

# CABINET

## 15 FEBRUARY 2018

Record of decisions taken at the meeting held on Thursday 15 February 2018.

**Present:**

**Chair:** \* Councillor Sachin Shah

**Councillors:**

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

**In attendance:**

Richard Almond	Minute 668
Marilyn Ashton	Minute 668
Barry Macleod-Cullinane	Minute 668
Chris Mote	Minute 668
Janet Mote	Minute 668
Paul Osborn	Minute 668

\* Denotes Member present

† Denotes apologies received

**665. Apologies for Absence**

Received from Councillor Kiran Ramchandani, Portfolio Holder for Performance, Corporate Resources and Customer Services.

**666. Declarations of Interest**

**RESOLVED:** To note that there were no declarations of interests made by Members.

## 667. Petitions

### Petition: Poor Condition of Kelvin Crescent

Councillor Pritesh Patel presented a petition signed by 14 residents with the following terms of reference:

“As local residents, we are concerned about the poor condition of the Kelvin Crescent road surface and kerb. The road has not been surfaced or maintained since its adoption over fifty years ago and now requires urgent attention. It is full of gaps and unevenness between different sections of the concrete surface, and around manhole covers and dropped kerbs. Kerb stones are coming away from the pavement in a number of areas causing a risk to pedestrian safety. There is also significant concern about potential subsidence of the surface around the junction with Charlwood Close. All of these issues have been reported to the council on numerous occasions but no action has been forthcoming. We now call upon the Council to deal with all of these issues as a matter of urgency.”

**RESOLVED:** That the petition be received and referred to the Corporate Director of Community for consideration.

## 668. Questions

Public and Councillor questions taken were responded to and any recording placed on the Council’s website. Where appropriate, further written responses would be sent to the questioners and published on the website.

## 669. Key Decision Schedule - February to April 2018

**RESOLVED:** That the Key Decision Schedule be noted, including that the Chair of the Overview and Scrutiny Committee had been notified of an additional item – Call-in of the Cabinet Decision (18 January 2018) – Library Management Contract Extension – that Cabinet would be considering that evening for the reasons set out in Public Notice 1 published with the agenda for the meeting on the Council’s website.

## 670. Progress on Scrutiny Projects

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

## **RECOMMENDED ITEMS**

## 671. Corporate Plan - 2018 Update

**Resolved to RECOMMEND:** (to Council)

That the Corporate Plan (Harrow Ambition Plan) be adopted.

**RESOLVED:** That

- (1) the annual update to the Corporate Plan 2018 (Harrow Ambition Plan) be noted;
- (2) the Leader of the Council be authorised to make any minor amendments to the Corporate Plan 2018 as necessary prior to the matter going to Council.

**Reason for Decision:** To update the Council's Policy Framework and set out the Council's direction of travel for the following year.

**Alternative Options Considered and Rejected:** None.

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

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

## **672. Final Revenue Budget 2018/19 and Medium Term Financial Strategy 2018/19 - 2020/21**

**Resolved to RECOMMEND:** (to Council)

That

- (1) whilst being mindful of the results of the various consultation and equality impact assessments, the 2018/19 budget be approved to enable the Council Tax for 2018/19 to be set, appendix 2 to the report refers;
- (2) the Medium Term Financial Strategy (MTFS) at appendix 2 to the report be approved;
- (3) the structure of the funding formula 2018/19 through the introduction of the National Funding Formula, appendix 6 to the report refers, be approved;
- (4) the 2018/19 Members' Allowance Scheme to Council at appendix 12 to the report be approved;
- (5) the 2018/19 Annual Pay Policy Statement at appendix 13 to the report be approved;
- (6) the Capital Receipts Flexibility Strategy at appendix 15 to the report be approved.

**RESOLVED:** That

- (1) the remaining budget gaps of £17.636m 2019/20 and £16.061m for 2020/21, table 4 of the report refers, be noted;
- (2) the intention to increase Council Tax by 2.99% in 2018/19, paragraph 1.18 of the report refers, be noted;

- (3) the intention to increase Council Tax by 0.5% in 2018/19 in respect of the Adult Social Care Precept, paragraph 1.18 of the report refers, be noted;
- (4) the 2018/19 Public Health Budget, as set out in Appendix 7 to the report, be noted;
- (5) the sum of the Better Care Funding to be received by the Council in 2018/19, paragraph 1.48 of the report refers, be noted;
- (6) the comments from the various stakeholder meetings, appendix 14 to the report refers, be noted;
- (7) the Director of Finance, following consultation with the Portfolio Holder for Finance and Commercialisation, be authorised to update the 2018/19 Budget for any changes from the final Local Government Settlement announcement if necessary, paragraph 1.35 of the report refers.

**Reason for Decision:** To ensure that the Council sets a balanced budget for 2018/19.

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

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

*[Call-in does not apply to the decision reserved to Council and where the decision is noted.]*

**673. Housing Revenue Account Budget 2018-19 and Medium Term Financial Strategy 2018-19 to 2020-21**

**Resolved to RECOMMEND:** (to Council)

That

- (1) the Housing Revenue Account (HRA) Budget for 2018-19 be approved;
- (2) the Housing Revenue Account (HRA) Capital Programme, as detailed in appendix 7 to the report, be approved.

**RESOLVED:** That

- (1) the proposed average rent for non-sheltered accommodation of £114.73 per week for 2018-19, representing a decrease of 1% in average rent from the 2017-18 figure, be approved;

- (2) the proposed average rent for sheltered accommodation of £94.54 per week for 2018-19, representing a decrease of 1% in average rent from the 2017-18 figure, be approved;
- (3) the overall average rent for entire stock of £112.38 per week for 2018-19, representing an overall decrease of 1%, be approved;
- (4) an average tenant service charge of £3.15 per week, an increase of 4%, as set out in appendix 2 to the report, be approved;
- (5) the proposed increases in facility charges, set out in appendix 4, and Community Centre hire charges, in appendix 6 to the report, be approved; as well as the maintenance of water charges at present rates, as set out in appendix 5 to the report;
- (6) the three year Capital Programme, set out in appendix 7 to the report, be approved, including an increase in the Homes-4-Harrow capital budget of £17,735,550 reflecting increased investment requirements for the Grange Farm Regeneration Scheme of £15,688,670 and Infill Scheme of £2,046,880;
- (7) the reductions in both revenue and capital expenditure, assumed to ensure the budget and Medium Term Financial Strategy (MTFS) produced a viable and sustainable Housing Revenue Account (HRA), in line with assumptions set out in the HRA Business Plan update report to 16 November 2017 Cabinet meeting, be noted;
- (8) the Risk Management implications which require prudent financial reserves given the absence of borrowing capacity and probability of sustained and significant reforms in the housing sector be noted.

**Reason for Decision:** To recommend the HRA budget for 2018-19 and MTFS.

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

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

*[Call-in does not apply to the decision reserved to Council and where the decision is noted.]*

#### **674. Final Capital Programme 2018/19 to 2020/21**

Having considered the confidential appendix, it was

**Resolved to RECOMMEND:** (to Council)

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

**Reason for Decision:** To enable the Council to have an approved Capital Programme for the period 2018/19 to 2020/21.

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

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

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

**675. Treasury Management Strategy Statement including Prudential Indicators, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2018/19**

**Resolved to RECOMMEND:** (to Council)

That the Treasury Management Strategy (TMS) Statement for 2018/19 be approved, including the:

- Prudential Indicators for 2018/19
- Minimum Revenue Provision Policy Statement for 2018/19
- Annual Investment Strategy for 2018/19
- Increase in investments held over 365 days, paragraph 83 of the report refers.

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

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

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

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

## **RESOLVED ITEMS**

**676. Grange Farm Estate Regeneration Update**

Having considered the confidential appendices, it was

**RESOLVED:** That

- (1) the progress on the Grange Farm Estate regeneration project be noted;
- (2) the current business model and funding options set out in Appendix 2 to the report be noted;
- (3) the approval requested in the Housing Revenue Account (HRA) budget report, agenda item 8 and minute 673 refer, to increase the HRA

capital budget by £15,688,670 to fund the delivery of Phase 1 of Grange Farm Estate, subject to additional borrowing approval, be noted;

- (4) officers be authorised to bid for additional headroom borrowing approval as soon as the government has announced the bidding process;
- (5) officers be authorised to extend the contracts with Hawkins Brown Architects, Peter Brett Associates and Potter Raper Partnership for Phase 1 of the Grange Farm Estate regeneration project and other professional services necessary for the successful delivery of the project, with the costs being contained within the additional approved budget;
- (6) the Corporate Director of Community, following consultation with the Portfolio Holder for Housing and Employment and the Directors of Finance and Legal and Governance, be authorised to commence the procurement process for Phase 1, as outlined in paragraph 2.25 of the report, and to enter into a build contract provided the tendered construction costs did not exceed the estimate contained within the Grange Farm Estate business model, attached at appendix 2 to the report, by more than 5%, and subject to planning permission and additional borrowing approval;
- (7) officers be authorised to carry out detailed investigation, including soft market testing, into the most appropriate joint venture or other delivery model for Phase 2 and 3 of the Grange Farm Estate regeneration project and submit a report back to Cabinet for decision;
- (8) in addition to the authority given by Cabinet in May 2016, the Director of Legal and Governance be given further authority to commence Compulsory Purchase Order (CPO) in phases starting with Phase 1 shown on the plan attached at appendix 4 and as set out in the report;
- (9) the Corporate Director of Community, following consultation with the Portfolio Holder for Housing and Employment, Directors of Finance and Legal and Governance, be authorised to accept tenders and enter into contracts, submit grant applications and bids for additional resources and enter into any related legal agreements for any matters referred to in this report and which may contribute towards the Council's housing regeneration initiatives.

