate or avoid this.**

Update

*As per the response to question 11.*

- 1. That the Council should adopt a flexible approach at collection point offering residents affordable payment arrangements as every stage (after reviews) as an alternative to imposing a summons or referring a case to Bailiffs where a vulnerable person defaults once.**

Update

*The Council has a recovery policy which takes account of individual circumstances. However it must be noted that council tax is an annual charge which needs to be paid annually if the Council is to meet its budgeted income expectations. As such it may not be possible to administer effective collection without the court and subsequent recovery escalations.*

*Officers will be flexible within the remits of the overall business rules. Where exceptional cases are brought to officers' attention, they will try and provide a bespoke service rather than the automatic escalations that are required to effectively deal with the vast majority of council tax payment defaulters.*

- 2. That the use of Bailiffs should be approved on a case by case basis by the Portfolio Holder responsible for Council Tax collection, and that this approval be granted on the basis of auditable evidence that a debtor can pay but is unwilling to pay, and has assets worth distraining upon.**

Update

*This is not possible within the available resources. The Portfolio Holder is responsible for formulation of policy, with officers making day to day operational decisions. It would not be appropriate for the Portfolio Holder to make decisions on individual cases.*

*As per the reply to question 1, officers will always consider individual circumstances when these come to our attention.*

- 3. That, considering the legal challenge to Haringey regarding their costs, the Council should reduce its unjustified (summons/liability orders) costs for CTS arrears to the actual court costs to the Council and defray other Council costs to the general fund.**

Update

*A re-calculation of costs has been carried out and lower costs of £120 have been introduced for the financial year 2015/16.*

- 4. that the Council should never seek committal where a person cannot pay.**

Update

*Committal is one of many options within the legislation for ensuring compliance with due payments, and as such no undertaking can be given that this recovery option will never be used.*

- 5. That the Council reviews its policy relating to Section 13A(1)(c)**

**regarding its ability to remit debt.**

Update

The Council will review this policy within the next 12 months.

- 6. That the incentive structure of Harrow's bailiff contract be reviewed both by Cabinet and by Scrutiny as a matter of urgency.**

Update

*Harrow's bailiff contract was changed coincide with the implementation of the "Taking Control of Goods Regulations 2013", SI 1894. As such there is no longer an incentive structure within the bailiff contract.*

## Scrutiny Panel Recommendations – page 38

- 1. That the Council review the code of practice for communication to customers when errors are identified (e.g., ensure there is an up-front apology) and consider paying compensation to CTS recipients**

Update

*This is all already covered in our corporate three staged complaint process.*

- 2. That the lack of accessibility to Council Tax collection staff for those in debt be urgently reviewed with a view to improving access and debt advice. All research has demonstrated that the most effective system of collecting debt is to communicate early and work with debtors with a supportive approach unless it is clear that the debtor can pay and won't.**

Update

*Whilst the Council's channel shift and self service strategy will require more reductions in front office staff within Access Harrow, Harrow Council has already invested funds in our voluntary sector partners to ensure face to face debt advice is available. Harrow Council is also working with external partners and has contributed to the HAT (Harrow Advising Together project) which has created an advice portal to ensure advice is available and in in one easy place to access. The Council also extended its SLA with the CAB to maintain face to face appointments until 2015..*

- 3. That the Council ensures a sufficient number of benefit operators to reduce the waiting times for residents with CTS arrears to contact the Council**

Update

*Additional one off funding of £215k was allocated to Access Harrow for 2015/16 to put an extra 6 experienced operators on the telephones. This has already resulted in a much more improved service with lower waiting times.*

- 4. That the Council becomes more accessible to customers/CTS claimants trying to engage with the Council to discuss their CTS arrears with a special consideration given to the phone (pay as you go) costs to individuals trying to contact the Council.**

Update

*This question has already been answered by the response to question 2 & 3 above.*

- 5. That the Council establishes a direct line (contact) for organisations such as the Citizens' Advice Bureau and the Law Centre etc supporting CTS claimants to be able to engage with the Council and get a rapid response.**

Update

*Harrow Council already works with external partners and where appropriate direct contact with back office services has been put in place.*

## Scrutiny Panel Recommendations – page 41

- 1. That the Council review the eligibility criteria of the Emergency Relief Scheme, Hardship Fund and the Discretionary Housing Payment schemes and publicise these widely to ensure people are aware of them and increase the number of applications to these schemes.**

Update

*The DWP grant to fund the Emergency Relief Scheme ceased on the 31/3/15. Harrow has funded the service from 2015/16 by investing £275k in this area. As the budget is now only 50% of the 2014/15 one, it is not possible to widely publicise the service as the funds are only sufficient to meet existing demand.*

*Cabinet approved our Discretionary Housing Payments policy on the 18/7/2013 and it would be inappropriate to review this policy at this time considering there have been no fundamental changes which may have given rise to a reconsideration and additionally the DWP has cut funding by 40% for Harrow for the current financial year.*

- 2. That, if we cannot be confident that the fund will be spent on the right people at the right time, the Council considers transferring at least half of the fund from the Emergency Relief Scheme (which is underspent) back into the CTS Scheme to reduce the direct burden on some of the most vulnerable residents of Harrow.**

Update

*The Emergency Relief Scheme was fully spent in 2014/15 and we expect the reduced 2015/16 funding to also be fully spent.*

- 3. That, in line with the Portfolio Holder for Finance & Major Contracts' comments regarding ring-fencing of funds for the**

**Hardship Fund, that all monies raised through the CTS Scheme beyond covering the CTB-CTS shortfall be ring-fenced and used to reduce the overall CTS charge on households that fall within the scope of Harrow's CTS Scheme.**

Update

*The commitment to ring fence the underspend on the CTS scheme and to utilize it on vulnerable people has occurred; £1m was indeed c'fwd and ringfenced into specific expenditure in 2015/16.*

- 4. That the impact on households with children (e.g. going into care, child poverty) be clearly identified and steps taken to better assist those households**

Update

*Whilst a holistic approach is our aspiration, this may not always be possible. The Revenues office already works with Children Services and Adults to ensure that vulnerability flags are put on specific council tax accounts. Specific checkpoints have been put in place to ensure we proceed differently where a household may be at risk or falls into one of our vulnerability categories. This is backed up by a vulnerability policy which ensures a more joined up approach within the resources available.*

- 5. That in keeping with the Council's corporate priority of 'Making a difference to the vulnerable', a review of what is meant by 'vulnerability' is undertaken and that every Cabinet and Council paper include a section (like Equalities and Financial Implications) outlining the impact any proposed policy decision would have upon those deemed 'vulnerable'.**

Update

*Harrow Council consulted on and reviewed its Corporate Debt Collection Policy on the 15/1/2014 and as a result implemented a vulnerability policy. As such it was not appropriate to review this area so soon after its introduction. Officers will however monitor the position and any lessons learn will be reflected in updates to the policy.*

## **Financial Implications**

The local CTS scheme takes up a sizeable percentage of the Council's budget. The scheme currently runs within the allocated funding envelope but Harrow must review this regularly so expenditure is in line with budget availability and the Council's overall financial position.

## **Performance Issues**

Any future changes to the CTS scheme will impact either positively or negatively on collection rates, depending on whether the awards are higher or lower than those under the current scheme. The overall yield from council tax will also fluctuate as changes to the amount of CTS awarded will either increase or decrease the amount of tax to be collected.



## Environmental Impact

N/A

## Risk Management Implications

Collecting monies from claimants, who have previously received higher rates of CTS support, has been challenging and has increased risk to Council Tax collection. There is also the risk that robust enforcement of Council Tax may conflict with the wider corporate priorities. However processes have been changed over the past two years, and funding has been made available to both mitigate risk and support those in genuine financial hardship.

## Equalities Implications

A comprehensive Equality Impact Assessment (EqIA) was undertaken in the development of Harrow's original Council Tax Support Scheme. The Council's completed equality impact assessment at that time still applies.

## Council Priorities

The Harrow Council Tax Support Scheme reflects the aims of our corporate priorities thus ensuring we concentrate on supporting those who are financially vulnerable.

## Section 3 - Statutory Officer Clearance

Name: Dawn Calvert



Chief Financial Officer

Date: 08/06/2015

**Ward Councillors notified:**

**NO**

## Section 4 - Contact Details and Background Papers

### Contact:

Fern Silverio (Head of Service – Collections & Housing Benefits),

Tel: 020-8736-6818 / email: [fern.silverio@harrow.gov.uk](mailto:fern.silverio@harrow.gov.uk)

### Background Papers:

Cabinet Report of the 11/12/2014 containing response to Challenge Panel questions

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**REPORT FOR: PERFORMANCE AND  
FINANCE SCRUTINY  
SUB-COMMITTEE**

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<b>Date of Meeting:</b>	16 July 2015
<b>Subject:</b>	Revenue and Capital Monitoring
<b>Responsible Officer:</b>	Dawn Calvert, Interim Director of Finance
<b>Scrutiny Lead Member area:</b>	Performance Lead Member – Councillor Primesh Patel Policy Lead Member – Councillor Stephen Wright
<b>Exempt:</b>	No
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix 1 – 17 June 2015 Cabinet Report: Revenue and Capital Outturn 2014-15

## **Section 1 – Summary and Recommendations**

This report includes as an appendix, the Revenue and Capital Outturn report considered at the 17 June 2015 Cabinet meeting for further consideration by this sub-committee.

### **Recommendations:**

To note the report and to make any recommendations the sub-committee wishes for consideration by Cabinet or officers.

## **Section 2 – Report**

### **Introduction**

The Council undertakes monitoring of the council's revenue and capital budgets on a monthly basis, with reports being presented to Cabinet on a quarterly basis with the Outturn reported in June following the end of the financial year. The attached report shows the Outturn position for the year ending 31 March 2015.

### **Financial Implications**

These are contained within the June Cabinet report attached.

