

Performance and Finance Scrutiny Sub-Committee AGENDA

DATE: Monday 19 March 2018

TIME: 7.30 pm

VENUE: Committee Room 5, Harrow Civic Centre, Station Road, Harrow, HA1 2XY

MEMBERSHIP (Quorum 3)

Chair: Councillor Jerry Miles

Councillors:

Phillip O'Dell
Mrs Rekha Shah

Richard Almond (VC)
Pritesh Patel

Reserve Members:

- | | |
|--------------------|-------------------|
| 1. Margaret Davine | 1. Ameet Jogia |
| 2. Barry Kendler | 2. Amir Moshenson |
| 3. Anne Whitehead | |

Contact: Manize Talukdar, Democratic Services Officer
Tel: 020 8424 1323 E-mail: manize.talukdar@harrow.gov.uk

Useful Information

Meeting details:

This meeting is open to the press and public.

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<http://www.harrow.gov.uk/site/scripts/location.php>.

Filming / recording of meetings

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When present in the meeting room, silent mode should be enabled for all mobile devices.

Meeting access / special requirements.

The Civic Centre is accessible to people with special needs. There are accessible toilets and lifts to meeting rooms. If you have special requirements, please contact the officer listed on the front page of this agenda.

An induction loop system for people with hearing difficulties is available. Please ask at the Security Desk on the Middlesex Floor.

Agenda publication date: Wednesday 7 March 2018

AGENDA - PART I

1. ATTENDANCE BY RESERVE MEMBERS

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

Reserve Members may attend meetings:-

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

2. DECLARATIONS OF INTEREST

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

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

3. MINUTES (Pages 5 - 14)

That the minutes of the meeting held on 11 December 2017 be taken as read and signed as a correct record.

4. PUBLIC QUESTIONS *

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

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

[The deadline for receipt of public questions is 3.00 pm, Wednesday 14 March 2018. Questions should be sent to publicquestions@harrow.gov.uk

No person may submit more than one question].

5. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Committee Procedure Rule 15 (Part 4B of the Constitution).

6. REFERENCES FROM COUNCIL AND OTHER COMMITTEES/PANELS

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

7. REVENUE AND CAPITAL MONITORING 2017/18 - QUARTER 3 AS AT 31ST DECEMBER 2017 (Pages 15 - 60)

Report of the Director of Finance.

8. 6-12 MONTH REVIEW OF HOMELESSNESS REVIEW RECOMMENDATIONS (Pages 61 - 76)

Report of the Divisional Director – Housing Services.

9. ANY OTHER BUSINESS

Which cannot otherwise be dealt with.

10. EXCLUSION OF THE PRESS & PUBLIC

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

<u>Agenda Item No</u>	<u>Title</u>	<u>Description of Exempt Information</u>
11.	Revenue and Capital Monitoring 2017/18 - Quarter 3 as at 31 December 2017 – Appendix 5	Information under paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, relating to the financial or business affairs of any particular person (including the authority holding that information)

AGENDA - PART II

11. REVENUE AND CAPITAL MONITORING 2017/18 - QUARTER 3 AS AT 31ST DECEMBER 2017 (APPENDIX 5) (Pages 77 - 80)

Report of the Director of Finance.

*** DATA PROTECTION ACT NOTICE**

The Council will audio record item 4 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

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

PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES

11 DECEMBER 2017

Chair: * Councillor Jerry Miles

Councillors: * Richard Almond * Pritesh Patel
* Phillip O'Dell * Mrs Rekha Shah

* Denotes Member present

100. Attendance by Reserve Members

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

101. Declarations of Interest

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

102. Reasons for Lateness & Urgency

RESOLVED: That the reasons for lateness and urgency of the two supplemental agendas be agreed.

103. Minutes

RESOLVED: That the minutes of the meeting held on 20 September 2017 be taken as read and signed as a correct record.

104. Public Questions & Petitions

RESOLVED: To note that none were received.

105. References from Council and Other Committees/Panels

RESOLVED: To note that there were none.