**Reason for Decision:** To enable the regeneration of the Grange Farm Estate to proceed and replace the current poor quality and uneconomic homes with a mixed tenure high quality scheme including a vibrant community hub and improved access to local facilities and public transport.

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

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

**677. Procurement of Kitchens and Bathrooms for 2018/19 Housing Capital Programme**

**RESOLVED:** That

- (1) officers undertake a procurement process for the selection of two contractors to deliver kitchen and bathroom refurbishments for one year commencing in June 2018 on the 2018/19 Housing Capital Programme with the option to extend for a further year for both Lots;
- (2) the Corporate Director of Community, following consultation with the Portfolio Holders for Housing and Employment and Finance and Commercialisation, be authorised to arrange the execution of contracts with the successful tenderer(s).

**Reason for Decision:** To note that the £2.2m (aggregate value) was to be split across 2 Lots. To adhere to the Council's Contract Procedure Rules, in light of the estimated value of the project (and the possibility of one year's contract extension).

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

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

**678. Highways Contract Re-Procurement**

**RESOLVED:** That

- (1) approval to procure and select the provider(s) for the Highways maintenance service be granted;
- (2) the Corporate Director of Community, following consultation with the Portfolio Holders for Environment and Finance and Commercialisation, be authorised to finalise the procurement and award of the contract(s).

**Reason for Decision:** To fulfil statutory responsibilities to maintain the highways.

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

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

**679. Water Procurement Strategy**

**RESOLVED:** That

- (1) the report be noted;



- (2) the Council enter into a Framework Agreement with Crown Commercial Services (CCS) for Water, Wastewater and Ancillary Services, accessed by call-off from YPO (one of United Kingdom's largest public sector buying organisation), to appoint a single water retailer to meet Harrow's multi-site business requirements and water efficiency product and services, for a period of two years starting from May 2018 with the option to extend for a further two years;
- (3) the Corporate Director of Community, following consultation with Portfolio Holders for Finance and Commercialisation and Environment, enter into a Memorandum of Understanding with YPO to manage the mini-competition to procure a water retailer through the Crown Commercial Services (CCS) Water, Wastewater and Ancillary Services Framework;
- (4) the Corporate Director of Community finalise any specific terms of the contract with the preferred bidder, award and enter into the call-off contract under the Framework Agreement.
- (5) the use of the London Energy Project (LEP) Team to manage supplier performance and service development to deliver services in line with LEP authorities collective business requirements post award to maximise benefits be endorsed.

**Reason for Decision:** To procure water at competitive rates for the Council's corporate sites and the 56 participant schools through an efficient and government approved process, meeting the water deregulation policy which had come into effect from 1 April 2017.

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

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

## **680. Vehicle Supply and Maintenance Contract Re-Procurement**

**RESOLVED:** That

- (1) approval to procure and select the provider for the Council's vehicle supply and maintenance service be granted;
- (2) the Corporate Director of Community, following consultation with the Portfolio Holder Environment and the Portfolio Holder for Finance and Commercialisation, be authorised to finalise the procurement and award of the contract.

**Reason for Decision:** To fulfil statutory responsibilities by enabling those services provided by the vehicles under this contract, such as waste collection and special needs transport services, to continue.

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

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

**681. Facilities Management Contract Re-Procurement**

**RESOLVED:** That

- (1) approval to procure and select the provider(s) for the Facilities Management services and the mutual termination of the current contract be granted;
- (2) the Corporate Director of Community, following consultation with the Portfolio Holder Environment and the Portfolio Holder for Finance and Commercialisation, be authorised to finalise the procurement and award of the contract(s).

**Reason for Decision:** To fulfil statutory responsibilities for maintaining building and related assets.

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

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

**682. Approval of Amended Business Rates Income Resource Base for 2018 - 2019 in light of a London Pool pilot having been agreed**

**RESOLVED:** That the figures previously agreed by Cabinet at its meeting on 7 December 2017 be replaced as follows:

		£m
	Projected NDR Income 2018/19	53.810
Less	Payable to the Greater London Authority (36%)	(19.371)
Equals	Amount to be retained by Harrow (64%)	<b>34.439</b>

**Reason for Decision:** To fulfil the Council's statutory obligation to provide estimates and calculations in relation to the Non-Domestic Rating (NDR) for 2018-2019.

**Alternative Options Considered and Rejected:** None.

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

*[Call-in does not apply as the decision feeds into the Final Revenue Budget 2018/19 and MTFs 2018/19 – 2020/21 which is reserved to Council.]*

**683. Revenue and Capital Monitoring 2017/18 - Quarter 3 as at 31 December 2017**

Having considered the confidential appendix, it was

**RESOLVED:** That

- (1) the revenue forecast position detailed in the report as at Quarter 3 2017/18 be noted;
- (2) the write offs of debt totalling £138,000, as specified in paragraphs 2.30 to 2.32 of the report, be approved;
- (3) the additions to the Capital Programme, as specified in paragraphs 3.38 to 3.39 of the report, be approved;
- (4) the re-profiling within the Capital Programme, as specified in paragraph 3.40 of the report, be noted;
- (5) the Quarter 3 performance reports from Concilium Business Service, as specified in confidential appendix 5, be noted.

**Reason for Decision:** To be availed of the 2017/18 forecast financial position as at 31 December 2017 and authorise Capital Programme adjustments and debts write offs in accordance with Financial Regulations.

**Alternative Options Considered and Rejected:** None.

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

**684. Call-in of part of the Cabinet Decision of 18 January 2018 concerning the Library Management Contract Extension**

**RESOLVED:** That, having reconsidered the decision of the Cabinet meeting held on 18 January 2018, set out at Appendix 3 to the report in relation to the Library Management Contract Extension, as a result of the decision of the Call-in Sub-Committee, the original decision of Cabinet be amended in so far as that resolutions (b) – novate the existing contract to a suitable alternative service provider – and (d) – conduct a procurement process and award a new contract to a suitable service provider – be withdrawn.

**Reason for Decision:** To reconsider the decision within 10 clear working days of a referral by the Call-In Sub-Committee, in accordance with Committee Procedure Rules 45.8.3 and 45.9. To allow the activity that was envisaged necessary for the next few months in relation to Library Management Contract to proceed.

**Alternative Options Considered and Rejected:** Not amend the decision made by Cabinet on 18 January 2018.

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

*[Call-in does not apply.]*

**685. Grange Farm Estate Regeneration Update**

See Minute 676 for decision.

**686. Revenue and Capital Monitoring 2017/18 - Quarter 3 as at 31 December 2017**

See Minute 683 for decision.

**687. Final Capital Programme 2018/19 to 2020/21**

See Minute 674 for decision.

**688. Chris Spencer - Corporate Director of People**

The Leader of the Council stated that this was Chris Spencer's last Cabinet meeting at Harrow and, on behalf of Cabinet, thanked Chris for his work. The Leader applauded Chris for the transformation of Children's Services, including the improved Ofsted rating(s) achieved.

Chris Spencer was appreciative of the cross-party support he had received during his time at Harrow which had helped build a successful Service.

(Note: The meeting, having commenced at 6.30 pm, closed at 7.42 pm).

Proper Officer

Publication of decisions:	<b>16 February 2018</b>
Deadline for Call-in:	<b>5.00 pm on 23 February 2018</b> <b>(Please note that Call-in does not apply to all decisions).</b> To call-in a decision please contact:  Manize Talukdar on 020 8424 1323 or email <a href="mailto:manize.talukdar@harrow.gov.uk">manize.talukdar@harrow.gov.uk</a>
Decisions may be implemented if not Called-in on:	<b>24 February 2018</b>

MEDIUM TERM FINANCIAL STRATEGY 2018/19 to 2020/21

	2018/19	2019/20	2020/21
	£000	£000	£000
<b>Budget Requirement Brought Forward</b>	164,804	168,917	163,150
Corporate & Technical	1,719	14,826	15,770
People	5,965	-1,491	-90
Community	-1,983	-1,816	-952
Resources & Commercial	-1,888	350	0
Regeneration	300	0	0
Pan Organisation			
<b>Capital In Investment reversed</b>	<b>4,113</b>	<b>11,869</b>	<b>14,728</b>
<b>FUNDING GAP</b>	<b>0</b>	<b>-17,636</b>	<b>-16,061</b>
<b>Total Change in Budget Requirement</b>	<b>4,113</b>	<b>-5,767</b>	<b>-1,333</b>
<b>Revised Budget Requirement</b>	<b>168,917</b>	<b>163,150</b>	<b>161,817</b>
Collection Fund Deficit/-surplus	-6,093		
Revenue Support Grant	0	-1,560	0
Top Up	-10,582	-22,245	-21,977
Retained Non Domestic Rates	-34,438	-16,480	-16,975
<b>Amount to be raised from Council Tax</b>	<b>117,804</b>	<b>122,865</b>	<b>122,865</b>
<b>Council Tax at Band D</b>	<b>£1,394.69</b>	<b>£1,429.56</b>	<b>£1,429.56</b>
<b>Increase in Council Tax (%)</b>	<b>3.49%</b>	<b>2.50%</b>	<b>0.00%</b>
Tax Base	84,466	85,946	85,946
Collection rate	98.00%	98.00%	98.00%
Gross Tax Base	86,190	87,700	87,700