### **Performance Issues**

These are contained within the June Cabinet report attached.

### **Environmental Impact**

There are no direct impacts.

### **Risk Management Implications**

These are contained within the June Cabinet report attached.

### **Equalities implications**

Was an Equality Impact Assessment carried out? No

The report is for noting only.

### **Council Priorities**

The Council's vision:

### **Working Together to Make a Difference for Harrow**

The Council's priorities are:

- Making a difference for the vulnerable

- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

Good financial governance contributes to achieving them.

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

Not required.

<b>Ward Councillors notified:</b>	<b>NO</b>
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### **Section 4 - Contact Details and Background Papers**

**Contact:** Steve Tingle ([steve.tingle@harrow.gov.uk](mailto:steve.tingle@harrow.gov.uk)), Senior Financial Advisor:  
Strategic Finance  
Tel: 020 8420 9384

**Background Papers:** None.

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# REPORT FOR: CABINET

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<b>Date:</b>	17 June 2015
<b>Subject:</b>	Revenue and Capital Outturn 2014-15
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Dawn Calvert, Interim Director of Finance
<b>Portfolio Holder:</b>	Councillor Sachin Shah, Portfolio Holder for Finance and Major Contracts
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix 1 - Revenue Directorates Summary Appendix 2 - Revenue Carry forward Schedule Appendix 3 – Capital Monitoring Appendix 4 – HRA Revenue Outturn Appendix 5 – Reserves Movements 2014/15

## Section 1 – Summary and Recommendations

This report sets out the Council's revenue and capital outturn position for 2014/15

### Recommendations:

1. That Cabinet notes the revenue and capital outturn position for 2014/15
2. That Cabinet approves the contributions to reserves outlined in paragraphs 20 to 32.
3. That Cabinet approves the revenue carry forwards outlined at paragraph 34 and detailed in Appendix 2.

4. That Cabinet approves the Housing Revenue Account debt write off outlined in paragraph 38.
5. That Cabinet approve the additions to the capital programme outlined in paragraph 40.
6. That Cabinet note the changes in quarter 4 to the Capital Programme outlined in paragraph 41 to 42.
7. That Cabinet notes the carry forwards on the capital programme outlined in table 4 (paragraph 39) and set out at Appendix 3 that have been approved under delegated authority by the Director of Finance and Assurance
8. That Cabinet approve the virement in the 2015/16 capital programme detailed in paragraph 52.
9. That Cabinet notes the timetable for accounts completion and external audit review as outlined in paragraph 54.

**Reason: (For recommendations)**

To report the financial position as at 31 March 2015.

## **Section 2 – Report**

### **EXECUTIVE SUMMARY**

1. The revenue outturn position of the Council at the end of the financial year 2014/15 year is showing a net under spend of £5.381m before transfers to reserves. Carry forwards of £1.598m are requested which will reduce the net under spend after transfers to £3.783m. It is an achievement that the council has delivered services within the approved budget, contained the pressures arising from the challenging financial environment and the risks around demand pressures. The gross savings included within the 2014/15 budget totalled £12.939m.
2. It is recommended that the under spend of £5.381m is used to increase reserves as follows:
 

• Carry forwards	£1.598m
• IT Implementation Reserve	£2.854m
• Rapid Response Reserve	£75k
• Standing up for those in need	£0.800m
• MTFS Implementation	£54k
3. The recommended contributions to reserves will support the Council moving forward to deliver agreed services in the challenging financial environment facing local government.
2. All outturn positions detailed in this report are provisional until agreed by Cabinet and are subject to minor technical changes, prior to the finalisation of the Statement of Accounts.
4. Total spend on the capital programme for the year is £61.871m (£57.427m General Fund and £4.443m HRA). This compares to an approved budget of £117.877m (£107.402m General Fund and £10.476m HRA). The variance of £56.005m comprises of slippage of £48.372m General Fund



and £2.241m HRA and underspends of £1.600m General Fund and £3.792m HRA. The underspends will contribute to revenue savings on capital financing costs.

## REVENUE OUTTURN

5. The revenue outturn on General Fund for the Council after transfers to ear marked reserves for the financial year 2014/15 is nil against the approved budget of £174.426m, and there is no addition or reduction to general reserves.

Table 1 Revenue Outturn 2014/15 Summary

Original Budget £000	Directorate	Latest Budget £000	Provisional Outturn £000	2014/15				2013/14 Outturn Variance £000
				Outturn Variance £000	%	Carry Fwd £000	Variance adj for Carry Fwd £000	
24,866	Resources	27,011	25,881	-1,130	-4.2	288	-842	-2,645
39,897	Environment & Enterprise	37,424	36,916	-508	-1.4	338	-170	-2,374
75,204	Community, Health & Wellbeing	76,589	77,578	989	1.3	129	1,118	-625
46,258	Children & Families	43,918	43,239	-679	-1.5	843	164	-365
<b>186,225</b>	<b>Sub Total Directorate</b>	<b>184,942</b>	<b>183,614</b>	<b>-1,328</b>	<b>-0.7</b>	<b>1,598</b>	<b>270</b>	<b>-6,009</b>
1,896	Inflation and Corporate Items	1,947	3	-1,944	-99.8			-1,875
921	Contingency	921	0	-921	-100.0			-1,171
0	Welfare Reform contingency	0	0	0				-2,000
-7,730	Capital Financing and Interest	-944	-1,085	-141	-14.9			-917
-6,886	Grants	-7,261	-8,308	-1,047	-14.4			-1,187
	Carry Forwards from previous year	-4,008	-4,008	0	0.0			0
	Reserves Adjustments	-1,171	-1,171	0	0.0			0
<b>174,426</b>	<b>Sub Total</b>	<b>174,426</b>	<b>169,045</b>	<b>-5,381</b>	<b>3.1</b>			<b>-13,159</b>
	<b>Contribution to Reserves</b>							
	MTFS Implementation cost		54	54				2,796
	Carry Forward Requests 14/15		1,598	1,598				4,009
	IT Reserve		2,854	2,854				0
	Rapid Response		75	75				0
	Standing up for those in need		800	800				0
	Business Risk		0	0				2,000
	Transformation and Priority Initiatives Fund		0	0				3,000
<b>174,426</b>	<b>Total Budget Requirement</b>	<b>174,426</b>	<b>174,426</b>	<b>0</b>	<b>0.0</b>			<b>-1,354</b>

## Directorates' Position

6. The outturn for the Directorates is an under spend of £1.328m against the approved budget of £184.942m which represents a 0.7% variance. The position for each directorate is summarised below and further details are provided in Appendix 1.

## Resources

7. The outturn position for Resources is an under spend of £1.130m. The key reasons are detailed below:

- Finance and Assurance – Increase in SLA income from Schools (£45k), an under spend on the finance transformation project and

previously anticipated contribution to Insurance provision (£144k.), and a reduction in staff cost and delay to delivery of new anti-fraud system (£79k) all contribute to an under spend of £268k

- HRD & Shared Services – Savings on staffing and operational activity (£63k), delay to delivery of Management training (£30k), delay to change for SAP account receivable invoice /credit note (£28k), other staffing underspend from Trade Union (£20k) and (£12k) additional income from HR services contribute to an under spend of £153k
- Strategic Commissioning – Over recovery of SIMS income (£29k), Operation activity and staffing underspend in Performance Management Team, Strategy & Performance and Policy and Partnership (£180k), Local Area Agreement (LAA) Grant (£44k) contribute to an under spend of £252k
- Customer Services – There are a number of variances that have contributed to the overall under spend of £325k. The key variances are:
  - Business Transformation Programme (BTP) payments not required due to delays in Mobile and Flex project (£249k).
  - Saving on new Print contract and carried forward budget for the old print contract not needed (£168k)
  - BTP staffing and operational underspend (£66k)
  - The Housing Benefit overpayment bad debt provision was £100k overspent
  - Access Harrow staffing overspend and reduction in expected income 58k
- Legal & Governance – HBPL Public Law deliver a contribution, of £105k of which £102k has been moved to a Legal Expansion Reserve and uncompleted user acceptance testing (£86k) of a Case management system contribute to an underspend of £89k.

8. The under spend is reduced to £0.842m after accounting for carry forwards of £288k which this report recommends (Appendix 2)

### **Environment and Enterprise**

9. The outturn position for Environment & Enterprise is an under spend of £0.508m. The key reasons are detailed below:

- Additional income and one-off under spends - Parking enforcement (£0.764m), delays in the project implementation costs of Towards Excellence (£277k), additional rents from corporate estates (£164k), additional recycling and Civic Amenity site income (£181k) and additional income from cemeteries (£110k).

- Offsetting these underspends is anMTFS saving not achieved in relation to the delay in Leisure Centre car parking charging (£300k) which will be started in April 2015, spend on Neighbourhood Investment Schemes reclassified as revenue expenditure (£219k), a shortfall on Building Control fee income (£179k) and a shortfall on trade waste income (£281k)

10. The under spend is reduced to £170k after accounting for carry forwards of £338k which this report recommends (Appendix 2)

### **Community Health and Wellbeing**

11. The outturn position for Community Health and Wellbeing is an over spend of £0.989m. The key reasons are detailed below:

- Housing General Fund services are over spent by £1.271m, due mainly to increased demand for Bed & Breakfast accommodation driven by rapidly increasing rents in the Private Rented Sector combined with the impact of Government's on-going Welfare Reforms, lower than anticipated Discretionary Housing Payments and higher contributions to the bad debt provision. The worsening position means that there is also a very real risk of a significant over spend in 2015-16.
- Public Health. A nil variance is reported at year end, however this is a result of adjustments as detailed below.
  - The outturn underspend of £593k against Public Health Grant was reported at quarter 3 and remains unchanged.
  - Of the underspend, £351k is reflected within Adult Social Care representing the wider public health responsibilities being delivered.
  - The balance of £241k will be transferred into the specific Public Health Reserve to fund, taking the total to £907k at 31st March 2015
- Community and Culture is reporting an underspend of £224k against a total net budget of £6.629m. The underspend of £224k largely relates to a lower level of repairs and maintenance costs on libraries and leisure (£90k), senior management vacancy for 3months in Community Sector Support (£26k) and unspent grants of £122k.
- Adult Services is underspent by £54k. This position reflects overspends across the directorate including those associated with unfunded legislative requirements around Deprivation of Liberty Safeguards (DoLs) and Mental Health in part as a result of Harrow Clinical Commissioning Groups decision to close Roxbourne (resulting in increased costs for social care), however these pressures were mitigated by fully utilising the Business Risk reserve of £0.750m set aside for the purpose of continuing health care cases, use of the public health grant to fund wider determinants of health and other health funding.