RESOLVED ITEMS

106. Revenue and Capital Monitoring 2017/18 - Quarter 2 as at 30th September 2017

The Sub-Committee received a report of the Director of Finance which set out the Council's revenue monitoring position as at Quarter 2, 2017/18 (30 September 2017).

Following a brief overview of the report by the Director of Finance, Members made the following comments and asked the following questions and officers responded accordingly:

- Page 42 savings RES 16: Had the service review of communications taken place? What was the outcome of the review? How would this affect communications from the Council?

An officer advised that no formal review had taken place. The comment in the report referred to reviewing the saving and ultimately the impact on the service of taking more money out of it. It was agreed with Members that the nature of the demand on the Communications Team for 2017/18 was such that the impact of taking £57k out and reducing it by more than a post would significantly reduce the impact of what the team could provide. Therefore in the light of this the £57k has been assumed as a pressure within the Strategic Commissioning Division for 2017/18, and this was being covered. For the future, options were being considered around how further external income could be delivered which would help offset the overall costs of the service.

The Member asked how the above impacted on residents.

The officer advised that within the Strategic Commissioning Division (where the Comms budget sat) they were in receipt of £85K from the Home Office for the Prevent programme. These monies were being used to fund an existing post within the Section as well as supporting bringing in additional capacity, which meant that there was a surplus of circa £30k, which was being used to support other pressures in the Divisional budget. There was also a vacancy in the Policy team which had arisen as a result of the reduction in work from the voluntary sector which amounted to £75K saving in the MTFs.

- Did the forecast £164M, which was 83% of the total Capital Programme have contingencies built into it?

The Director of Finance advised that when the budget was set, there was no assumption that funds would be drawn down. The contingency and reserve funds sat outside the budget and would be used to cover

unforeseen costs such as the recent works at Pinner Wood School to make it safe.

- Were the figures in Table 10 on page 30 of the agenda relating to carry forward accurate?

The Director of Finance undertook to check the figures and amend the table if they were incorrect.

- At the previous meeting of the Sub-Committee Members had requested that the impact and implications of any slippage on the Capital Programme be set out in the report. Why had this not been done?

The Director of Finance apologised for this oversight and undertook to ensure that this information was provided in all future reports. She added that a large number of cases, there was no revenue impact of any slippage.

- Why had officers' view of the Infinity project changed over time?

The Director of Finance stated that savings related to the project had already been slipped a year and, considering the certainty of income due and the overall financial position of the council, the decision has been taken to remove the saving from the MTFs. In the future, in light of the Council's overall financial position, there would be more robust oversight of innovative projects such as Infinity before inclusion in the budget. The product launch would be in March 2018 and it was not possible at this stage to predict how much income it was likely to generate. Because budgets were extremely tight, it was preferable not to include items such as the Infinity project in the budget as they carried higher risks of not being achieved, and would be more difficult to mitigate against as contingencies were low.

- Had the E-purse been considered too speculative to be included in the MTFs (Medium Term Financial Strategy)? How soon would the MCEP (My Community E-purse) be included in the budget?
- How would the Infinity project, even though it was not included in the budget, be continued to be prioritised?

The Director of Finance responded that officers had hoped that it would generate higher income than it had to date. Any income generated by the MCEP would be treated as a cash windfall in year and built into the budget in the following year. Work on the development and marketing of Project Infinity continued and it was estimated a product would be ready for launch in March 2018.

The Sub-Committee urged that officers follow up progress on the Infinity project and report back to the sub-committee.

- Page 43 PA_08: What was the average wait time for clients? What effect had this saving had on discharges from hospitals? The cost of

clients spending more time in residential and nursing units? Who was bearing this cost? And how was it affecting the quality of life for the people?

The Director of Finance advised that she was awaiting information regarding waiting time and undertook to circulate this information after the meeting. She added that discharges were carefully monitored. Hospital discharge costs were borne by the NHS whereas those from residential care were borne by the Local Authority.