### MTFS 2018/19 to 2020/21 – Proposed investments / savings

<b>TECHNICAL BUDGET CHANGES</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Capital and Investment</b>			
<b>Capital financing costs and investment income</b>			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	7,994	4856	
<b>One off MRP underspend</b>	-4,000	4000	
<b>On going MRP underspend</b>	-2,000		
<b>25%reduction</b>	-1,144	-355	-45
<b>Reductions following review of capital bids in December</b>	-51	-816	
<b>Application of Capital Receipts to reduce borrowing costs</b>	-350	350	
<b>Capital In Investment reversed</b>	-160		500
<b>Capital Financing costs increasing 2020/21 for depot</b>			681
One of use of MRP capacity	500		
<b>Total Capital and Investment Changes</b>	<b>789</b>	<b>8,035</b>	<b>1,136</b>
<b>Grant Changes</b>			
<b>New Homes Bonus</b>			
<b>Estimated Grant changes</b>	940	1000	940
<b>Additional New Homes Bonus - December 2017 Settlement</b>			
New Adult Social Care Grant 2017.18	974		
<i>Total New Homes Bonus</i>	<i>1,561</i>	<i>1,353</i>	
<b>Better Care Fund</b>			
<i>Estimated additional grant announced Dec 2017</i>	<i>-57</i>	<i>24</i>	<i>33</i>
<b>Education Support Grant.</b>			
Projected reduction in grant received	751	144	0
<b>New NNDR Multiplier Inflation compensation grant</b>			
<i>Total ESG</i>	<i>-44</i>	<i>-255</i>	<i>1194</i>
<b>Transition grant</b>	699		
<b>Public Health Grant Reduction</b>	697	487	
<b>Total Grant Changes</b>	<b>2,856</b>	<b>1,609</b>	<b>2,167</b>
<b>Other Technical Changes</b>			
<b>Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London</b>			
Amendment 2016/17 review - extension to 2019/20	390		500
<i>Total Freedom Pass Levy change</i>	<i>390</i>	<i>414</i>	<i>500</i>
<i>Reduction in Freedom Pass Levy</i>	<i>-500</i>		
<i>Increase energy contingency</i>	<i>-64</i>		
<b>Budget planning contingency.</b>	370	0	
One off use from 2016/17	1,000	0	
<i>Total Budget planning contingency.</i>	<i>1,370</i>	<i>0</i>	
<i>corporate adjustment</i>	<i>-748</i>	<i>-108</i>	
<b>Total Other Technical Changes</b>	<b>448</b>	<b>414</b>	<b>500</b>
<b>Pay and Inflation</b>			
<b>Pay Award @ 1% pa</b>	1,000	1,000	
<b>Pay Award @ 2% pa</b>			2,000
<b>Pay inflation total</b>	<b>1,000</b>	<b>1,000</b>	

**MTFS 2018/19 to 2020/21 – Proposed investments / savings**

<b>TECHNICAL BUDGET CHANGES</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Additional pay award</b>	885		
<b>National Minimum Wage</b>		1,300	
<b>Employer's Pension Contributions lump sum increases agreed with actuary</b> Required to reduce the pension deficit	664	700	
<b>Further Contribution of Lump sum in accordance with actuarial triennial valuation</b>			
<b>Reduction of inflation provision and corp budgets from 2017/18</b>	-2,350		
<b>Inflation on goods and services @ 1.3% p.a.</b>	1,270	0	500
Reduction in inflation provision	0	TBC	
<i>Inflation Provision total</i>	1,270	0	
<b>Total Pay and Price Inflation</b>	<b>1,469</b>	<b>3,000</b>	<b>2,500</b>
<b>OTHER</b>			
<b>Reversal 17.18 Income</b>	3,500		
<b>Estimated Directorate Growth</b>			4000
<b>Improved Better Care Fund 2018/19</b>	-4,643	4643	1367
<b>Improved Better Care Fund 2018/19</b>		-5467	4100
<b>Capital Receipts Flexibility</b>	-2,700	2700	
<b>Total Corporate &amp; Technical</b>	<b>1,719</b>	<b>14,826</b>	<b>15,770</b>

**MTFS 2018/19 to 2020/21 – Proposed investments / savings**

<b>PEOPLE DIRECTORATE</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Children &amp; Families</b>			
Proposed Savings - see appendix 1a	-91	0	0
Proposed Growth - see appendix 1a	2,900	0	0
Proposed Savings - see appendix 1b	-302	-150	0
Proposed Growth - see appendix 1c	200		
<b>Sub total Children &amp; Families</b>	<b>2,707</b>	<b>-150</b>	<b>0</b>
<b>Adults</b>			
<b>Capital In Investment reversed</b>			
Proposed Savings - see appendix 1a	-1,242	-1,251	0
Proposed Growth - see appendix 1a	5,825	0	-90
Proposed Savings - see appendix 1b	-240	0	0
	-96	-90	0
<b>Sub total Adults</b>	<b>4,247</b>	<b>-1,341</b>	<b>-90</b>
<b>Public Health</b>			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a	275		
Proposed Savings - see appendix 1b	-1,264	0	0
<b>Sub total Public Health</b>	<b>-989</b>	<b>0</b>	<b>0</b>
<b>Total People Directorate</b>	<b>5,965</b>	<b>-1,491</b>	<b>-90</b>



**MTFS 2018/19 to 2020/21 – Proposed investments / savings**

<b>COMMUNITY</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Environmental Services</b>			
Proposed Savings - see appendix 1a	-355	-1,120	-137
Proposed Growth - see appendix 1a	720	-80	25
Proposed Savings - see appendix 1b	-2,527	-321	-840
Proposed Growth - see appendix 1c		100	0
<b>Sub total Environmental Services</b>	<b>-2,162</b>	<b>-1,421</b>	<b>-952</b>
<b>Cultural Services</b>			
Capital In Investment reversed	0	0	0
Proposed Growth - see appendix 1a		0	0
Proposed Savings - see appendix 1b			
<b>Sub total Community &amp; Culture</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing - General Fund</b>			
Proposed Savings - see appendix 1a	-100	0	0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	442	-395	0
Proposed Growth - see appendix 1c	-163	0	0
<b>Sub total Housing General Fund</b>	<b>179</b>	<b>-395</b>	<b>0</b>
<b>Total Community</b>	<b>-1,983</b>	<b>-1,816</b>	<b>-952</b>

**MTFS 2018/19 to 2020/21 – Proposed investments / savings**

<b>RESOURCES &amp; COMMERCIAL</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Resources &amp; Commercial</b>			
Proposed Savings - see appendix 1a	-228	-30	0
Proposed Growth - see appendix 1a	110	530	0
Proposed Savings - see appendix 1b	-1,770	-150	0
<b>Total Resources &amp; Commercial</b>	<b>-1,888</b>	<b>350</b>	<b>0</b>

**MTFS 2018/19 to 2020/21 – Proposed investments / savings**

<b>REGENERATION</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Proposed Savings - see appendix 1a	-50		
Proposed Savings - see appendix 1b	350		
<b>Total Regeneration</b>	<b>300</b>	<b>0</b>	<b>0</b>

## SCHOOLS BUDGET 2018-19

## Appendix 6

## Introduction

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

## DSG settlement 2018-19

2. The 2018-19 DSG settlement is based on the number of pupils on the October 2017 schools census for schools, as well as a lump sum for some historical items, the January 2017 Early Years census for early years and a combination of a historical lump sum and pupil . The total indicative DSG for 2018-19 is £210.9m.

Table 1 – 2018-19 DSG allocation

Block	Per Pupil Funding		Pupil No.s		Total
	Primary	Secondary	Primary	Secondary	
Schools Block – per pupil	£4,164.56	£5,833.91	21,343	11,265	£154,603,200
Schools Block – lump sum					£7,342,648
<b>Total Schools Block</b>					<b>£161,945,848</b>
Central Schools Block	£36.67		32,608		£1,195,735
High Needs Block					£30,598,585
Early Years Block					£17,180,458
<b>Total DSG Allocation 2018-19</b>					<b>£210,920,627</b>

## Schools Block

3. The Schools Block is funded on two different methodologies. Firstly there is a per pupil funding rate for both primary and secondary pupils which have been derived using the total of all schools and academies 2017-18 issued budgets by the LA and dividing by the adjusted number of pupils on roll on the October 2016 census. These funding rates are then multiplied by the October 2017 numbers on roll on the October 2017 census.
4. Secondly there is a lump sum which is based on the actual values distributed in 2017-18 for business rates, pupil mobility (those starting school outside of the normal August or September (or January for reception pupils)) admission periods, and growth funding for new and expanding schools.