12. The directorate over spend is increased to £1.118m after accounting for carry forwards of £129k which this report recommends (Appendix 2).

### **Children's and Families**

13. The outturn position for Children and Families is an under spend of £0.679m. The key reasons are detailed below:

- Commissioning and Schools is under spent by £0.860m. Under spends relating to Troubled Families Grant (£0.573m) and Early Years Pupil Premium and Integrated Review Grant (£18k) have been requested for carry forward. The remainder of the under spend relates to the closure of the Teachers Centre in July (£70k), a recharge to Whitchurch Infant School for the Early Years Professional Lead's cover for the Head Teacher (£33k), Service Manager and Senior Commissioner posts being held vacant for part of the year (£104k) and 0.5 FTE Health Post at Ealing Hospital NHS Trust not being filled (£44k).
- The Early Intervention Service is under spent by £276k. The under spend results from the Divisional Director and Service Manager posts being held vacant for part of the year (£98k), a Team Manager's post being held vacant for part of the year and a Counsellor post being funded by Troubled Families Grant (£79k) and an under spend on Children's Centres running costs (£98k).
- Targeted Services is over spent by £1.090m. The overspend results from agency staffing being used to cover vacancies, sickness and additional caseloads (£437k) and non-staffing mainly in children's placements and other client spend (£0.700m). A Social Care Innovation Grant has been requested for carry forward (£47k)
- Management and Business Support is under spent by £1.117m. Uncommitted budgets and unringfenced Adoption Reform and SEND Implementation Grants were held as management actions to offset pressures across the Directorate (£0.578m). Early savings for 2015/16 were identified and held as a one off in year action to offset pressure on the placements budget (£365k). There was an under spend in Business Support resulting from 3 posts being held vacant for the year and an under spend on postage and printing (£180k).
- Special Needs is over spent by £0.525m. The overspend is in two main areas. Special Needs Transport from delays in delivering MTFS savings and growth in demand (£409k) and Children with Disability Client costs (£313k). A carry forward of SEN Reform grant has been requested (£205k).

14. The Directorate under spend of £0.679m becomes an overspend of £164k after accounting for requested carry forwards in relation to Social Care Innovation Grant (£47k), Troubled Families Grant (£0.573m), Early Years

Pupil Premium and Integrated Review Grant (£18k) and SEN Reform Grant (£205k).

## INFLATION

15. The Pay and Energy Inflation reserve stood at £1.4m. £0.734m has been allocated to fund the pay award leaving an underspend of £0.666m which contributes to the overall position. The contingency stands at £350k for 2015/16 to cover additional utility inflation pressures.

## CORPORATE ITEMS

16. Centrally held corporate items give an underspend of £1.278m to contribute to the overall position. £0.757m relates to additional Communities and Local Government grants, principally a s31 grant to compensate for lost business rates as a result of the autumn statement 2013 measures. £290k relates to additional Education Services Grant. £231k relates to a surplus on the Goods Received, Invoice Received suspense code.

## CONTINGENCY AND RESERVES

17. The main Contingencies and Reserves are summarised in table 2 below and supported by a narrative explanation:

**Table 2: Contingencies and Reserves 2014/15**

	<b>Budget Available 2014/15</b>	<b>In year contribution</b>	<b>In year draw down</b>	<b>Budget to carry forward into 2015/16</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unforeseen Contingency	921		0	N/A
Transformation and Priority Initiatives Fund (TPIF)	3,370	801	-352	3,819
Business Risk Reserve	2,859		-750	2,109
Medium Term Financial Strategy Implementation Reserve	6,074	1,066	-4,390	2,750
Carry Forward	4,203		-4,008	195
General Reserves	10,008			10,008
<b>TOTAL</b>	<b>27,435</b>	<b>1,867</b>	<b>-9,500</b>	<b>18,881</b>

18. **Unforeseen Contingency** - There have been no calls on the contingency for unforeseen items therefore an under spend of £0.921m is

contributing to the overall position. This contingency stands at £1.248min 2015/16.

## **Reserves**

19. Set out in paragraphs 20 to 32 below are the movements in the key reserves, either built in to the Outturn or proposed from the revenue underspend for the year. A full list is included in appendix 5.

20. **Transformation and Priority Initiatives Fund** - The balance at 1 April 2014 was £3.370m. During the year £0.801m was added to the fund from early MTFs savings and bids of £352k were approved:

- Arboricultural works £100k
- Helping you event £30k
- Pothole repairs £150k
- Sports Development £50k
- Harrow Mutual Support Network £13k
- Housing Lettings agency £9k

21. This leaves a balance of £3.819m. No increase in this fund is recommended for 2015/16.

22. **Business Risk Reserve** - This reserve was established as part of the 2012/13 outturn to provide for a number of identified business risks. £2.859m was available at the start of 2014/15 and a drawdown of £0.750m has been made in-year in respect of Adults continuing care cases.

23. This leaves a balance of £2.109m which will be retained to fund new and emerging business risks and any new contractual risks.

24. **Medium Term Financial Strategy Implementation Reserve** – This reserve was established to facilitate the achievement of MTFs savings. The balance at the start of the year was £6.074m, to which was added £1.066m in-year from early MTFs savings. £4.390m has been drawn down as follows:

- Severance costs £2.696m
- Project Minerva / IT reprocurement £1.282m
- Civic 2 demolition works £174k
- Redeployment co-ordinator £29k
- IT category management £57k
- Resident consultation £62k
- Community, Health & Wellbeing project management of savings £90k

25. It is recommended that £54k is added to this reserve from the year end underspend.

## **26. Legal Expansion Reserve**

A key element of the Legal Services MTFs proposals is for the provision of Legal Services to other boroughs to be expanded, reducing the net cost of Legal Services. It is recommended that Cabinet agree to the contribution of £102k to this reserve in order to finance the costs of gaining new business

and implementation costs. This contribution is reflected in the reported outturn position for Legal and Governance.

#### **27. Children's Social Care Reserve**

It is proposed to establish a Children's Social Care Reserve to help defray anticipated future budget pressures in relation to Social Care costs and Special Needs costs. The recommended contribution is £0.866m, which is funded from grant flexibility for one year only, and has been factored in to the Children and Families Outturn position.

#### **28. Harrow Schools Improvement Partnership (HSIP) Reserve**

HSIP has an accumulated surplus of £1.261m arising from the contributions to costs made by schools. The surplus is being maintained to fund potential termination costs and it is recommended that this is contributed to a reserve. There has been a change in the accounting treatment of this item and in previous years it was treated as an accrual rather than a reserve. The contribution has been factored in to the Children and Families Outturn position.

#### **29. Standing up for those in need Reserve**

The administration committed in its manifesto to stand up for those in need by targeting more support towards carers and tackling the increase in domestic violence across the borough. In July 2014 Cabinet approve the use of £200k from early savings implemented in-year to tackle domestic violence. It is now recommended to contribute £0.800m from the 2014/5 underspend to this reserve taking the total funding allocated in 2014/15 and 2015/16 to £1m.

#### **30. Borough Elections Reserve**

A reserve is maintained to equalise the cost of local elections every 4 years. The drawdown of the balance of £318k has been factored in to the Outturn position for Resources, in order to fund the 2014 elections.

#### **Rapid Response Reserve**

31. It is recommended that this reserve is established with a contribution of £75k from the reported underspend in 2014/15. The purpose of this is to fund responsive minor works, of a non-recurrent nature, in a rapid and efficient manner.

#### **IT Implementation Reserve**

32. When considering the ICT Procurement award of contract in March, Cabinet agreed to fund £2.854m of transformation and transition costs from the MTFS Implementation reserve. In view of the size of the expenditure it is recommended that a separate reserve is established funded from the underspend in 2014/15.

#### **CAPITAL FINANCING**

33. The outturn on capital financing is an underspend of £140k. This has resulted from more investment income as a result of higher cash balances than anticipated.

## REVENUE CARRY FORWARDS

34. Carry forward requests were received, mainly in relation to projects not completed and government grants not yet spent. The carry forward requests are summarised below and listed in appendix 3:-

Table 3 Summary of Revenue Carry Forwards

	<b>Council Funding</b>	<b>Grant Funding</b>	<b>Total</b>
	£000	£000	£000
Resources	244	44	288
Environment & Enterprise	332	6	338
Community, Health & Wellbeing	50	79	129
Children & Families	0	843	843
<b>Carry Fwd Total</b>	<b>626</b>	<b>972</b>	<b>1,598</b>

## GENERAL RESERVES

35. Harrow's level of General Reserves is towards the lower end of what is considered prudent at £10.008m, but is considered adequate given the level of earmarked reserves. It is not recommended to increase the level at this point.

## HOUSING REVENUE ACCOUNT (HRA)

36. The HRA has a surplus of £1.011m against a budgeted surplus of £0.902m. The main contributing factors are underspends in operating expenditure, including repairs, utilities and employee costs, offset by valuation losses on garages of £1.765m. The outturn also includes additional depreciation charges of £0.773m which result in only a transfer of resources to the Major Repairs Reserve which is used to finance capital expenditure.

## DEBT WRITE OFF

37. The Council has written off 505 debts totalling £400k during the year under delegated authority, where they are either irrecoverable or uneconomic to pursue.