The Member stated that he had submitted his questions ahead of the meeting in order to allow officers to gather information and collate their responses. He requested that relevant officers attend future meetings of the Sub-Committee to respond to Members' questions at the meeting.

- Page 45 CE_9 what was the target set for the Selective Licensing Scheme? Has this been met in Edgware Ward or Wealdstone ward? If not in either or both what effect will this have on tenants in such homes not licensed in terms of their health and Well being?

The total target for Selective Licensing Scheme was £420k which covered both the staffing costs as well as the income target set in the MTFs. It was forecast to be fully met from Edgware and Wealdstone wards in 17/18. There were 3 dedicated residential licensing officers and a support officer covering housing related licensing work and processing applications respectively. There was no health & safety impact on non-licensed premises as the requirements on the selective licensed premises were around environmental and ASB management mainly. Other aspects such as fire and safety were covered under legislation for private rented accommodation, including the housing health & safety risk rating system, and would be applicable if a licence was in place or not.

- Page 47 CHW 12 What were the improvements that were due to take place at Bannister Centre? What was the income targets for the Centre? If these have been missed who bears this cost? A how are residents of the borough affected by this?

The works planned at Bannister Sports Centre included improvements to grass pitches and the installation of a 3G artificial pitch, the funding for which had been secured via a S106 agreement relating to the development of Harrow View West. The income budget for Harrow Leisure Centre was approximately £1m per annum. The non-achievement of MTFs target of £100k in 17/18 was being mitigated by additional income in other services areas within Cultural Services. The existing leisure centre would remain in operation whilst the new centre was built, so the impact should be minimal. Plans for the Byron Quarter site included an enlarged separate gymnastics centre for Harrow School of Gymnastics which was very oversubscribed. The delay in the development as a whole would mean that this over demand was not met for longer.

- Page 45 CE_9: What target had been set for the Selective Licensing Scheme? Had this been met in Edgware Ward or Wealdstone ward? If not, in either or both what effect would this have on tenants in such homes not licensed in terms of their health and Well being?

This had been designated as an Amber saving and officers were forecasting it would be achieved in full.

- Page 47 CHW 12: What improvements were due to take place at the Bannister Centre? What was the income target for the Centre? If these had been missed who would bear this cost? How were residents of the borough affected by this?
- Were the Bannister Sports Centre and the Hatch End pool included in the Leisure Contract? The effects had not been specified in the Public Health programme?

The Director of Finance undertook to seek this information from the relevant directorate and circulate it to Members after the meeting.

- Was there a mechanism whereby items marked as amber or red were allocated high priority status in an effort to resolve them? How were Directorates encouraged?

The Director of Finance advised that the Council's auditors had stated that the monitoring of those savings flagged as red or amber during the year should be reviewed at year end to ensure their achievement / reversal was not overlooked as the new financial year started. This was actioned in the 2016/17 Outturn Report.

- What precisely had the auditors meant by more robust processes?

The Director of Finance advised that the auditors felt that there should be processes in place to monitor and deal with any savings flagged up as red and that these should be made more visible and explicit.

- The Children's Capital Project Team was working to resolve a number of building defects with the Council's contractor, Keepmoat. What, if any, financial penalties could the Council invoke in this case?

The Director of Finance advised that there was a legal process in place and the case was likely to go to court.

- What was the reason for the overspend in Children's Services? Why had this not been foreseen? What could Harrow learn from other local authorities with regard to this?

The Director of Finance responded that the unprecedented growth in Children's Services as a result of increased demand, which is difficult to predict, had continued after the 2017/18 budget had been set. A pan organisation spending freeze has been implemented at the start of the financial year and officers within the Children's division have and

continue to implement a number of actions, both recurrent and one off, to reduce cost pressures. The level of demand is showing signs of levelling off and a review of forecasting methodologies had been undertaken. Another officer added that the phenomenon of increased pressures on Children's Services was a London-wide issue with demand at its highest in London and the South East.

RESOLVED: That the report be noted.