5. The Government will introduce a new National Funding Formula (NFF) from 2018-19. This will be a 'soft' NFF in 2018-19 and 2019-20. This means that LAs will be funded on the basis of the aggregate of the national funding formula for all schools, academies and free schools in its area but the final formula for distribution will be determined by each Council following consultation with schools and Schools Forums.
6. The LA carried out a consultation which opened on Friday 3<sup>rd</sup> November and closed on Friday 1<sup>st</sup> December 2017. The consultation sought views on whether the LA should continue to use the Harrow Schools Funding Formula or introduce the National Funding Formula from 2018-19.
7. There were a total of 45 (76%) responses received as shown in Table 1

**Table 2 – summary of consultation responses**

Phase	Number of Schools	Responses Received	%
All Through	1	1	100%
Primary	42	32	76%
Secondary	12	8	67%
Special	4	4	100%
<b>Total</b>	<b>59</b>	<b>45</b>	<b>76%</b>

8. Question 1 asked: which formula do you support to distribute funding to Harrow schools for 2018-20? A summary of the responses is shown at Table 2 where:

- Option A is a preference to continue with Harrow Funding Formula
- Option B is a preference to introduce the National Funding Formula

**Table 3 – consultation question 1 summary of responses**

Phase	Number of responses	Option a) Harrow		Option b) NFF	
		Number	%	Number	%
All Through	1	0	0%	1	100%
Primary	32	5	16%	27	84%
Secondary	8	0	0%	8	100%
Special	4	0	0%	4	100%
<b>Total</b>	<b>45</b>	<b>5</b>	<b>11%</b>	<b>40</b>	<b>89%</b>

9. As shown in Table 3 89% of respondents support the introduction of the National Funding Formula in 2018-19. The consultation also provided schools with an opportunity to make any comments. Most schools provided additional comments. The main theme of the comments:

- Those in favour expressed the need to move to a National Funding Formula in the next two years as this would help financial planning for the future.
- Those in favour of the Harrow Funding Formula expressed the need for transitional years whereby they could plan for the impact of the NFF over a longer period.
- a number of respondents requested an MFG set at -1.5%
- a number of respondents noted the importance of transitional protection over the next two years

10. As a result of this consultation and the overwhelming majority of respondents being in favour of introducing the NFF **Cabinet is asked to approve the introduction of the National Funding Formula from 1<sup>st</sup> April 2018 as set out at Table 4 below.** This means that school budgets will be prepared on the basis of the NFF in 2018-19 and 2019-20.

**Table 4 – proposed funding formula rates 2018-19**

Category	Description	Amount per pupil	
		Primary	Secondary
Basic entitlement	Primary	£3,016.28	
	KS3		£4,241.31
	KS4		£4,815.75
Deprivation	Free School Meals	£483.13	£483.13
	FSM 6	£592.94	£861.95
	IDACI Band F	£219.61	£318.43
	IDACI Band E	£263.53	£428.23
	IDACI Band D	£395.29	£565.49
	IDACI Band C	£428.23	£614.90
	IDACI Band B	£461.17	£658.82
	IDACI Band A	£631.37	£889.40
EAL	English as an Additional Language	£565.49	£1,520.77
Mobility	Pupils starting outside of normal entry dates	£2,980.90	£2,668.82
Prior attainment	Low prior attainment	£1,152.93	£1,701.95
Lump Sum	Lump Sum per school	£132,783.30	

### Minimum Funding Guarantee

11. In 2018-19 the Minimum Funding Guarantee (MFG) will continue to protect schools from per pupil losses between years. It is proposed to set an MFG of -1.5% in line with previous years and in response to a number of comments from the consultation. This means that schools which are at the MFG will be protected from losing more than -1.5% per pupil compared with the previous

year's budget. This is to ensure that schools move as near to the NFF as possible in advance of the introduction of the hard NFF in 2020-21.

12. In addition to the MFG protection from losses, it is possible for LAs to allow overall gains for individual schools to be capped. However it is not proposed to set a cap on gains, since it is affordable within the overall formula, and therefore schools who are due to benefit from the hard NFF and whose gains have been capped in previous years to fund MFG protection for schools facing losses, will gain fully.

13. These approaches to caps and MFG protection were approved by Schools Forum on 16<sup>th</sup> January 2018.

### Additional Funding

14. In 2018-19, as a one-off only, there is an additional £3m of funding in the ring-fenced Schools Block due to the introduction of the NFF and the methodology used to calculate primary and secondary units of funding. As it is a one-off it has been allocated to schools via the schools funding formula but adjusted so that it does not impact on MFG baselines in future years.

### High Needs Block

15. In 2018-19 the Government will also introduce a NFF for High Needs. The breakdown of the High Needs Block allocation is shown in Table 5.

**Table 5 – 2018-19 High Needs Block**

<b>Factor</b>	<b>Pupil No.s</b>	<b>Rate/proportion</b>	<b>Value £</b>
Basic entitlement	525	£4,446	£2,334,388
Historic spend factor			£14,670,609
Population factor	61,693	(0.53% of national total)	£7,212,483
FSM factor	3,847	(0.34% of national total)	£911,567
IDACI factor	17,507	(0.29% of national total)	£785,769
Bad health factor	367	(0.55% of national total)	£1,112,854
Disability factor	1,434	(0.38% of national total)	£760,604
KS2 low attainment factor	535	(0.42% of national total)	£849,704
KS4 low attainment factor	488	(0.29% of national total)	£642,760
Funding floor factor	54,726	£53	£2,957,815
Hospital education			£92,460
Import/export adjustment	-12	-£6,000	-£72,000
Other			£35,572
<b>High Needs NFF 2018-19 Allocation</b>			<b>£32,294,585</b>
Less: recoupment for academies			-£1,696,000
<b>Net High Needs Block 2018-19</b>			<b>£30,598,585</b>

16. The NFF contains the following factors:

- Basic entitlement factor for each pupil in a special school or special post 16 institution
- Historic lump sum equal to 50% of each LAs current spend
- Proxy factors for population, deprivation, health and disability, and low attainment.

17. In addition there is a funding floor to protect LAs from reductions in high needs funding through formula. Harrow's funding floor in 2018-19 is £539 per 2-18yo recorded on the 2017 ONS population but the NFF only generates £486 so the LA is protected at £53 per child.

### **Funding shortfall for High Needs**

18. As reported to Cabinet in December 2017 there is a risk to the LA through the introduction of the High Needs NFF for 2018-19. This is because there is an overall shortfall in the DSG in 2017-18 which is being funded by the use of a schools brought forward contingency which will be fully spent by the end of this financial year. This means that the funding baseline on which 50% of the allocation in 2018-19 will be based is lower than the budget in 2017-18.

19. The 2018-19 High Needs Block funding allocation is approx. £380k lower than the budget in 2017-18. In previous years, funding could be transferred from the Schools Block without limit, subject to Schools Forum agreement, to fund known and anticipated commitments in high needs expenditure. However, from 2018-19 the transfer from the Schools Block is limited to 0.5% of the total Schools Block. In 2018-19 this equates to approx. £810k.

20. As part of the consultation with schools in the Autumn Term, the consultation also sought views on whether Schools Forum should agree a transfer of 0.5% of the Schools Block into the High Needs Block to support an anticipated shortfall in funding and increase in demand. The outcome of the consultation is shown at Table 6.

**Table 6 – consultation question 2 summary of responses**

Phase	Number of responses	Yes		No		Not answered	
		Number	%	Number	%	Number	%
All Through	1	1	100	0	0%	0	0%
Primary	32	28	88%	3	9%	1	3%
Secondary	8	6	75%	2	25%	0	0%
Special	4	4	100	0	0%	0	0%
<b>Total</b>	<b>45</b>	<b>39</b>	<b>87%</b>	<b>5</b>	<b>11%</b>	<b>1</b>	<b>2%</b>



21. As shown in Table 6 87% of responses support the transfer of 0.5% of the schools block into the High Needs block in 2018-19. The consultation also provided schools with an opportunity to make any comments. The main theme of the comments:

- This decision should be limited to one financial year
- LA review of high needs spend must be undertaken/continued – this was expressed as a concern regarding both lack of progress and the need to plan for the future
- The need to support vulnerable children

22. As a result of the consultation, at its meeting on 12<sup>th</sup> December 2017, Schools Forum approved the transfer of 0.5% the schools block allocation into the High Needs Block in 2018-19.

23. In order to mitigate any pressures, the LA is employing specialist capacity to undertake a series of tasks that will inform the future development of SEND provision in Harrow. The first phase will be a review of the High Needs' Block expenditure. This will be followed by reviewing pupil cohorts and needs, including early years and post 16.

24. These reviews will then inform a series of short, medium and long term activities. In the short term there is an immediate need to secure sufficient places in September 2018. In the medium term there will be a need to plan for sufficient capacity and reshape in-borough provision. Long term plans will include new provision. In summary the scope of this work is as follows:

- Reviewing areas of high needs spend and volumes
- Map current in-borough provision including vacant places and gaps
- Identify cohorts of children with similar need who are currently out of borough
- Review FE and post 16 provision
- Reviewing tribunal outcomes
- Developing proposals for extended and new in-borough provision.