38. The reported outturn for the Housing Revenue Account includes a contribution to the provision for bad & doubtful debts of £347k. This is after allowing for the write off of £169k HRA debt owed by tenants but which is not recoverable. The Council maintains a dialogue with tenants using all means available followed by formal correspondence offering repayment plans. Where this is unsuccessful, preparations for legal proceedings are put in place and ultimately eviction as a last resort. The majority of write offs in 2014/15 relate to former tenants who have left no forwarding address. Although checks are made with Revenues and Benefits and Experian, there is often no alternative but to write off. Approval of Cabinet is sought to write off this irrecoverable debt.



## CAPITAL

39. Total spend on the capital programme for the year is £61.871m (£57.427m General Fund and £4.443m HRA). This compares to an approved budget of £117.877m (£107.401m General Fund and £10.476m HRA). The variance of £56.005m comprises of slippage of £48.372m General Fund and £2.241m HRA with underspends of £1.600m General Fund and £3.792m HRA. The underspends on capital will contribute to a revenue saving on capital financing costs. The summary position and funding of the programme is shown in table 4. The slippage identified in Table 4 and detailed in Appendix 3 has been approved under delegated authority as carry forwards by the Chief Finance Officer.

Table 4 Capital Outturn 2014/15 Summary

Directorate	Original Programme	CFWD's	Adjustments	External	LBH	Total Budget	Actual	Variance	Slippage	Under spend
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community, Health and Wellbeing	5,428	3,588	1,553	4,227	6,342	10,569	3,443	-7,126	6,572	-554
Children & Families	42,296	11,767	-711	52,442	910	53,352	23,057	-30,295	30,295	0
Environment & Enterprise Resources	14,790	10,583	-474	4,996	19,903	24,899	21,915	-2,984	2,984	0
	9,413	9,322	-127	161	18,447	18,608	9,012	-9,596	8,549	-1,047
<b>TOTAL GENERAL FUND</b>	<b>71,927</b>	<b>35,260</b>	<b>241</b>	<b>61,826</b>	<b>45,602</b>	<b>107,428</b>	<b>57,427</b>	<b>-50,001</b>	<b>48,400</b>	<b>-1,601</b>
HRA	9,527	949		0	10,476	10,476	4,443	-6,033	2,241	-3,792
<b>TOTAL GENERAL FUND &amp; HRA</b>	<b>81,454</b>	<b>36,209</b>	<b>241</b>	<b>61,826</b>	<b>56,078</b>	<b>117,904</b>	<b>61,870</b>	<b>-56,034</b>	<b>50,641</b>	<b>-5,393</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>81,454</b>	<b>36,209</b>	<b>241</b>	<b>61,826</b>	<b>56,078</b>	<b>117,904</b>	<b>61,870</b>	<b>-56,034</b>	<b>50,641</b>	<b>-5,393</b>
<b>NOTE:</b>										
<b>General Fund Funding:</b>										
Grant	-46,331	-12,067	-66	-58,464		-58,464	-25,466	32,998	-31,060	0
Section 106	0	-1,362	0	-1,362		-1,362	-692	670	-1,153	0
RCCO	-2,000	0	0	-2,000		-2,000	-2,538	-538	-344	0
Capital Receipt		0	0	0		0	-2,356	-2,356	0	0
Borrowing	-23,596	-21,831	-175		-45,602	-45,602	-26,375	19,227	-15,843	1,601
<b>TOTAL GENERAL FUND</b>	<b>-71,927</b>	<b>-35,260</b>	<b>-241</b>	<b>-61,826</b>	<b>-45,602</b>	<b>-107,428</b>	<b>-57,427</b>	<b>50,001</b>	<b>-48,400</b>	<b>1,601</b>
<b>HRA Funding:</b>										
Revenue (MMR)	-7,427	-949			-8,376	-8,376	-4,003	4,373	-1,707	2,666
Grant					0	0	-42	-42	0	-42
Contribution	-100				-100	-100	-344	-244		-244
<b>Main Programme</b>	<b>-7,527</b>	<b>-949</b>	<b>0</b>	<b>0</b>	<b>-8,476</b>	<b>-8,476</b>	<b>-4,389</b>	<b>4,087</b>	<b>-1,707</b>	<b>2,380</b>
Affordable Housing (Sec 106)	-367				-367	-367		367	0	367
Capital Receipt - Right to buy	-1,383				-1,383	-1,383	-54	1,329	-534	795
CGRIA	-250				-250	-250		250		250
<b>Affordable Housing</b>	<b>-2,000</b>				<b>-2,000</b>	<b>-2,000</b>	<b>-54</b>	<b>1,946</b>	<b>-534</b>	<b>1,412</b>
<b>TOTAL HRA</b>	<b>-9,527</b>	<b>-949</b>	<b>0</b>	<b>0</b>	<b>-10,476</b>	<b>-10,476</b>	<b>-4,443</b>	<b>6,033</b>	<b>-2,241</b>	<b>3,792</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>-81,454</b>	<b>-36,209</b>	<b>-241</b>	<b>-61,826</b>	<b>-56,078</b>	<b>-117,904</b>	<b>-61,870</b>	<b>56,034</b>	<b>-50,641</b>	<b>5,393</b>

#### 40. Additions to Programme

Additional external funding has been received for the following in Quarter 4 and Cabinet is recommended to add these items to the programme.

Table 5: Additions to Capital Programme 2014/15

Item	£000
Additional Department of Health funding for improving access to information for people with autism	19
Additional Highways funding from TFL for LIP programme	10
Total	29

#### 41. Reductions in Programme

Table 6: Reductions in Capital Programme 2014/15

Item	£000
Whitmore High School pitch. Work not proceeding and funding returned to school.	-90
2 Year old entitlement – removed from capital as grant used for revenue spend in accordance with grant conditions	-438
Total	-528

42. **Virements.** The following virements have been approved under delegated authority.

Table 7: Virements Approved in Quarter 3

Item	£000
ITO Transformation – reduction in work undertaken	-210
IT Corporate systems refresh – reduction in work undertaken	-100
Mobile and flexible working – Accommodation works to facilitate mobile and flexible working	310

#### DIRECTORATE PERFORMANCE ON CAPITAL Resources

43. The directorate spent £9.012m against a budget of £18.607m, a 48.4% spend. £8.547m of the variance has slipped to 2015/16 with an underspend of £1.047m. The key reason for slippage has been Capita delivery issues. In addition, given the impending end of the Capita contract, some work that previously would have been placed with Capita is being held over until the new contractor is in place.

44. There has been slippage of £2.219m on the loan to West London Waste Authority due to delays in the progress of their investment programme.

### **Environment and Enterprise**

45. The directorate spent £21.915m against a budget of £24.874m, a spend of 88.1%. All of the variance of £2.959m has been slipped to 2015/16.

46. The capital funding was spent to invest in the Boroughs infrastructure and improve the place, both for residents and staff. Some of these improvements have generated additional income, particularly from disused parks buildings that were brought back into use. Others, such as the rationalisation of accommodation have yielded savings both on maintenance and utilities. Likewise, investment on the highways network will reduce reactive maintenance costs in the future. Some projects contributed significantly to social regeneration by making available more buildings for community use.

47. Some of the key projects and outcomes were:

- a. Town Centre Improvements: The heart of the town centre has been revitalised with work around St Ann's road, Havelock Place, and the new urban park and cafe at Lowlands. This has bolstered the feel and economy of the town centre.
- b. Park buildings: Improvements made to a number of buildings including
- c. Byron Recreation refurbishment of changing rooms
- d. Renovation of a disused toilet block to become a West Harrow café and provide rental income for the council
- e. Pinner Cemetery Chapel refurbishment which results in increased bookings
- f. Renovation of a disused building at the Croft to create a sports venue to host the Boxing Club
- g. Green gyms: Installation of 13 new green gyms to improve community access to healthy activities and promote physical exercises
- h. Street Lights: Replaced around 1,000 lighting columns with LED technology to improve safety and energy efficiency
- i. Trees: Planted over 500 street trees to green the environment.
- j. Parking: Introduction of 20 minutes free parking at district centres to encourage footfall and support local businesses' growth.
- k. Highways: Re-surfaced 30.7 km of Harrows 460km road network and carried out 1,781 repairs to carriageways including potholes related work. Reconstructed 15,639 linear meters of footways and carried out 3,174 repairs to footways to improve safety to residents and visitors.
- l. Corporate Accommodation: Refurbishment works across the Civic Centre to consolidate buildings into Civic 1 Complex and improvements to toilets and car parking / cycling facilities were made to improve security, staff welfare and energy efficiency.

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

48. The directorate spent £3.443m against a budget of £10.569m, a 32.6% spend. £6.572m of the £7.126m variance has been slipped to 2015/16 with an underspend on the programme of £0.553m. There have been

delays on a number of schemes within the programme resulting in slippage. The most significant ones are:

- a. Mosaic £0.606m. Delays in the availability of software from the supplier.
- b. Headstone Manor £1.086m. Delay in agreement of Heritage Lottery fund grant.
- c. S106 Bannister Sports Pitches. £1.004m. There has been a delay in the S106 funding being received by the Council due to delays in the redevelopment of the Kodak site.
- d. Green Deals Community Funding £1.357m. Delays in identifying suitable properties.

### **Children & Families**

49. The directorate spent £23.057m against a budget of £53.352m, a 43.2% spend. All of the variance has been carried forward to 2015/16. The delay was as a result of the increase in construction work activity in the country as a whole which caused some problems in obtaining competitive quotes and employing sufficient resources to deliver a large scale building programme and delayed the process of agreeing prices and starting works on site.

50. The capital programme by directorate is included at Appendix 3 showing performance against the latest approved budget for each programme line.

### **Housing Revenue Account**

51. The HRA spent £4.443m against a budget of £10.476m, a spend of 42.4%. £2.241m of the variance has been slipped to 2015/16. A further £3.097m, shown as underspend was included in the 2015/16 programme approved by Cabinet in February.