107. Annual Equalities Report 2016/17

The Sub-Committee received a report of the Divisional Director, Strategic Commissioning, which set out the Council's performance and work towards advancing equality of opportunity, and helped evaluate the equality of service provision. It also considered whether that work was benefitting local communities in Harrow and looked at ways work had been undertaken to eliminate unlawful discrimination and promote good relations between the different communities in Harrow.

Following a brief overview of the report by an officer, Members made the following comments and asked the following questions and officers responded accordingly:

- How did the Council monitor whether work carried out as part of the plan was delivering benefits to the wider community – please give examples and evidence.
- What action was being taken to improve the portion of BAME and disabled staff at a Senior level? And what are the series of actions that CLG have taken to improve this? Please give examples and evidence.

An officer advised that the Plan tried to bring together a number of different activities across the Council. For example, 10 members of staff in Access Harrow had received training in the use of British Sign Language. The DisabledGo website, which was aimed at disabled people, provided information, advice and listings of social events and premises. The website had almost doubled the number of hits it received in 2017/18. A number of other events, such as Holocaust Memorial day, were commemorated annually.

He added that officers on the Corporate Leadership Group (which consisted of the Chief Executive, Corporate Directors and Divisional Directors) acted as role models and championed initiatives such as Stonewall, Diversity etc. The Council had also had discussions with CIPFA (Chartered Institute of Public Finance and Accounting) regarding how to recruit staff from under-represented groups.

A Member asked what CEG, CRM and CLG and CCPH stood for. He requested that in the future, all acronyms used in reports should be clearly explained. This request was noted by officers.

An officer advised that CEG (Corporate Equalities Group), CRM (Customer Relation Management Software), CEG (Corporate

Equalities Group), CCPH related to the SAP infrastructure which supported the MY Harrow account.

- What was the difference between the Corporate Priorities and the Corporate Vision?

The officer stated that the Harrow Ambition Plan set out the overall direction of the Council, and as the Council was required to identify and work to achieve Equalities objectives under the 2010 Equalities Act, that these naturally sat underneath the Corporate Priorities. However, he recognised that the way this was presented in the report could be made clearer and he undertook to clarify this point in future reports.

- Why had only 58% of staff undertaken the mandatory equalities training?

An officer advised that there was a rolling programme of training and staff were expected to complete the online training every 2 years. Most staff based at the Depot did not have access to computers and would be offered classroom based training in the future.

- What reviews of policy had taken place and how effective had these been in increasing the number employees aged under 25? What specific changes in that policy had been undertaken and actioned in the last 12 months?
- Did the Council highlight career pathways in local government to younger applicants as part of its recruitment process?

An officer stated that recruiting younger staff was a challenge facing most local authorities. Some professions such as social work and planning required a degree and other qualifications, which meant that not everyone was eligible to apply. In some cases where staff had left or retired, their posts had been re-graded to a lower grade which had opened them up to younger applicants. The Council was also looking to increase the number of internships, traineeships and apprenticeships that it offered.

- How long would it take to review and strengthen monitoring systems? Had the policy team submitted a request to Sopra Steria to find out the costs? If so how much were these costs; if not would such a request be submitted in the next 12 months?

The monitoring of staff data was carried out through SAP and Sopra Steria were responsible for supporting any other IT packages which may need to be upgraded to support data collection as well as the actual software supplier. However, it was not possible to compel users of My Harrow for instance to respond to diversity monitoring questionnaires and it was important to weigh up the cost and benefits of rolling this out. It should be noted that a low response rate to the survey would provide an incomplete picture and additional investment would be needed to publicise the survey.

- Had work started in order to formalise good practice?

The CEG had undertaken this work, for example, the Council had signed up to the British Sign Language Charter; cross-council learning had been undertaken by the Children's Disability Team; 10 staff in Access Harrow were trained BSL interpreters; best practice was shared with partners and other local authorities. Staff from other authorities had visited Harrow to learn from it. The principle of Social value had been included in the procurement process and the Council was making good progress in this area, albeit with minimal resources.

The Member stated that the Council's commitment to fair trade, the minimum wage should be emphasised to existing contractors, and to new contractors at the pre-application stage.