### **Early Years Block**

25. The Government introduced a new National Funding Formula for Early Years from April 2017. In October 2016 and December 2016 the LA consulted on the proposed formula for 2017-18 for Harrow providers and the new Early Years Single Funding Formula (EYSFF) was approved by Cabinet in January 2017 and was introduced on 1<sup>st</sup> April 2017.

26. In 2018-19 the hourly rate per part time pupil on the January Early Years census that the LA receives will change. This means that the LA was required to conduct a consultation on the proposed change to the EYSFF for 2018-19. The consultation opened on 15<sup>th</sup> December 2017 and closed on 12<sup>th</sup> January 2018.

27. In December 2017 the Government announced the new hourly funding rates for 2018-19. The indicative total hourly funding rate available to providers in Harrow is £5.30 compared with £4.76 in 2017-18. However an SEN Inclusion Fund needs to be established from within this allocation and therefore the hourly funding rate through the formula will be lower than this.

28. The 2017-18 current EYSFF and the proposed 2018-19 EYSFF set out in the consultation is shown at Table 7.

**Table 7 – current and proposed EYSFF**

Description	Current	Proposed
	2017-18	2018-19
	Hourly £	Hourly £*
Funding available to providers	£4.76	£5.30
Top-slice SEN inclusion fund 5%		
<b>Funding available to providers through formula</b>	<b>£4.52</b>	<b>£5.04</b>
Base rate minimum 90%	£4.07	£4.53
Supplements 10%	£0.45	£0.51
<b>Funding available to providers through formula</b>	<b>£4.52</b>	<b>£5.04</b>
Breakdown of supplements		
- Deprivation (IDACI) 10%	£0.05	£0.05
- Flexibility 45%	£0.20	£0.23
- Quality 45%	£0.20	£0.23
<b>Total Supplements at 10% of overall allocation</b>	<b>£0.45</b>	<b>£0.51</b>
Annual maximum sum per child (15h/wk over 38wks)	£2,578.41	£2,872.80

*\*hourly rates will not automatically calculate as figures have been adjusted for rounding*

29. The consultation proposed to retain the structure of the current EYSFF but to increase each of the factor values proportionately to reflect the increase in funding to the LA.

30. There were 11 responses received in the consultation all of which supported the proposals in the consultation. Therefore for 2018-19 the LA will retain the

same EYSFF structure and increase the values as set out in the final column of Table 7 above.

## Other School Budgets

### Capital

31. The DfE have yet to confirm the 2018-19 capital allocation. This is expected later in January and any Devolved Formula Capital will be included in the final school budgets.

### Pupil Premium

32. Schools will continue to receive the Pupil Premium. Eligibility and funding rates are shown at Table 8.

**Table 8 – Pupil Premium rates 2018-19**

Category	Per pupil value
Pupils in year groups reception to year 6 recorded as Ever 6 FSM	£1,320
Pupils in years 7 to 11 recorded as Ever 6 FSM	£935
Looked-after children (LAC) defined in the Children Act 1989 as one who is in the care of, or provided with accommodation by, an English LA	£2,300
Children who have ceased to be looked after by a local authority in England and Wales because of adoption, a special guardianship order, a child arrangements order or a residence order	£2,300
Pupils in year groups reception to year 11 recorded as Ever 6 service child or in receipt of a child pension from the Ministry of Defence	£300

### Universal Infants Free School Meals (UIFSM)

33. It is anticipated that the grant for universal infant free school meals (UIFSM) will continue at a meal rate of £2.30 for the 2018 to 2019 academic year although no further details have been announced to date.

### Year 7 Catch Up

34. There have been no announcements in respect of these beyond the 2017 to 2018 academic year.

### Primary PE and Sports Premium

35. There have been no announcements in respect of these beyond the 2017 to 2018 academic year

## Members' Allowances Scheme

1. This scheme shall have effect until 31st March 2019. It replaces all former schemes.

### Basic Allowance

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

### Special Responsibility Allowances and Mayoral Allowances

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

### Uprating the Basic and Special Responsibility Allowances

4. The basic allowance and special responsibility allowances may be uprated annually in line with an index approved by the London Councils Independent Panel. The index to be used will be the level of the Local Government Pay Settlement. When making the scheme for 2018/19, the indexing arrangements will be reviewed.

## Travel and Subsistence Allowances

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

## Carers' Allowance

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

## **Co-optees' Allowance**

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

## **Sickness, maternity and paternity leave**

- 8.1 All Members shall continue to receive their Basic Allowance in full in the case of pregnancy, maternity, paternity and sickness leave.
- 8.2 Members entitled to a Special Responsibility Allowance shall continue to receive their allowance in the case of pregnancy, maternity, paternity and sickness leave in the same way that the Council's employees receive such benefits.
- 8.3 Where a Member's pregnancy renders her unable to attend a meeting of the Council for a period of 6 months, a dispensation will be granted in accordance with Section 85 Local Government Act 1972.
- 8.4 If a replacement to cover the period of absence is appointed by Council or the Leader of the Executive (or in the case of party group position, the party group) the replacement will be entitled to claim an SRA.

## **Claims and Payments**

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

## **Backdating**

10. Any changes made to this scheme during the year may be backdated to 1<sup>st</sup> April 2018 by resolution of the Council when approving the amendment.

## **Pensions**

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

## **Renunciation**

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

## Appendix A

### Approved duties for Carers' Allowance

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



# Schedule 1

## Special Responsibility Allowances (SRAs)

There are 6 bands of SRAs:

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

### NOTE

The Groups are as follows:-

Largest Group = Labour Group

Minority Group = Conservative Group

## Schedule 2

### Claims for Out-Of-Borough Travel and Subsistence Expenses

#### Duties Undertaken Out-of-Borough

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

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

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

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

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

## HARROW COUNCIL PAY POLICY STATEMENT 2018/19

Harrow Council supports openness and accountability and is pleased to publish its Pay Policy Statement for 2018/19. In compliance with the Localism Act 2011 this statement outlines the Council's policy on pay and benefits for Council employees (excluding Schools)<sup>1</sup> and specifically for its senior management for 2018/19.

### Update January 2018:

The pay policy statement for 2018/19 was agreed by Cabinet in February 2018. The changes reflected in this 2018/19 pay policy statement are listed below:

- The London Living Wage has increased to £10.20ph and will be implemented in April 2018
- The number of directly employed staff living within a Harrow postcode is 41%.
- Harrow Council Staff awards were re-launched in December 2016, details provided
- Update to links embedded in the document to further information

### Context

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

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

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

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

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

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

As a Council we are committed to ensuring equality and diversity is integral to everything we do so our Pay Policy seeks to reduce income inequality and ensure that the pay, terms and conditions of Council employees comply with the Council's duties under the Equality Act. The Council recognises that a significant proportion of our workforce lives locally<sup>2</sup> and that therefore our Pay Policy helps support a strong local economy.

## **Modernising Terms & Conditions Review 2011/12**

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

The collective agreement is published at:

[http://www.harrow.gov.uk/downloads/file/5879/collective\\_agreement](http://www.harrow.gov.uk/downloads/file/5879/collective_agreement)

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

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

## **Council Pay Rates / Scales**

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

The Council's pay scales were revised by the Council in January 2013 and they are subject to any pay awards agreed through the relevant national and regional negotiating bodies. A provisional pay settlement has been agreed on the 2017 figures. The final figures will be updated once the pay settlement for April 2018 has been finalised. The pay scales will be revised and are published at:

[http://www.harrow.gov.uk/download/downloads/id/9354/salary\\_scales\\_april\\_2016](http://www.harrow.gov.uk/download/downloads/id/9354/salary_scales_april_2016)

## **Remuneration of Senior Management (Chief Officers)**

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

The senior management structure is published at:

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

[http://www.harrow.gov.uk/download/downloads/id/9355/senior\\_management\\_structure](http://www.harrow.gov.uk/download/downloads/id/9355/senior_management_structure)

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

The Council's policy is to optimise the senior management pay bill. The pay rates and numbers of senior managers reduced in 2012/13 and following the Council's decision to reinstate the post of Chief Executive in 2014, an appointment was made on a salary less than the previous Chief Executive received. The new Chief Executive undertook a review of the Council's senior management structure in 2015 and implemented a revised senior management structure, reducing further the numbers of senior managers and the senior management pay bill.

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

[http://www.harrow.gov.uk/info/100004/council\\_and\\_democracy/555/council\\_spending](http://www.harrow.gov.uk/info/100004/council_and_democracy/555/council_spending)

### **Remuneration of Lowest Paid Employees**

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

### **Pay Multiple**

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

[http://www.harrow.gov.uk/info/200031/data\\_protection\\_and\\_freedom\\_of\\_information/foi/1216/local\\_authorities\\_data\\_transparency](http://www.harrow.gov.uk/info/200031/data_protection_and_freedom_of_information/foi/1216/local_authorities_data_transparency)

### **Pay Grading**

In 2004 the Council entered into a single status agreement with its recognised trade union, introducing common job evaluation schemes<sup>3</sup> and pay scales for the Council's former manual workers, administrative, professional, technical and clerical employees with the exception of Education Psychologists, Nursery Nurses, Youth & Community Workers, Chief Officers and the Chief Executive.

In 2007 job evaluation was extended to include Chief Officers.

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

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<sup>3</sup> The Greater London Provincial Council (GLPC) Scheme is used for all Harrow grade jobs and the Hay Scheme for senior professional and managerial jobs.