### **2015/16 CAPITAL PROGRAMME**

52. Following a review of capital requirements under the recently signed IT contract operational from November 2015, it has been identified that the total provided in the capital programme exceeds the amount required by £2.600m. It is recommended that this is vired from the IT capital budget to the following areas:

- a. Environment & Enterprise Highways Programme £2.100m
- b. Minor works responsive capital programme £0.500m

53. The capital investment in these areas will result in the achievement of on-going revenue savings.

### **TIMETABLE FOR ACCOUNTS COMPLETION AND EXTERNAL AUDIT REVIEW**

54. The draft accounts will be completed by 24<sup>th</sup> June before the statutory deadline of 30<sup>th</sup> June and the audit will commence on 29<sup>th</sup> June 2015. The draft accounts will be considered by the Governance, Audit, Risk Management and Standards Committee (GARMS) at their July meeting. The final accounts will be considered by the (GARMS) on 10 September 2015 and must be signed off by the Council and the Auditor by the end of September.

## **LEGAL IMPLICATIONS**

55. Section 151 of the Local Government Act 1972 states that ;"without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs"

56. Section 28 of the Local government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.

## **FINANCIAL IMPLICATIONS**

57. Financial matters are integral to the report.

## **PERFORMANCE**

58. Good financial monitoring is essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.

59. Financial performance is considered quarterly at Cabinet.

## **RISK MANAGEMENT IMPLICATIONS**

60. The risks to the council and how they are being managed are clearly set out in the report:

Risks included on Directorate risk registers? Yes

## **EQUALITIES IMPLICATIONS**

61. There are no direct equalities impacts arising from the decisions within this report.

## **CORPORATE PRIORITIES**

The Council's vision is:

**Working Together to Make a Difference for Harrow**

The administrations priorities are:

Making a difference for the vulnerable

Making a difference for communities

Making a difference for local businesses

Making a difference for families

The robust stewardship of funds to ensure expenditure is contained w

### Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	Interim Chief Financial Officer
Date: 4 June 2015		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 5 June 2015		

<b>Ward Councillors notified:</b>	NO
<b>EqIA carried out:</b>	NO
<b>EqIA cleared by:</b>	N/A

### Section 6 - Contact Details and Background Papers

**Contact:** Steve Tingle (steve.tingle@harrow.gov.uk)

**Background Papers:**

[Cabinet reports 13 February 2014, Housing revenue Account Budget 2014-15 and Medium Term Financial Strategy 2015-16 to 2017-18, Final Revenue Budget 2014/15 and Medium Term Financial Strategy 2014-15 to 2016-17, Capital Programme 2014-15 to 2017-18](#)

<b>Call-In Waived by the Chairman of Overview and Scrutiny Committee</b>	<b>NOT APPLICABLE</b> <i>[Call –in applies]</i>
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	Original Budget	Budget Adjs	Latest Budget	Outturn	Variance		Carry Fwd	Variance adj for Carry Fwd	Comments
	£000	£000	£000	£000	£000	%	£000	£000	
<b>RESOURCES</b>									
Customer Services	14,014	2,670	16,684	16,359	-325	-8.2%	117	-208	(249k) underspend is due to BTP payment not require due to delay in Mobile and Flex project, (£168k) savings on new print contract and the budget that was carry forward for the old print contract, (£66k) BTP staffing and operational budget not needed, this was mitigated by Housing Benefit overpayment bad debt provision of £100k and Access Harrow staffing and reduced reduction to expected income £58k contribute an underspend of £325k.
Director of Resources	744	10	754	735	-19	-2.6%	0	-19	
Finance & Assurance	5,802	-79	5,723	5,455	-268	-7.1%	0	-268	Increase in SLA income from Schools (£45k), an under spend on the finance transformation project and previously anticipated contribution to Insurance provision (£144k.). Staff management and delay to delivery of the new anti-fraud system (£79k) contribute to an under spend of £268k.
HRD & Shared Services	3	141	144	-8	-152	-94.7%	31	-121	Savings on staffing and operational activity (£63k), delay to delivery of Management training (£30k), delay to change for SAP account receivable invoice /credit note (£28k), other staffing underspend from Trade Union (£20k) and (£12k) additional income from HR services contribute to an under spend of £153k.
Legal & Governance	2,615	433	3,048	2,959	-89	-6.4%	86	-3	Legal & Governance – HBPL Public Law deliver a contribution, of (£70k) of which £67k has been moved to Legal the Expansion Reserve and the uncompleted UAT system testing (£86k) contribute to an underspend of £89k.
Procurement	35	-16	19	-5	-24	-8.7%	0	-24	
Strategic Commissioning	1,653	-1,014	639	386	-253	-12.0%	54	-199	Strategic Commissioning – Over recovery of SIMS income (£29k), Operation activity and staffing underspend in Performance Management Team, Strategy & Performance and Policy and Partnership (£180k), Local Area Agreement (LAA) Grant (£44k) contribute to an under spend of £252k.
<b>Directorate Total</b>	<b>24,866</b>	<b>2,145</b>	<b>27,011</b>	<b>25,881</b>	<b>-1,130</b>	<b>-4.2%</b>	<b>288</b>	<b>-842</b>	

	Original Budget	Budget Adjs	Latest Budget	Outturn	Variance		Carry Fwd	Variance adj for Carry Fwd	Comments
	£000	£000	£000	£000	£000	%	£000	£000	
<b>ENVIRONMENT &amp; ENTERPRISE</b>									
Commissioning Services	15,322	-50	15,272	15,377	105	0.7%		105	Principal overspends include Arboriculture £112k, Street Lighting £143k, Trading Standards £260k and unachieved procurements MTFS £43k. These have been offset by the under spend on Facilities of £460k. Overspend on Arboriculture relates to payment schedule on new contract; overspend on street lighting relates to under accrual from prior year; overspend on Trading Standards of £261k due to Proceeds of Crime Act (POCA) income £160k transferred to earmarked reserves due to the requirement of any POCA surplus be reinvested only in related activities. Underspend on facilities relates to depot savings coupled with higher than anticipated saving due to consolidation of premises.
Directorate Management	862	45	907	666	-241	-26.6%	275	34	Underspends of £91k on Regeneration consultancy work, £230k on Towards Excellence project and £47k on on-going Capita costs of Towards Excellence. These underspends have been offset in part by an increase in the bad debt provision of £131k. Carry forward requests of £91k for Regeneration and £184k in relation to Towards Excellence have been made.
Corporate Estate	0	-643	-643	-787	-144	22.4%		-144	Over recovery of commercial income £164k offset by under recovery of capital recharges £20k.
Economic Development	1,725	-640	1,085	1,051	-34	-3.1%	13	-21	Underspend relates to savings on salaries costs.
Environmental Service Delivery	19,967	-362	19,605	19,018	-587	-3.0%	50	-537	Parking Enforcement £764k, offset by £300k shortfall on Leisure Centre income and £399k overspend on salaries. There has been a £213k saving on public protection, environmental health and technical services salaries due to vacancies being held and £70k over recovery of income on Animal services and licencing. Harrow Pride underspends include £55k salaries, premises related costs £184k, vehicle costs £73k and over recovery of cemeteries income £110k. Under spends have been offset by overspends on waste services mainly in relation to under recovery of Trade waste income £281k.



	Original Budget	Budget Adjs	Latest Budget	Outturn	Variance		Carry Fwd	Variance adj for Carry Fwd	Comments
	£000	£000	£000	£000	£000	%		£000	
NIS	0	10	10	228	218	2180.0%		218	Neighbourhood Investment Schemes reclassified as revenue and being funded from E&E's budgets.
Planning	0	1,188	1,188	1,363	175	14.7%		175	This relates to the under recovery of building control income £179k.
Business & Service Development	1,482	-1,482	0					-	
Property & Infrastructure	539	-539	0					-	
<b>Directorate Total</b>	<b>39,897</b>	<b>-2,473</b>	<b>37,424</b>	<b>36,916</b>	<b>-508</b>	<b>-1.4%</b>	<b>338</b>	<b>-170</b>	

	Original Budget	Budget Adjs	Latest Budget	Outturn	Variance		Carry Fwds	Variance adj for Carry Fwd	Comments
	£000	£000	£000	£000	£000	%	£000	£000	
<b>COMMUNITY, HEALTH &amp; WELLBEING</b>									
Adult Services	61,997	-317	61,680	61,623	-57	-0.1%	3	-54	An underspend of £24k is reported after accounting for carry forward requests. This position reflects overspends across the directorate including those associated with unfunded legislative requirements around Deprivation of Liberty Safeguards (DoLs) and Mental Health in part as a result of Harrow Clinical Commissioning Groups decision to close Roxbourne (resulting in increased costs for social care), however these pressures were mitigated by fully utilising the risk reserve set aside for the purpose of continuing health care cases, use of the public health grant to fund wider determinants of health and other health funding.
Community & Culture Total	6,629	-248	6,381	6,157	-224	2.3%	122	-102	The underspend of £103k largely relates to a lower level of repairs and maintenance costs on libraries and leisure (£90k) and senior management vacancy for 3months in Community Sector Support (£26k).  The underspend includes a potential carry forward of £121k relating to sports grant allocations (£93k - £60k of this is for CSPAN) Museum Resilience Grant (£19k) and Edward Harvist grant allocation (£9k). If carry forwards are not agreed, underspend will increase by £103k to £224k.
Housing General Fund	5,288	1,944	7,232	8,503	1,271	17.6%	0	1,271	Overspend relates mainly to costs of Bed & Breakfast ("B&B") accommodation for homeless families. Demand has increased significantly as a result of rapidly increasing rents in the private rented sector, combined with reductions in housing benefit as a result of the Government's continuing Welfare Reforms. An increased provision for bad debts together with a lower than anticipated allocation from the Council's Discretionary Housing Payments ("DHP") fund has also contributed to the reported pressure.
Public Health	1,004	-280	724	724	0	875%	0	0	A nil variance is reported at year end, however this is a result of adjustments as detailed below.  The outturn underspend of £593k against Public Health Grant was reported at quarter 3 and remains unchanged.  Of the underspend, £351k is reflected within Adult Social Care representing the wider public health responsibilities being delivered.  The balance of £241k will be transferred into the specific Public Health Reserve to fund, taking the total to £907k at 31st March 2015.
Transformation	286	286	572	571	-1		4	3	The underspend before carry forward relates an underspend of £3.5k for London Health and Wellbeing Board Improvement Programme grant which has been offset by other running costs pressures. The grant underspend of £3.5k has been requested as a carry forward.