- Why did Objective 3.1 still appear in the plan?

An officer stated that this was an aspirational objective which had not yet been achieved and he would review whether this should be included in the future in the light of whether this was achievable.

RESOLVED: That the report be noted.

108. 12 Month Review of Community Involvement in Parks Recommendations

The Sub-Committee received a report of the Corporate Director, Community which provided Members with monitoring feedback in response to the 'Community Involvement in Parks' Scrutiny review report and relevant Recommendations.

Following a brief overview of the report by an officer, Members made the following comments and asked the questions below and officers provided the following responses:

- Had the new booking system for sports pitches been publicised?

An officer advised that there was an online, area-based booking system as most sports clubs were now online. The website also provided information about clubs and groups. He added that most outdoor tennis courts in Harrow were free to use.

- Were there plans to install any more green gyms in the borough?

An officer stated that a green gym had recently been installed in Cedars Park Open Space and another would be soon be installed at the Woodlands Open Space. No further suitable sites had been identified.

- Statistics showed that the level of adverse health indicators in Pinner South Ward was high. Was there any data to show who used the

green gyms and what benefits they achieved? How had they been funded? How had the bicycle stands in parks been funded?

The officer stated that Edgware and South Harrow had been targeted in the first phase of installing green gyms, where the key objective had been to promote health amongst those with diabetes or had obesity issues. These had been funded from Capital funding, NIS (Neighbourhood Improvement Scheme) funds and monies from the local Primary Care Trust. He added that the bicycle stands had been installed next to each green gym and near children's playgrounds had been funded by TfL (Transport for London).

A Member stated that figures showed that life expectancy in Wealdstone Ward was 10 years less than in Pinner Ward. He proposed that green gyms should be installed in other deprived areas such as Wealdstone and Queensbury and specifically in the Whitefriars Open Space, Weald village and the open space by Artisan Place area. He suggested that these could be funded from the 15% of CIL (Community Infrastructure Levy) which would be received from new development. The motion was seconded and won.

- A Member asked why the Corporate Scorecard no longer listed voluntary hours. Did groups submit information about how they publicised their events?

An officer advised that it was difficult to judge the effectiveness of how groups worked in terms of the number of hours. For example, some local groups had a large membership but did not necessarily undertake a large volume of work. Groups were required to submit information about their projects and events to the Council. This information was monitored in order to help groups achieve their targets.

- What priorities had been set for parks?

The officer stated that there was a more detailed plan in place. Some of the Recommendations from the report had not yet been pursued, for example, the young champions, as currently the focus was on user groups. The existing strategy would be developed further in consultation with the park user groups.

RESOLVED: That the report be noted.

(Note: The meeting, having commenced at 7.30 pm, closed at 9.29 pm).

(Signed) COUNCILLOR JERRY MILES
Chair

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**REPORT FOR: Performance & Finance
Scrutiny Sub-Committee**

Date of Meeting:	19 March 2018
Subject:	INFORMATION REPORT 2017/18 Revenue and Capital Monitoring for Quarter 3 as at 31 December 2017
Responsible Officer:	Dawn Calvert, Director of Finance
Scrutiny Lead Member area	Performance Lead Member – Councillor Phillip O’Dell Policy Lead Member – Councillor Stephen Wright
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1 – 15 February 2018 Cabinet : 2017/18 Revenue and Capital Monitoring for Quarter 3 as at 31 December 2017

Section 1 – Summary and Recommendations

This report includes as an appendix, the Revenue and Capital monitoring report considered at the 15th of February 2018 Cabinet meeting, for consideration by this sub-committee.

Recommendations :

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

Section 2 – Report

Introductory paragraph

The Council undertakes monitoring of the Council's revenue and capital budgets on a monthly basis, with reports being presented to Cabinet on a quarterly basis with the year end outturn reported in June following the end of the financial year. The attached report shows the forecast position as at the end of quarter 3 (31 December 2017).

Financial Implications

These are contained within the December Cabinet report attached.