## **Pay on Appointment**

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

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

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

## **Pay Progression**

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

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

Progression for Chief Officers is subject to the following qualifications:

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

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

## **Performance Related Pay**

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

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

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

In December 2016 the Council relaunched the staff awards to celebrate the successes of our workforce. The scheme allows staff to celebrate their colleagues, nominating them for recognition against our strategic ambition plan and our values. The nominations went to a judging panel consisting of staff, the staff Making A Difference Group, managers and a corporate director. Representatives were from across the organisation. The winners were awarded with a £250 payment, all of which were funded from donations of our partner organisations.

## **National / Regional Pay Agreements**

The Council supports the national (JNC/NJC<sup>4</sup> and Soulbury) and regional (GLPC) collective bargaining arrangements for pay and conditions of service and the pay scales for all employees, including the Chief Executive and Chief Officers, are increased in line with national and regional pay agreements. Some conditions of service are negotiated locally.

The last pay agreement increasing pay scales for the Chief Executive and Chief Officers was implemented in April 2017; an increase of 1% was awarded.

The most recent pay agreement increasing pay scales for other non-teaching employees was implemented in April 2017; an increase of 1% was awarded.

## **Market Supplements**

The Council may apply market supplement payments to jobs with recruitment or retention difficulties. Details of market supplement payments to senior management are published at: [Senior manager salaries - Further info | Harrow Council](#)

## **Fees for Election Duties**

The Council's policy for payment of fees for election duties is published at: [http://www.harrow.gov.uk/info/687/election\\_information/689/election\\_fees\\_and\\_charges](http://www.harrow.gov.uk/info/687/election_information/689/election_fees_and_charges)

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

## **Other Payments**

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

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

## **Pension**

All employees are auto enrolled into the Local Government Pension Scheme and employees who remain in the Scheme receive benefits in accordance with the provisions of that Scheme as applied by the Council. Details of the Council's policy and decisions in respect of discretionary elements of the Scheme are published at:

[http://www.harrow.gov.uk/download/downloads/id/5338/discretionary\\_policy\\_statement-pensions\\_2014](http://www.harrow.gov.uk/download/downloads/id/5338/discretionary_policy_statement-pensions_2014) and

[http://www.harrow.gov.uk/download/downloads/id/7063/pension\\_fund\\_final\\_account\\_2014 - 2015](http://www.harrow.gov.uk/download/downloads/id/7063/pension_fund_final_account_2014_-_2015)

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

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<sup>4</sup> Joint Negotiating Committee / National Joint Council



## **Other Terms and Conditions of Employment**

The pay, terms and conditions of council employees are set out in employee handbooks. Handbooks are produced for all employees, including managers and senior professionals, Chief Officers and the Chief Executive and the latest editions are published at:

[http://www.harrow.gov.uk/downloads/download/1016/employee\\_handbooks](http://www.harrow.gov.uk/downloads/download/1016/employee_handbooks)

## **Payments on Termination of Employment**

In the event that the Council terminates the employment of an employee, including a Chief Officer, on the grounds of redundancy or efficiency of the service they will be entitled to receive compensation and benefits in accordance with the Council's Redundancy and Early Retirement schemes, which are published at:

[http://www.harrow.gov.uk/downloads/download/1016/employee\\_handbooks](http://www.harrow.gov.uk/downloads/download/1016/employee_handbooks) and  
[http://www.harrow.gov.uk/download/downloads/id/5338/discretionary\\_policy\\_statement-pensions\\_2014](http://www.harrow.gov.uk/download/downloads/id/5338/discretionary_policy_statement-pensions_2014)

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

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

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

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

Further information on the scheme is published here

[http://www.harrow.gov.uk/downloads/file/5881/red\\_payments\\_agreed](http://www.harrow.gov.uk/downloads/file/5881/red_payments_agreed)

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

## **Re-employment of Employees**

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

## **Further Information**

For further information on the Council's pay policy please contact the Council's Human Resources & Organisational Development Service by email to HR

## INTRODUCTION

In the Spending Review 2015, it was announced that to support local authorities to deliver more efficient and sustainable services, the government will allow local authorities to spend up to 100% of their fixed asset receipts on the revenue costs of reform projects. This flexibility was initially being offered to the sector for the three financial years 2016/17 to 2018/19, but this has now been extended for a further 3 years as part of the provisional settlement announced on 19<sup>th</sup> December. Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.

Local authorities are given the power to use capital receipts from the disposal of property, plant and equipment assets received in the years in which this flexibility is offered, to spend up to 100% of their fixed asset receipts (excluding Right to Buy receipts) on the revenue costs of reform projects. Local Authorities may not use their existing stock of capital receipts to finance the revenue costs of reform.

The key criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to an authorities', or several authorities, and/or to another public sector body's net service expenditure.

Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.

## EXAMPLES OF QUALIFYING PROJECTS

There are a wide range of projects that could generate qualifying expenditure and the list below is not prescriptive. Examples of projects include:

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others); and

## RULES OF QUALIFICATION

Local authorities cannot borrow to finance the revenue costs of service reform.

For any financial year the Strategy (“the initial Strategy”) should be prepared before the start of the year.

The authority should prepare an annual strategy that includes separate disclosure of the individual projects that will be funded or part funded through capital receipts flexibility and that the strategy is approved by full Council or the equivalent.

Set up and implementation costs of any new processes or arrangements can be classified as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure.

All services must ensure that they have adequate available resources to maintain the ongoing revenue requirement for all capital projects.

Where possible, the Council will be looking to fund the revenue costs from within revenue resources and therefore the use of capital receipts will only be utilised where all other funding streams have been exhausted.

#### **STRATEGY FOR USE OF FUNDS**

Where the Council is looking to capitalise pump priming costs, additional surplus assets may be identified and sold.

The council will have due regard to the requirements to the Prudential Code and the impact on the prudential indicators. Capital receipts from the sale of assets are not built into the Council's current capital programme and so the utilisation of receipts for capital receipts flexibility will not have a detrimental impact on the Council's prudential indicators, as set out in the Council's Treasury Management Strategy.

All schemes which are eventually deemed to qualify under this programme would have the required costs funded through capital receipts rather than revenue funding streams.

Approval of projects and allocation of funds arising from the use of flexible capital receipts will be at the discretion of the Section 151 Officer.

Any revenue expenditure, which falls within the criteria, for savings detailed in Appendices 1A and 1B of the Final Revenue Budget 2018/19 and Medium Term Financial Strategy 2018/19 to 2020/21, will be considered for treatment under the capital flexibilities. The 2018/19 Budget assumes capital flexibilities of £2.7m.

**HRA Budget 2018-19 and MTFS 2019-20 to 2020-21 – Expenditure**

<b>All figures in £s</b>	<b>Budget 2018-19</b>	<b>Budget 2019-20</b>	<b>Budget 2020-21</b>
Employee Costs	2,640,410	2,701,140	2,763,270
Supplies & Services	1,114,770	1,189,800	1,349,400
Utility cost	410,640	417,730	425,090
Estate & Sheltered Services	3,167,720	3,197,410	3,227,990
Central Recharges	3,785,380	3,872,440	3,961,500
<b>Operating Expenditure</b>	<b>11,118,920</b>	<b>11,378,520</b>	<b>11,727,250</b>
Repairs - Voids	1,125,990	1,125,990	1,125,990
Repairs - Responsive	3,487,040	3,487,040	3,487,040
Repairs – Other	2,116,640	2,146,170	2,176,710
<b>Repairs Expenditure</b>	<b>6,729,670</b>	<b>6,759,200</b>	<b>6,789,740</b>
Contingency - General	200,000	200,000	200,000
Investment in Services	200,000	200,000	200,000
Bad debt provision	250,000	250,000	250,000
RCCO	300,000	-	-
Affordable Housing	274,430	275,000	275,560
Charges for Capital	6,361,480	6,429,830	6,462,870
Depreciation	7,676,120	7,747,720	7,812,310
Hardship Fund	100,000	100,000	100,000
Savings	0	(640,000)	(1,020,000)
<b>Other Expenditure</b>	<b>15,362,030</b>	<b>14,562,550</b>	<b>14,280,740</b>
<b>Total Expenditure</b>	<b>33,210,620</b>	<b>32,700,270</b>	<b>32,797,730</b>

Appendix 1 (continued)

HRA Budget 2018-19 and MTFS 2019-20 to 2020-21 – Income

All figures in £s	Budget 2018-19	Budget 2019-20	Budget 2020-21
Rent Income – Dwellings	(28,242,430)	(28,665,280)	(29,238,790)
Rent Income – Non Dwellings	(588,080)	(590,300)	(592,580)
Service Charges - Tenants	(1,696,710)	(1,726,430)	(1,730,220)
Service Charges – Leaseholders	(613,540)	(613,540)	(599,290)
Facility Charges	(696,110)	(716,990)	(738,500)
Interest	(3,100)	(3,100)	(3,100)
Other Income	(106,000)	(106,000)	(106,000)
Recharge to General Fund	(165,650)	(165,650)	(165,650)
<b>Total Income</b>	<b>(32,111,620)</b>	<b>(32,587,290)</b>	<b>(33,174,130)</b>
<b>In Year Deficit / (Surplus)</b>	<b>1,099,000</b>	<b>112,980</b>	<b>(376,400)</b>
<b>BALANCE brought forward</b>	<b>(6,272,380)</b>	<b>(5,173,380)</b>	<b>(5,060,400)</b>
<b>BALANCE carried forward</b>	<b>(5,173,380)</b>	<b>(5,060,400)</b>	<b>(5,436,800)</b>