	Original Budget	Budget Adjs	Latest Budget	Outturn	Variance		Carry Fwds	Variance adj for Carry Fwd	Comments
	£000	£000	£000	£000	£000	%	£000	£000	
Directorate Total	75,204	1,385	76,589	77,578	989	1.3%	129	1,118	

	Original Budget	Budget Adjs	Latest Budget	Outturn	Variance		Carry Fwds	Variance adj for Carry Fwd	Comments
	£000	£000	£000	£000	£000	%		£000	
<b>CHILDRENS &amp; FAMILIES</b>									
Commissioning & Schools	3,524	-1,374	2,160	1,300	-860	-40.0%	591	-269	£573k and £18k of the underspend relates to the Troubled Families and Early Years Pupil Premium and Integrated Review Grants for which carry forwards have been requested. The remainder of the underspend relates to the closure of the Teachers Centre in July (£70k), a recharge to Whitchurch Infant School for the Early Years Professional Lead's cover for the Head Teacher (£33k), Service Manager and Senior Commissioner posts being held vacant for part of the year (£104k) and 0.5 FTE Health Post at Ealing Hospital NHS Trust not being filled (£44k).
Early Intervention Service	5,982	-133	5,849	5,573	-276	-4.7%		-276	The underspend results from the Divisional Director and Service Manager posts being held vacant for part of the year (£98k), a Team Manager's post being held vacant for part of the year and a Counsellor post being funded by Troubled Families Grant (£79k) and an underspend on Children's Centres running costs (£98k).
Targeted Services	19,384	-282	19,107	20,197	1,090	5.7%	47	1,137	The overspend results from agency staffing being used to cover vacancies, sickness and additional caseloads (£437k) and non staffing mainly in children's placements and other client spend (£700k). A £47k Social Care Innovation Grant has been requested for carry forward.
Management & Business Support	2,658	356	3,014	1,897	-1,117	-37.1%		-1,117	Uncommitted budgets and un ring fenced Adoption Reform and SEND Implementation Grants totalling £578k were held as management actions to offset pressures across the Directorate. Early savings of £365k for 2015/16 were identified and held as a one off in year action to offset pressure on the placements budget. There was also a £180k underspend in Business Support resulting from 3 posts being held vacant for the year and an underspend on postage and printing.
Special Needs	10,065	-40	10,025	10,551	526	5.2%	205	731	The overspend is in two main areas. £409k in Special Needs Transport from delays in delivering MTFS savings and growth in demand and £313k relating to Children with Disability Client costs. A carry forward of £205k of SEN Reform grant has been requested.
Schools	4,645	-882	3,763	3,721	-42	-1.1%		-42	
<b>Directorate Total</b>	<b>46,258</b>	<b>-2,355</b>	<b>43,918</b>	<b>43,239</b>	<b>-679</b>	<b>-1.5%</b>	<b>843</b>	<b>164</b>	

Revenue Carry Forward Requests						
		Council Funding	Ring Fenced Grant Funding	Non Ring Fenced Grant Funding	Total	
Division	Description	£000	£000	£000	£000	Reason for Carry Forward & Consequences of not carrying forward.
<b>Carried Forward Request 2014-15</b>						
<b>Environment &amp; Enterprise Directorate</b>						
Economic Development	Emergency Relief Scheme	7.0			7.0	Funding was approved in October 2014, significant work has been undertaken to initiate and deliver the project. Over 90% of the funding has been spent in 14/15.
Economic Development	Transformational Challenge Award		6.0		6.0	The grant was only awarded in November 2014. Significant effort has been made to progress the project. At year-end, there is only a small underspend (£6K). The Directorate has also successfully bid for the TCA funding for 15/16 and therefore will continue the work into 15/16.
Planning	Regeneration consultancy support	91.0			91.0	Cabinet approved the draft Regeneration Strategy in December 14. The Cabinet report also identified a series of related activities and some one-off funding (£248K) within E&E to initiate these. The council has commissioned various pieces of options appraisals to consultants and works are well underway. £157k has been spent up to 31.3.15.
ESD	Fixed Penalty Notices project	50.0			50.0	This represents the 14/15 MTFS growth money. The introduction of FPNs was approved by Cabinet in Sept 14. A further report in relation to the enforcement policy, operational guidance and procedural matters was presented to Cabinet in Feb 15. The money has been set aside for staff training and procurement exercise etc. which is due to commence, before the Council starts to issue FPNs during 15/16.
	<b>Total 2014-15</b>	<b>148.0</b>	<b>6.0</b>	<b>0.0</b>	<b>154.0</b>	
<b>Rolled forward from 13-14[or prior year]c/fwd</b>						
	Capita TE revenue costs	59.0			59.0	Per Capita payment schedule, there are key milestones for staged payments (SIT / Go Live / Stabilisation) to be released in the PRISM IT project. As these key milestones have not been reached, no payment is made to Capita. This is in line with the capital carry forward request as part of the payments are funded from capital budgets.
	Capita TE revenue costs	105.0			105.0	Due to the delayed implementation of PRISM IT project (see above), a request is made for 3 x Technical support officers @ £35k each for the period of 1 year, to support on project management and on-going negotiation with Capita.
	Capita TE revenue costs	20.0			20.0	Due to the delayed implementation of PRISM IT project, the budget of Change Champion is required for 6 months to provide support to the project.
	<b>Total 2013-14 [or prior year]</b>	<b>184.0</b>	<b>0.0</b>	<b>0.0</b>	<b>184.0</b>	
	<b>Total Carried Fwd E&amp;E Directorate</b>	<b>332.0</b>	<b>6.0</b>	<b>0.0</b>	<b>338.0</b>	
<b>Community, Health &amp; Wellbeing Directorate</b>						
<b>Carried Forward Request 2014-15</b>						

		Council Funding	Ring Fenced Grant Funding	Non Ring Fenced Grant Funding	Total	
Division	Description	£000	£000	£000	£000	Reason for Carry Forward & Consequences of not carrying forward.
	<b>Carried Forward Request 2014-15</b>					
A & H Transformation	London Health and Wellbeing Board Improvement Programme grant.		3.5		3.5	The remainder of the grant needs to be carried forward to enable completion of a project to develop Harrow's Health and Wellbeing Board. Half of the grant was spent last year on the project, and if the remainder of the grant is not carried forward, it would mean that the work undertaken to date would be of little value, and it would stifle the development and strategic direction of the Health and Wellbeing Board. We have also entered into a contract with a consultancy company to undertake the project, and ceasing the project would have negative reputational consequences for the council.
Aids & Adaptations	FILT - Revenue Programme		4.4		4.4	Programme has been extended by the grant funders till 30 June 2015.
Community & Culture	Community Resources & Cohesion		7.8		7.8	Carry forward for Harrow's Heroes project
Community & Culture	Community Sports Development	50.0			50.0	Community Sport and Physical Activity Network (CSPAN), £50k funding to be carried forward from Leader's allocation.
Community & Culture	Sports Development		20.0		20.0	London Sport money, ring-fenced grant for use in future financial years
Community & Culture	Community Sports Development		12.4		12.4	Sportivate money, ring-fenced grant for use in future financial years
Community & Culture	Community Sports Development		3.0		3.0	On Your Marks project - Brentford FC, ring-fenced grant for use in future financial years
Community & Culture	Voluntary Organisation grant		9.4		9.4	Carry forward of underspend on Edward Harvist grant
Community & Culture	Arts & Libraries		18.9		18.9	Museum Resilience Fund
	<b>Total 2014-15</b>	<b>50.0</b>	<b>79.4</b>	<b>0.0</b>	<b>129.4</b>	
<b>Children &amp; Families</b>						
Special Educational Needs	SEN Reforms Grant Funding			205.0	<b>205.0</b>	Given the uncertainty over future SEND reforms grant funding, the decision was made to spread the 2014-15 grant over two years. Together with the grant funding for 2015-16, it will be possible to continue to implement the extensive and challenging requirements of the SEND provisions of the Children and Families Act 2014.
Commissioning & Schools	Troubled Families Grant Funding			573.0	<b>573.0</b>	Troubled Families funding is front loaded and carry forward is requested to enable continuation of the programme in 2015/16.
Targeted Services	Social Care Innovation Grant			47.0	<b>47.0</b>	External funding has been received for the social care innovation programme. The final amount approved for 2014-15 was only confirmed on 24.03.15. This funding is to support mobilisation costs including IT equipment for delivery staff. The projects begin delivery in April/May 2015.