Performance Issues

These are contained within the December Cabinet report attached.

Environmental Impact

There are no direct impacts.

Risk Management Implications

These are contained within the December Cabinet report attached.

Equalities implications

Was an Equality Impact Assessment carried out ? No

The report is for noting and comment only

Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

The Council's priorities are:

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

Good financial governance contributes to achieving them

Section 3 - Statutory Officer Clearance

Not required

Ward Councillors notified:

No

Section 4 - Contact Details and Background Papers

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

e-mail sharon.daniels@harrow.gov.uk Tel: 020 8424 1332

Background Papers: None

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REPORT FOR: CABINET

Date of Meeting:	15 February 2018
Subject:	Revenue and Capital Monitoring 2017/18 – Quarter 3 as at 31 st December 2017
Key Decision:	Yes
Responsible Officer:	Dawn Calvert, Director of Finance
Portfolio Holder:	Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation
Exempt:	No, except for Appendix 5, which is exempt on the grounds that it contains “exempt information” under paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) in that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1 Revenue Budget Summary (Divisional) as at 31 st December 2017. Appendix 2 Savings Tracker 2017/18 to 2019/20

Savings Tracker.

Appendix 3 Draw Down from Reserves.

Appendix 4 Capital Programme as at 31st December 2017.

Appendix 5 Quarter 3 Concilium Business Services Performance Report (Exempt – Part II).

Section 1 – Summary and Recommendations

This report sets out the Council's revenue monitoring position as at Quarter 3 2017/18 (31st December 2017).

Recommendations:

1. Cabinet to note the revenue forecast position detailed in this report as at Quarter 3 2017/18.
2. Cabinet to approve debt write offs totalling £138k as specified in paragraph 2.30 to 2.32
3. Cabinet to approve additions to the Capital Programme as specified in paragraph 3.38 to 3.39
4. Cabinet to note one re-profiling within the capital programme as specified in paragraph 3.40
5. Cabinet note the Quarter 3 performance reports from Concilium Business Service as specified in Appendix 5 (Part II report).

Reason: (For recommendation)

To report the 2017/18 forecast financial position as at 31st December 2017 and seek Cabinet approval for capital programme adjustments and debts write offs which require Cabinet approval in accordance with Financial Regulations.

Section 2 – Report

1. INTRODUCTION

- 1.1 The net forecast position as at Quarter 3 (31st December 2017) on the revenue budget is showing a balanced position after a one-off contribution to reserves of £1.648m, which will be set aside for used against the 2019/20 budget. The directorates are reporting an over spend of £3.791m, a reduction in forecast overspend of (£0.089m) when compared to Quarter 2.
- 1.2 The Resources and Commercial directorate is forecasting an under spend of (£0.250m) mainly on income generation and efficiencies. The Children’s division is forecasting net demand pressures estimated at £2.8m, a reduction of £0.221m from Quarter 2. Adult services are forecasting a purchasing pressure of £0.439m in line with Quarter 2. The Community directorate are reporting a forecast pressure of £0.822m, an increase in forecast of £0.394m when compared to Q2 due to unachievable property acquisition savings.
- 1.3 The £3.791m overspends are fully mitigated through the receipt of additional income notified after budget setting, corporate items and the implementation of a spending control freeze across the organisation which has resulted in a net underspend of (£1.648m).
- 1.4 The capital programme is reporting a forecast spend of £101.962m against a budget of £198.231m. This represents a total forecast spend of 51%, a reduction of 32% in the forecast when compared to Quarter 2. In terms of general fund capital, there is a net forecast variance of (£77.113m) of which £38.767m is requested for slippage into 2018/19 and (£38.346m) can be removed from the Capital Programme. For the Housing Revenue Account, a variance of (£19.155m) is forecast of which £17.192m is requested for slippage into 2018/19 and (£1.964m) can be removed from the Capital Programme.