## HRA Capital Programme

## Appendix 7

<b>Budget Description</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Internal Works	1,400,000	1,400,000	1,400,000
External Works	1,855,000	1,855,000	1,855,000
Mechanical & Electrical	2,930,000	1,000,000	1,000,000
Garages	60,000	60,000	60,000
Aids and Adaptations	615,000	615,000	615,000
Capitalisation Response Repairs	140,000	140,000	140,000
Capitalised Salaries	380,000	380,000	380,000
<b>HRA Capital Investment</b>	<b>7,380,000</b>	<b>5,450,000</b>	<b>5,450,000</b>
Grange Farm	6,540,350	6,012,300	8,386,250
Infill programme, phase 1	2,835,040	4,565,170	0
Affordable Housing Phase 2	3,176,010	3,855,030	0
<b>Total Homes for Harrow</b>	<b>12,551,400</b>	<b>14,432,500</b>	<b>8,386,250</b>
<b>Total HRA Capital Programme</b>	<b>19,931,400</b>	<b>19,882,500</b>	<b>13,836,250</b>

The 2018-19 budget for the main HRA Capital investment programme includes £1,930,000 re-phasing and diversion of Grants to Move budget to support the main investment programme.

Homes for Harrow capital budget 2018-19 to 2020-21 have increased by £17,735,550 reflecting increased investment requirements for the Grange Farm Regeneration Scheme £15,688,670 and Infill scheme £2,046,880.

Re-phasing of £15,260,600 is also included, Grange Farm £5,250,230 and Infill £10,010,370 reflecting delays experienced in the planning and procurement processes.

**Capital Programme 2018/19 to 2020/21**

**Appendix 1**

Project Title	2018/19			2019/20			2020/21			TOTAL		
	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Value £000	External Funding £000	Net Value £000	Gross Bid Value	External Funding £000	Net Bid Value
<b>Resources and Commercial Directorate</b>												
<b>Ongoing refresh &amp; enhancement of ICT</b> 'Replacement, upgrades and enhancements to applications, infrastructure and end user devices, not included within the agreed supplier service charges or transformation programme	3,000		3,000	5,000		5,000			0	8,000	0	8,000
<b>Transition and Transformation - Sopra Steria</b>	38		38			0			0	38	0	38
<b>Sub Total Transformation &amp; Technology</b>	<b>3,038</b>		<b>3,038</b>	<b>5,000</b>		<b>5,000</b>			<b>0</b>	<b>8,038</b>	<b>0</b>	<b>8,038</b>
<b>IT Infrastructure refresh</b> - Essential refresh of the IT infrastructure to enable continued operation of Council services.							3,000	0	3,000	3,000	0	3,000
<b>Devolved Applications Refresh</b> -In order to maintain external compliance and to support the deployment of new applications a roadmap has been agreed with Sopra Steria to keep the IT infrastructure up to date. This will result in the need to upgrade line of business applications (owned by the services) in order for them to remain compatible and maintain external compliance.	700		700	700		700	1,700	0	1,700	3,100	0	3,100
<b>Total Resources and Commercial Directorate</b>	<b>3,738</b>	<b>0</b>	<b>3,738</b>	<b>5,700</b>	<b>0</b>	<b>5,700</b>	<b>4,700</b>	<b>0</b>	<b>4,700</b>	<b>14,138</b>	<b>0</b>	<b>14,138</b>
<b>People's Directorate</b>												
<b>Adults</b>												
<b>Reform of Social Care Funding</b> The second phase of the Care Act in relation to the Care Accounts has been delayed until 2020. The originally approved funding is therefore pushed back to 2019/20 pending further guidance on next steps. The funding will be used to support the implementation, including building new information system(s) to support the requirements including self-assessment tools.	0	0	0	250	0	250			0	250	0	250
<b>Project Infinity</b> Placeholder for potential capital funding to enable further commercialisation of My Community e Purse (MCeP – self directed care) and for Our Community e Purse (OCeP – self funded care) with the expectation (subject to development of further business cases) that investment and continued partnership working with IBM will support the delivery of a revenue income stream, enabling MTFS savings to be reinstated.	100	0	100		0	0			0	100	0	100
<b>In-House Residential Establishments</b> Investment to maintain the infrastructure of the Council's internal residential and day care facilities. Requirement ceases post 2018/19 linking to revenue MTFS service reprovision proposals	100	0	100	200	0	200			0	300	0	300
<b>Total Adults</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>450</b>	<b>0</b>	<b>450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650</b>	<b>0</b>	<b>650</b>

<b>Schools</b>												
<b>SEN Expansion</b> There is pressure for special educational needs (SEN) provision places, which will be alleviated in the medium term as additional places will become available from 2015 following successful TBNP applications in accordance with Harrow's Special Schools and SEN Placement Planning Framework. However, in light of the projections and in light of the Government's Special Educational Needs and Disability reform agenda, consideration needs to be given to the next phase of expansion. A time limited task and finish group has been established, which will drive forward work on producing a refresh of the Harrow SEN strategy.	2,520	2,520	0	0	0	0		0	2,520	2,520	0	
<b>Bulge Classes</b> The pupil numbers in Harrow have risen rapidly in recent year, particularly at primary intake level. This has given rise to the School Expansion Programme which is covered in other bids. However, until permanently expanded schools are available, the short term measure has been to provide 'bulge classes' in multiple schools across the borough. These are where an additional form of entry are placed in a particular year which then passes through the school without being followed by additional classes.	150		150	150		150		0	300	0	300	
<b>Children's Capital Maintenance Programme</b> Proactive and reactive programme of maintenance across the schools estate	1,350		1,350	1,350		1,350		0	2,700	0	2,700	
<b>Capital Maintenance funding estimate 2018-19</b> 'Estimated allocation for Capital Maintenance to contribute to schools capital programme for 2018-19		2,000	-2,000			0		0	0	2,000	-2,000	
<b>Secondary Expansion</b> The growth in demand for primary places will progress to secondary schools and it is projected that there will be a shortfall of Year 7 places from 2018. Additional capacity has been secured through the expansion of two schools, Bentley Wood and Whitefriars and the permanent location of Avanti House will contribute to an overall increase in places. In addition, a further 6 forms of entry has been secured through the successful free school bid opening on the Heathfield School site. However, there will still be a shortfall of places from September 2020 rising to approx. 13 forms of entry in September 2023.	3,650		3,650	5,250	2,625	2,625		0	8,900	2,625	6,275	
<b>Total Schools</b>	<b>7,670</b>	<b>4,520</b>	<b>3,150</b>	<b>6,750</b>	<b>2,625</b>	<b>4,125</b>	<b>0</b>	<b>0</b>	<b>14,420</b>	<b>7,145</b>	<b>7,275</b>	
<b>Total People's Directorate</b>	<b>7,870</b>	<b>4,520</b>	<b>3,350</b>	<b>7,200</b>	<b>2,625</b>	<b>4,575</b>	<b>0</b>	<b>0</b>	<b>15,070</b>	<b>7,145</b>	<b>7,925</b>	
<b>Community Directorate</b>												
<b>Environmental Services</b>												
<b>Flood Defence</b> Renewal of ageing drainage infrastructure to reduce the risk of flooding impact on residents, properties and business continuity.	300		300	300		300	300	300	900	0	900	



<b>Waste &amp; Recycling</b> Replacement of aged, damaged and/or lost wheeled bins, as well as bins provision for new residential developments within the borough. On-going improvement works at CA site.	150		150	150		150	150	0	150	450	0	450
<b>Highway Programme</b> Renewal and replacement of highways and footways.	7,100	2,400	4,700	3,300		3,300	5,000	0	5,000	15,400	2,400	13,000
<b>Highway Drainage</b> Improvements to critical drainage areas identified in Surface Water Management Plan as required by The Flood & Water Management Act 2010.	200		200	200		200	200		200	600	0	600
<b>Local Implementation Plan (LIP) including CPZ schemes</b> Implementation of the Mayor of London's Transport Strategy as well as Harrow's Transport Local Implementation Plan & parking management programmes.	1,300	1,000	300	1,300	1,000	300	1,300	1,000	300	3,900	3,000	900
<b>Parks Infrastructure</b> Prioritise parks infrastructure which are most in need of repair in order to provide safe access and use of facilities for all.	506		506	506		506	675	0	675	1,687	0	1,687
<b>Street Lighting</b> Replacement of aged and dangerous lighting columns as well as investment in new lighting to support Climate Change strategy and to provide variable lighting solutions.	1,500		1,500	1,000		1,000	1,500		1,500	4,000	0	4,000
<b>Corporate Accommodation</b> Improvements to corporate buildings to provide a safe and secure environment in which to operate its business.	155		155	55		55	255	0	255	465	0	465
<b>High Priority Planned Maintenance</b> Improvements to corporate properties (excluding schools) to ensure that they are in a safe condition for occupants.	600		600	600		600	500	0	500	1,700	0	1,700
<b>Carbon Reduction</b> Provision of retro-fit energy efficiency measures in corporate buildings.	100		100	100		100	50	0	50	250	0	250
<b>Replacement of Parks litter bins</b>	49		49	0		0			0	49	0	49
<b>Green Grid Programme</b> Improvements to Harrow's green infrastructure to provide a network of interlinked and multifunctional open spaces.	150	0	150	150	0	150	150	0	150	450	0	450
<b>Harrow on the Hill Station</b> Improvements to the station and surrounding area to create step free access	3,000	0	3,000			0			0	3,000	0	3,000
<b>Green Gym / Play Equipment</b> Installation of outdoor gym equipment within parks to promote health and well being.	38		38	38		38			0	75	0	75
<b>CCTV Cameras and equipment at depot</b> Installation of parking enforcement cameras at certain locations where it is permissible to capture contraventions by cameras following Deregulation Bill. Upgrade of CCTV equipment and facilities at the depot.	150		150	50		50	50		50	250	0	250
<b>CCTV Infrastructure</b> - this project is to upgrade the borough's CCTV infrastructure. The current infrastructure has been in place since 2001.	800		800	800		800	0		0	1,600	0	1,600