		Council Funding	Ring Fenced Grant Funding	Non Ring Fenced Grant Funding	Total	
Division	Description	£000	£000	£000	£000	Reason for Carry Forward & Consequences of not carrying forward.
	<b>Carried Forward Request 2014-15</b>					
Commissioning & Schools	Early Years Pupil Premium & Integrated Review Grant			18.0	18.0	Grant funding to enable implementation of Pupil Premium funding for all 3 and 4 year olds. Funding came in at the beginning of March and spending has taken longer than anticipated.
	<b>Total 2014-15</b>	<b>0.0</b>	<b>0.0</b>	<b>843.0</b>	<b>843.0</b>	
<b>Resources</b>						
BTP	Mobile and Flex SharePoint training budget	117.0			117.0	MF SharePoint delays - budget earmarked for training, that should have been delivered in 2014/15
Shared Services	Change request for work on payslip printing directly from SAP	3.1			3.1	Allocated budget for this in 14-15. Do not have budget for this in 15-16
Shared Services	Change request for SAP Accounts Receivable invoices/credit notes etc. directly from SAP	27.3			27.3	Allocated budget for this in 14-15. Do not have budget for this in 15-16
Strategic Commissioning	Funding to match fund TPIF funding for the resident engagement project	10.0			10.0	The TPIF money was awarded on the basis that we would also contribute to the funding of the project from the policy budget. The start date for the project has slipped to the end of April therefore the money needs to be carried forward or the project - which is a priority for the administration, will not be able to take place.
	<b>Total 2014-15</b>	<b>157.4</b>	<b>0.0</b>	<b>0.0</b>	<b>157.4</b>	
	<b>Rolled forward from 13-14[or prior year]c/fwd</b>					
Legal	IT system project started but not completed by Capita	86.0			86.0	The programme of work is for User Acceptance Testing etc. to be complete before October and that the legal practice will have one case management system.
Strategic Commissioning	LAA Reward Grant		0	44	44	These funds are specifically to support partnership projects. None were proposed in the last financial year. So the grant is proposed for carry forward.
	<b>Total 2013-14 [or prior year]</b>	<b>86.0</b>	<b>0.0</b>	<b>44.0</b>	<b>130.0</b>	
	<b>Total Resources Directorate</b>	<b>243.4</b>	<b>0.0</b>	<b>44.0</b>	<b>287.4</b>	
	<b>Grand Total</b>	<b>625.4</b>	<b>85.4</b>	<b>887.0</b>	<b>1,597.8</b>	

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## Capital Programme Outturn 2014-15

	Original Budget	14-15 Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2015-16	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Resources</b>									
Council Tax Support	0	83	0	83	99	16	0	16	
ITO Transformation	125	3,544	-450	3,219	1,157	-2,062	1,997	-65	ITO Milestone Payments - Funds already committed with Capita. Delays in delivery of projects by Capita have pushed the completion dates into 15/16.
My Harrow Services Account Dev Prog	0	97	0	97	23	-74	74	0	The scheduling of these projects has been delayed following amendments to the original scope. As a result, the work will be completed during 2015/16
IT Improvement Project	750	0	-140	610	0	-610	300	-310	Due to Capita's inability to resource these projects they have slipped into 15/16 for the new supplier to pick up
SAP: Financial Leger/Systems Control Imp	0	386	0	386	144	-242	242	0	Delay in delivery of project due by Capita
BTP CCAD - Customer Contact Assess & Decide	0	8	0	8	0	-8	0	-8	
BTP - Mobile & Flex	401	1,958	310	2,669	1,296	-1,373	1,308	-65	SharePoint, Wi-Fi not yet delivered and office layout to be delivered in 15.16 . Project delayed due to Capita delivery issues.
BTP - Corporate Resources	0	82	0	82	76	-6	20	14	
BTP Minor Projects	0	236	0	236	65	-171	171	0	Project is delay due to interdependent on Information Technology Outsourcing (End user device) project
SAP Minor Developments	0	70	0	70	31	-39	31	-8	
ICT Infrastructure & Corporate Applications	0	730	100	830	117	-713	374	-339	Providers inability to provide resources for this project has resulted in delay to delivery.
IT Corporate System Refresh	1,300	0	240	1,540	167	-1,373	1,033	-340	Delay in Upgrading of Customer Relation Management system in Access Harrow is delay in agreeing to commercials with Capital. Civica system Upgrade has already started but delayed as a result of Capita delivery issues.
LAA Performance Reward Grant	0	128	0	128	5	-123	124	1	No further project identified in 14-15.
BTP - Hardware Refresh	213	488	0	701	207	-494	388	-106	Delay to Information Technology Outsourcing and Mobile and Flex project has impact the delivery of this project
West London Waste Authority Loan	6,624	1,199	0	7,823	5,604	-2,219	2,219	0	Delay in Milestone payment - Project on going
Small Schemes (Council wide)	0	313	-219	94	6	-88	250	162	Corporate contingency budget
IER Grant	0	0	32	32	15	-17	18	1	
<b>Resources Total</b>	<b>9,413</b>	<b>9,322</b>	<b>-127</b>	<b>18,608</b>	<b>9,012</b>	<b>-9,596</b>	<b>8,549</b>	<b>-1,047</b>	
<b>Children &amp; Families</b>									

## Capital Programme Outturn 2014-15

	Original Budget	14-15 Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2015-16	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
Schools Expansion Programme - Phase 1	5,870	1,657	-2,900	4627	2,366	-2,261	2261	0.00	Funded by external grant. Spend lower than forecast due to late start on site & delays. Project spans multiple years.
Schools Expansion Programme - Phase 2	14,375	3,067	890	18332	8,287	-10,045	10045	0.00	Funded by external grant. Spend lower than forecast due to late start on site & delays. Project spans multiple years.
SEN Provision	5,325	1,243	-89	6479	3,574	-2,905	2905	0.00	Funded by external grant. Spend lower than forecast due to late start on site & delays. Project spans multiple years.
Secondary Expansions	10,100	2,958	2,069	15127	5,511	-9,616	9616	0.00	Funded by external grant. Spend lower than forecast due to late start on site & delays. Project spans multiple years.
School Amalgamation	700	623	0	1323	234	-1,089	1089	0.00	Funded by external grant. Spend lower than forecast due to late start on site & delays. Project spans multiple years.
Bulge Classes	150	0	-9	141	97	-44	44	0.00	Funded by external grant. Set aside for amalgamations April 2015 and Sept 2015
Free School Meals	621	0	-316	305	148	-157	157	0.00	Funded by external grant. Set aside for bulge classes needed for September 2016
Schools Capital Maintenance	1,350	69	0	1419	612	-807	807	0.00	Funded by external grant. Where schools included in the expansion programme expenditure will be picked up as part of the expansion. Unspent grant contributing to SEP2.
Schools Expansion Programme Phase 3	1,805	0	120	1925	0	-1,925	1925	0.00	Funded by external grant. On-going routine maintenance.
Devolved Formula Non VA Schools	0	737	334	1071	510	-561	561	0.00	Funded by external grant. Delays in appointment of Technical Advisors. Feasibility studies underway. Expansion approved by Cabinet Jan 15. Scheme spans multiple years. Completion date 31.08.16
IT Development	0	910	0	910	62	-848	848	0.00	Funded by external grant. Passported to schools. These are the balances held by schools
Whitmore School - Sports Pitch	0	65	-65	0	0	0	0	0.00	Scheme did not proceed and funding has been given back to school.
Whitmore School	2,000	0	-307	1693	1,656	-37	37	0.00	Funded by school. Council carrying out works on behalf of school.
2 Year Old Entitlement Grant (2012-13)	0	438	-438	0	0	0	0	0.00	Funding is not capital, It has been moved to revenue and spent accordingly.
<b>Schools Total</b>	<b>42,296</b>	<b>11,767</b>	<b>-711</b>	<b>53352</b>	<b>23,057</b>	<b>-30,295</b>	<b>30,295</b>	<b>0.00</b>	

## Capital Programme Outturn 2014-15

	Original Budget	14-15 Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2015-16	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Environment &amp; Enterprise</b>									
Affordable Warmth	0	86	-3	83	83	0	0		
BTP - Public Realms	0	1,406	16	1422	37	-1,385	1,276	-109	The on-going delay in providing a detailed delivery plan by Capita has put this IT project on hold.
Carbon Reduction Programme 2012/13	0	262	0	262	0	-262	0	-262	See below.
Carbon Reduction Programme 2013/14	0	162	0	162	160	-2	0	-2	See below.
Carbon Reduction Programme 2014/15	1,300	0	-952	348	700	352	0	352	More energy efficiency improvement projects e.g. lighting have been delivered as part of the corporate accommodation work.
CCTV Camera Extension Project	0	385	21	406	405	-1	0	-1	
CCTV Crime Reduction Cameras 14/15	575	0	-441	134	123	-11	0	-11	
CCTV Enforcement Monitoring System Re-engineering	0	87	-7	80	79	-1	0	-1	
City Farm/Pinner Park Farm	0	717	-118	599	61	-538	538	0	The project has been subject to a number of delays as a result of various changes in administration. The current plan takes the project to a stage 2 consultation during 15/16 followed by submission of a detailed planning consent with service of notices in 2016.
Civic Centre Parking	0	135	-18	117	117	0	0	0	
Corporate Accommodation Maintenance	433	265	426	1124	1,151	27	0	27	
Development of a Consolidated, Integrated Civic One Building	0	26	0	26	49	23	0	23	
Harrow Card	0	140	-140	0	0	0	0	0	
Harrow Green Grid	343	204	0	547	198	-349	350	1	Some grounds work planned for Q4 did not proceed due to wet weather. Some other schemes are at design stage and will be implemented at later years.
Harrow On Hill Station	100	-40	0	60	59	-1	0	-1	
High Priority Plan Maintenance Corporate Property	430	90	-93	427	491	64	0	64	Some toilet works at Civic 1 needed to be undertaken urgently during the year. This is an unplanned project which needs to be accommodated within E&E's capital programme.
Highway Drainage Improvements & Flood Defence Infrastructure	525	178	0	703	744	41	0	41	A number of highway improvement work has been accelerated with an aim of reducing on-going revenue repair costs.
Highway Improvement Programme	5,500	789	515	6804	7,057	253	0	253	A number of highway improvement work has been accelerated with an aim of reducing on-going revenue repair costs.