(Please note, all number in brackets relates to income/underspends)

2. REVENUE MONITORING

- 2.1 The revenue forecast position at Quarter 3 (31st December 2017) is showing an under spend of (£1.648m) after a draw down from reserves of £2.815m, an underspend on Corporate budgets of £3.310m, income of £0.834m received after the budget was set in February and £1.295m of spending controls. The (£1.648m) underspend will be used as a one-off contribution to the 2019/20 budget. The forecast by division is detailed in Appendix 1.
- 2.2 A summary of the Quarter 3 monitoring is shown in table 1 below:

Table 1: Revenue Monitoring – as at 31st December 2017

Directorate	Revised Budget	Outturn	Quarter 3 Variance	Draw Down from Reserves	Quarter 3 Variance	Quarter 2 variance	Budget Movement between Q2 and Q3
	£000	£000	£000	£000	£000	£000	£000
Resources and Commercial	23,024	23,183	159	(409)	(250)	12	(262)
Resources Total	23,024	23,183	159	(409)	(250)	12	(262)
Community and Culture	36,636	38,114	1,478	(656)	822	428	394
Community Total	36,636	38,114	1,478	(656)	822	428	394
Adults	64,542	65,436	894	(455)	439	439	-
Public Health	1,295	1,295	-	-	-	-	-
Children's	37,726	40,873	3,147	(367)	2,780	3,001	(221)
People Total	103,563	107,604	4,041	(822)	3,219	3,440	(221)
Planning and Enterprise	2,080	2,190	110	(110)	-	-	-
Regeneration	(350)	468	818	(818)	-	-	-
Regeneration Total	1,730	2,658	928	(928)	-	-	-
Total Directorates	164,953	171,559	6,606	(2,815)	3,791	3,880	(89)
Corporate Items	5,610	5,610	-	-	-	-	-
Corporate contingency	1,248	1,248	-	-	-	-	-
Technical and Corporate adjustment Budget	(3,968)	(7,278)	(3,310)	-	(3,310)	(1,721)	(1,589)
Use of Capital Receipts	(3,039)	(3,039)	-	-	-	-	-
Other Income	-	(834)	(834)	-	(834)	(834)	-
Spending Controls Freeze	-	(1,295)	(1,295)	-	(1,295)	(1,325)	30
Total Budget Requirement	164,804	165,971	1,167	(2,815)	(1,648)	-	(1,648)
Contribution to 2019/20 budget	-	1,648	1,648	-	1,648	-	1,648
Total Budget Requirement after one-off contribution to 2019/20 budget	164,804	167,619	2,815	(2,815)	-	-	-

RESOURCES AND COMMERCIAL

Table 2: Resources & Commercial Variance

Quarter 3 Variance £000	Quarter 2 Variance	Movement between Quarter 3 and Quarter 2
(250)	12	(262)

- 2.3 At Quarter 3, Resources Directorate is forecasting an under spend of (£0.250m) for the 2017/18 financial year.
- 2.4 The net movement of (£0.262m) in Q3 from the overspend position of £12k in Q2 relates mainly to the Legal and Governance division reporting an increase in externally generated income of (£0.139m) and the Finance division reporting (£0.137m) decreased costs primarily as a result of reduction in insurance premiums. The net balance of £0.013m relates to minor variances within the directorate.

COMMUNITY DIRECTORATE

Table 3: Community Variance

	Quarter 3 Variance	Quarter 2 variance	Movement between Quarter 3 and Quarter 2
	£'000	£'000	£'000
Commissioning & Commercial Services	0	0	0
Environment & Culture	522	428	94
Directorate Management	0	0	0
Housing General Fund	300	0	300
Total	822	428	394