<b>Purchase of Trade Waste Bins</b> Purchase of bins to support expansion of business as part of Project Phoenix	100		100	100		100	100	0	100	300	0	300
<b>Car parks Infrastructure</b> Improvement to car parking facilities to comply with H&S requirements and to commercialise council owned car parks.	15		15	15		15	15		15	45	0	45
<b>Street Litter Bins:</b> This funding is to support the provision and replacement of adequate numbers of on street litter bins, creating an environment where there are adequate numbers of bins provided to meet demand.	300		300	300		300			0	600	0	600
<b>Depot redevelopment</b> - this proposal is to redevelop the Central depot to consolidate and intensify the existing site.	13,110		13,110	5,830		5,830			0	18,940	0	18,940
<b>Redevelopment of Vernon Lodge &amp; Atkins House</b> - this is the redevelopment of the Council's only homelessness hostel, Vernon Lodge, to increase capacity and create purpose built accommodation that will provide capacity for the council to house its homeless. It will also provide units that can be rented to those able to afford the rental. There is £725k already in the existing budget as a contribution towards this scheme so the total cost is £11.049m	775		775	8,225		8,225	1,324		1,324	10,324	0	10,324
<b>Redevelopment of Rayners Lane Toilet Block</b> - refurbishment and redevelopment of this building to bring it back into use through conversion to shop/office space.	170		170	0		0	0		0	170	0	170
<b>Headstone Manor - Park for People project</b> - the project will address health and safety issues with the historic moat and improve existing footpath network and car park surface to cope with additional visitors.	75	75	0	1,722	1,722	0	0		0	1,797	1,797	0
									0			
<b>Total Environmental Services</b>	<b>30,643</b>	<b>3,475</b>	<b>27,168</b>	<b>24,741</b>	<b>2,722</b>	<b>22,019</b>	<b>11,569</b>	<b>1,000</b>	<b>10,569</b>	<b>66,952</b>	<b>7,197</b>	<b>59,755</b>
<b>Community &amp; Culture</b>												
<b>Leisure &amp; Libraries Capital Infrastructure</b> - Capital to be invested in a targeted programme to improve the infrastructure of the Council's leisure and library facilities. There is a high risk, particularly with Harrow Leisure Centre, that failure to maintain the infrastructure will inevitably lead to a building closure if a major fault occurs and be a risk to leisure income. There will be Lifecycle Gym equipment replacement in 2018/19	460		460	150		150	150		150	760	0	760
<b>Central Library Refit &amp; Library Refurbishments</b> - As part of the town centre regeneration scheme on College Road, majority of funding will come from CIL.	800	0	800	1,000	0	1,000			0	1,800	0	1,800
<b>Bannister Sports Centre (S106)</b>	904	904	0						0	904	904	0
<b>Harrow Museum Capital Infrastructure</b> - this covers regular planned works beyond day to day maintenance revenue costs.							104	60	44	104	60	44
<b>Total Community &amp; Culture</b>	<b>2,164</b>	<b>904</b>	<b>1,260</b>	<b>1,150</b>	<b>0</b>	<b>1,150</b>	<b>254</b>	<b>60</b>	<b>194</b>	<b>3,568</b>	<b>964</b>	<b>2,604</b>
<b>Housing General Fund</b>												

<b>Better Care Fund - Disabled Facilities Grant</b> - Grants to fund adaptations to private properties to help enable residents to remain in their existing homes	1,500	650	850	1,500	650	850	1,500	650	850	4,500	1,950	2,550
<b>Improvement Grants</b> - Grants to private landlords to improve the condition of their properties, generally in exchange for a lease agreement	52		52	52		52	70		70	174	0	174
<b>Empty Properties Grants</b> - Grants to help bring empty properties back into use, generally in exchange for nomination rights for a period of time	187		187	187		187	450		450	824	0	824
<b>Better Care Fund - Disabled Facilities Grant</b> - Grants to fund adaptations to private properties to help enable residents to remain in their existing homes - Includes assumed use of additional DFG grant to fund additional works - no net cost to the Council as additional works grant funded. Linked to income generation proposal for Home Improvement Agency.	530	530	0	530	530	0	530	530	0	1,590	1,590	0
<b>Empty Property Initiative</b> - to bring empty/vacant property into use which may require Compulsory Purchase Order. The intention being to purchase property and then re-sell.	746		746			0			0	746	0	746
<b>New Bid - Extension to Property Purchase Initiative</b> - funding for the purchase of an additional 50 properties on the open market for the council to use as Temporary accommodation; providing good quality temporary accommodation and reducing the overall net cost to the Council of B & B accommodation	6,000		6,000			0			0	6,000	0	6,000
<b>Total Housing General Fund</b>	<b>9,015</b>	<b>1,180</b>	<b>7,835</b>	<b>2,269</b>	<b>1,180</b>	<b>1,089</b>	<b>2,550</b>	<b>1,180</b>	<b>1,370</b>	<b>13,834</b>	<b>3,540</b>	<b>10,294</b>
<b>Total Community Directorate</b>	<b>41,822</b>	<b>5,559</b>	<b>36,263</b>	<b>28,160</b>	<b>3,902</b>	<b>24,258</b>	<b>14,373</b>	<b>2,240</b>	<b>12,133</b>	<b>84,354</b>	<b>11,701</b>	<b>72,653</b>
<b>Regeneration</b>												
<b>Regeneration programme</b> - feasibility work to develop options for taking forward regeneration sites.	250		250			0			0	250	0	250
<b>Regeneration Programme approved Feb2017</b>	197,620		197,620	81,638		81,638			0	279,258	0	279,258
<b>Amendments to Regeneration Programme to be approved February 2018 Cabinet</b>	-126,874		-126,874	80,482		80,482	35,534		35,534	-10,858		-10,858
<b>Lyon Road Pop Up Restaurant and Square (GLA and S106 funded)</b> - this project is to transform an existing car park in Harrow Town Centre into a multi-function public space, improving the general environment for pedestrians and providing the opportunity for markets, particularly food markets. Any design for the new public space will look to maintain car parking spaces as part of the shared design space.	84	84	0	726	726	0	201	201	0	1,010	1,010	0
<b>Mobile technology in Community Learning</b> - GLA and Skill Funding Agency are funding the purchase of IT equipments to support the delivery of community learning and skills focused education.	20	20	0	0	0	0	0	0	0	20	20	0

<b>Neighbourhood CIL Schemes</b> - CIL receipts can be used to fund a wide range of infrastructure including transport, schools, health and social care facilities, libraries, play areas, green spaces and sports facilities.	800	800	0	0		0	0		0	800	800	0
<b>Total Regeneration</b>	<b>71,900</b>	<b>904</b>	<b>70,996</b>	<b>162,846</b>	<b>726</b>	<b>162,120</b>	<b>35,735</b>	<b>201</b>	<b>35,534</b>	<b>270,480</b>	<b>1,830</b>	<b>268,650</b>
<b>Total General Fund</b>	<b>125,330</b>	<b>10,983</b>	<b>114,347</b>	<b>203,905</b>	<b>7,253</b>	<b>196,653</b>	<b>54,808</b>	<b>2,441</b>	<b>52,367</b>	<b>384,042</b>	<b>20,676</b>	<b>363,366</b>
<b>Housing Revenue Account</b>												
<b>Housing Revenue Account capital programme</b> - Continued investment in the Council's existing housing stock, as well as the commencement of a programme of new build housing	2,739		2,739	19,883		19,883	13,836		13,836	36,458	0	36,458
<b>Total HRA</b>	<b>2,739</b>		<b>2,739</b>	<b>19,883</b>		<b>19,883</b>	<b>13,836</b>	<b>0</b>	<b>13,836</b>	<b>36,458</b>		<b>36,458</b>
<b>Total General Fund + HRA</b>	<b>128,069</b>	<b>10,983</b>	<b>117,086</b>	<b>223,788</b>	<b>7,253</b>	<b>216,535</b>	<b>68,644</b>	<b>2,441</b>	<b>66,203</b>	<b>420,500</b>	<b>20,676</b>	<b>399,824</b>