## Capital Programme Outturn 2014-15

	Original Budget	14-15 Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2015-16	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
Leisure Centre Car Park CCTV	0	0	0	0	0	0	0	0	
Leisure Centre Car Park Charging	0	60	159	219	237	18	0	18	
Neighbourhood Investment Scheme	210	270	0	480	188	-292	27	-265	Apart from the costs of green gym and double kerb work which meet the definition of capital, those for smaller projects have been reclassified as revenue and funded from E&E's budget.
Parking Management Programme	750	12	163	925	965	40	0	40	6 CPZ schemes were completed, one of which required more funding than originally anticipated.
Public Realm Services – Parks, Open Spaces & Cemeteries	850	319	249	1418	1,311	-107	0	-107	The procurement of some parks building work e.g. pavilions took longer than expected and therefore these projects were not completed. Instead the funding was utilised in Highway Improvement Programme.
Public realm Services – Waste and Recycling	200	251	0	451	416	-35	0	-35	The spend on wheeled bin was less than planned due to the lack of storage space at the depot.
Roxborough Bridge Underpass CCTV	0	7	0	7	7	0	0	0	
Section 106 Schemes	0	357	0	357	209	-148	148	0	Some S106 funded highway schemes are on-going and will be completed in 15/16.
Street Lighting Improvement Programme	1,500	733	0	2233	2,283	50	0	50	A number of highway improvement work has been accelerated with an aim of reducing on-going revenue repair costs.
TfL Major Schemes	0	0	0	0	0	0	0	0	
TfL Principal Roads	868	553	260	1681	1,710	29	638	667	
TfL Transport Capital	1,206	872	-14	2064	1,371	-693	0	-693	
Town Centre Regeneration	0	2,257	-497	1760	1,704	-56	7	-49	The final account for Lowlands project was lower than expected.
Transport Local Implementation Plan 2 - Programme of investment	0	0	0	0	0	0	0	0	
<b>E&amp;E Total</b>	<b>14,790</b>	<b>10,583</b>	<b>-474</b>	<b>24899</b>	<b>21,915</b>	<b>-2,984</b>	<b>2,984</b>	<b>0</b>	
<b>Community, Health and Wellbeing</b>									
Adults Social Care-Framework-I & IT Integration	0	141	0	141	10	-131	131	0	Delays in project implementation.
MOSAIC Implementation - Adults & Children's Services	250	523	0	773	167	-606	606	0	Project was suspended part way throughout the year as IT contractor was unable to fulfil requirements of the project. Project is to be suspended until next financial year and budget carried forward.
Bedford House Boilers	0	0	0	0	1	1	0	1	Minor overspend
Mental Health Supported Housing Repairs	0	51	0	51	7	-44	44	0	On-going repairs
Renovation Grants	70	0	40	110	39	-71	63	-8	Delays in allocation of discretionary grants
Disabled Facilities Grants	1,500	50	0	1,550	1,414	-136	0	-136	Full budget not required

## Capital Programme Outturn 2014-15

	Original Budget	14-15 Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2015-16	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
Empty Properties & Private Sector Initiatives Grants	676	270	0	946	630	-316	220	-96	Delays in identification of suitable properties
Headstone Manor	0	1,216	137	1,353	269	-1,084	1,086	2	On-going project
Upgrading the People's Network and Installing Wi-Fi	0	44	0	44	44	0	0	0	Minor overspend
Leisure Centre Capital Infrastructure	300	43	0	343	180	-163	163	0	
Sec 106 Banister Sport Pitch	1,000	4	0	1,004	0	-1,004	1,004	0	Delay in agreeing the s106 funding
Leisure Capital Investment	0	7	-7	0	0	0	0	0	Project has yet to begin
Sports & Leisure Short Breaks Grant	0	0	7	7	5	-2	0	-2	Underspend against project
Refurbishment of 64 Pinner Road	0	0	0	0	1	1	0	1	Project thought to have been completed in previous financial year but minor costs continued into this year, therefore minor overspend.
Adults Personal Social Services - Community Capacity Grant	532	338	0	870	229	-641	341	-300	Underspend of £300k funded grants originally allowed for in budget but subsequently not received. Therefore £300k underspend was requirement for year end position.
Capital Strategic Reviews	0	685	19	704	281	-423	422	-1	
Aztec Cafe and The Bridge - Phase 1	0	16	0	16	0	-16	0	-16	Project finished in year with less expenditure than predicted.
Quality Outcome for People With Dementia	150	0	0	150	0	-150	150	0	Plans are being drawn up to commit capital spend in the next financial year
Reform Of Social Care Funding	250	0	0	250	25	-225	225	0	Business case developed late into financial year, therefore, limited spend
Maintenance of Adults Properties	100	0	0	100	0	-100	100	0	Plans are being drawn up to commit capital spend in the next financial year
Integrated Health Model	250	0	0	250	109	-141	142	1	Business case developed late into financial year, therefore budget not fully spent
Carers Services Charges	100	0	0	100	0	-100	100	0	Plans are being drawn up to commit capital spend in the next financial year
Market Shaping And Development	250	0	0	250	0	-250	250	0	Plans are being drawn up to commit capital spend in the next financial year
Green Deals Communities Funding	0	0	1,357	1,357	0	-1,357	1,357	0	Delays in identification of suitable properties
Safeguarding Quality Assurance Quadrants (QAQ)	0	200	0	200	32	-168	168	0	A strategy was agreed with provider (Capita) but delays in implementation has resulted in majority of spend planned take place in the next financial year
<b>Community, Health and Wellbeing Total</b>	<b>5,428</b>	<b>3,588</b>	<b>1,553</b>	<b>10,569</b>	<b>3,443</b>	<b>-7,126</b>	<b>6,572</b>	<b>-554</b>	

## Capital Programme Outturn 2014-15

	Original Budget	14-15 Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2015-16	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Total General Fund</b>	<b>71,927</b>	<b>35,260</b>	<b>241</b>	<b>107,428</b>	<b>57,427</b>	<b>-50,001</b>	<b>48,400</b>	<b>-1,601</b>	
<b>HRA</b>									
<b>Housing Programme</b>	7,527	949		8,476	4,264	-4,212	1,707	-2,505	Delay in programming due to estate regeneration and development of four-year investment programme. Figure shown as underspend includes £1,810k of slippage previously approved by Cabinet in Feb and included in 2015-16 budget.
<b>Affordable Housing</b>	2,000			2,000	179	-1,821	534	-1,287	Delay in Programme. Figure shown as underspend represents £1,287k of slippage previously approved by Cabinet in Feb and included in 2015-16 budget.
<b>Total HRA</b>	<b>9,527</b>	<b>949</b>	<b>0</b>	<b>10,476</b>	<b>4,443</b>	<b>-6,033</b>	<b>2,241</b>	<b>-3,792</b>	
<b>Total Council Capital Programme</b>	<b>81,454</b>	<b>36,209</b>	<b>241</b>	<b>117,904</b>	<b>61,870</b>	<b>-56,034</b>	<b>50,641</b>	<b>-5,393</b>	

Housing Revenue Account 2014/15	Outturn 2013/14	Original Budget	Revised Budget	Outturn	Variance	Comments
Description	£000	£000	£000	£000	£000	%
Operating Expenditure : Employee costs, Estates & sheltered, Utilities & other	6,018	6,734	6,702	5,975	-727	-10.85%
Repairs Expenditure : Response, void, cyclical, other associated costs	6,911	6,447	6,587	5,584	-1,003	-15.23%
Other Expenditure : Impairment allowance, Grants to Move, Affordable Housing, Other expenditure	449	1,123	1,141	509	-632	-55.38%
Income : Dwelling rents, Leasehold charges	-31,050	-31,689	-31,761	-31,954	-194	-0.61%
Controllable	-17,671	-17,385	-17,330	-19,886	-2,556	-14.75%
Non controllable (SSC, depreciation, financing costs)	17,272	16,407	16,428	18,875	2,447	14.90%
Net (surplus) deficit	-399	-978	-902	-1,011	-109	-12.04%
<b>Balance b/fwd</b>	<b>-3,175</b>	<b>-3,533</b>	<b>-3,533</b>	<b>-3,574</b>	<b>-41</b>	<b>-1.17%</b>
<b>Balance c/fwd</b>	<b>-3,574</b>	<b>-4,511</b>	<b>-4,435</b>	<b>-4,585</b>	<b>-150</b>	<b>-3.38%</b>

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**Reserves Movements 2014/15**

	Total Available 1 April 2014	Contribution	drawdown	Balance Carried Forward
Carry Forwards	4,203	1,598	-4,008	<b>1,793</b>
Business Risk	2,859	0	-750	<b>2,109</b>
MTFS Implementation cost	6,074	1,066	-4,390	<b>2,750</b>
TPIF	3,370	801	-352	<b>3,819</b>
IT Implementation	0	2,822		<b>2,822</b>
Rapid response	0	75		<b>75</b>
Standing up for those in need	0	800		<b>800</b>
Public Health	666	242	0	<b>908</b>
CIL Harrow	14	186	0	<b>200</b>
CIL Mayor Admin	0	39	0	<b>39</b>
Proceeds of Crime Act	0	160	0	<b>160</b>
Libraries termination reserve	0	153	0	<b>153</b>
Legal expansion reserve	0	102	0	<b>102</b>
Compensatory Added Years	802	0	-79	<b>723</b>
Children's Social Care Reserve	0	866	0	<b>866</b>
HSIP	0	1,261	0	<b>1,261</b>
PFI Schools	3,246	0	-292	<b>2,954</b>
PFI Neighbourhood Resource Centre	1,020	134	0	<b>1,154</b>
Insurance reserve	500	0	0	<b>500</b>
Borough Elections	318	0	-318	<b>0</b>
Harvist - Harrow Share	19	0	0	<b>19</b>
NW London Education Business Partnership	10	0	0	<b>10</b>
Personal Injury Reserve	110	0	0	<b>110</b>
General Reserve	10,008	0	0	<b>10,008</b>
	<b>33,219</b>	<b>10,305</b>	<b>-10,189</b>	<b>33,335</b>

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