2.5 At Quarter 3, the Community Directorate is reporting an overspend of £0.822m.

- Waste services over spend of **£0.250m** on agency staffing costs as a result of cover for sickness absence. A fixed term dedicated HR resource is being used to tackle the level of sickness. One of the key areas also being reviewed is the current level of agency staff deployed. There is a national shortage of LGV drivers and recruiting to the posts is difficult. Recruitments to the vacant driver and loader posts are underway.
- Clean & Green team over spend of **£0.130m** on agency staffing costs.
- Additional costs of **£0.149m** were incurred to provide interim cover and project management support during the restructuring process in Environment & Culture division.
- Estimated counsel costs of **£0.050m** for a legal case relating to food safety which involved a manslaughter charge against a defendant.
- Housing General Fund forecasts a pressure of **£0.300m** due mainly to unachievable B&B savings of £0.445m and £0.068m for the first 100 Homes and the subsequent 50 Homes of the Property Acquisition Programme. This has been partially offset by a favorable variation in the net rents from the first 100 Homes of £0.213m.
- These overspends have been partly offset by an increase in income of (**£0.100m**) mainly in relation to Parks & cemeteries.

- 2.6 The adverse variance of £0.394m is due to the additional £0.050m legal cost and unachievable savings for the Property Acquisition Programme as detailed above.

PEOPLE'S DIRECTORATE

Table 4: People's Directorate Variance

	Quarter 3 Variance	Quarter 2 Variance	Movement between Quarter 3 and Quarter 2
	£'000	£'000	£'000
Adults	439	439	-
Public Health	-	-	-
Children	2,780	3,001	(221)
Total	3,219	3,440	(221)

- 2.7 At Quarter 3 the People's Directorate is forecasting an over spend of £3.219m, this forecast includes assumed draw down from reserves of (£0.822m) as set out in appendix 3. The directorate's forecast represents a favourable movement of (£0.221m) when compared with Quarter 2.

ADULT SERVICES

- 2.8 Adults Services are reporting an overspend of £0.439m (an overspend of £4.9m before identified mitigation including use of the Adult Social Care grant) which is in line with the Quarter 2 forecast. The headline pressure within Adult services is detailed as follows:
- The forecast outturn position indicates continuing pressures (over and above the allocation of the £4.6m MTFS growth which mitigated underlying pressures brought forward from 2016/17) and relates largely to increasing purchasing pressures (including the all age disability service) and delivery of MTFS savings. However these are expected to be partially mitigated by action plans and use of the ASC grant as detailed above.
 - Whilst the service received MTFS growth, together with the announcement of the Improved Better Care Fund funding, the front line demand led services continue to face cost pressures in relation to the provision of services, arising largely from increasing complexities and also the interface with health.
 - Within Adult Social Care, purchasing pressures forecast an underlying overspend of £2.9m (including costs associated with Children and Young Adults with Disabilities), together with an overspend of £0.345m in relation to Mental Health services managed by Central and North West London (CNWL) under s75 arrangements. These pressures continue to reflect

increasing complexities and increases in the discharges from hospital into adult social care.

- The Better Care Fund (BCF) has been agreed for 2017/18, with the funding in relation to the protection of social care (a BCF condition) reduced from the budgeted figure of £6.558m down to £6.106m by the Clinical Commission Group. This reduction has been mitigated by the Adult Social Care (ASC) grant.
- Within internally provided services there are underlying pressures in the region of £1.025m. These pressures arise from delays (including those associated with planning and building related issues) associated with the achievement of MTFS savings, including £0.900m in relation to the Sancroft Phoenix project. These pressures are expected to be partially mitigated.
- The ASC grant of £3.6m is fully committed and will mitigate purchasing pressures (including funding the agreed inflationary uplift), shortfall in delivering the MTFS savings in relation to Sancroft and the reduced contribution from health in relation to the protection of social care within the Better Care Fund.

PUBLIC HEALTH

- 2.9 Overall the 2017/18 forecast outturn position for Public Health is a balanced budget, after the one-off contribution towards the Spending Control Freeze. This balanced position assumes that the statutory provision in relation to demand led sexual health services will be within budget. The new 5 year integrated contract with London North West Hospitals Trust (LNWHT) commenced on 1st August 2017. As a result activity is now charged based on the type of services provided (rather than a price for a first or follow up attendance) and data is awaited in relation to this activity to enable trends to be established and a robust forecast provided.

CHILDREN'S SERVICES

Table 5: Children's Variance

Quarter 3 Variance	Quarter 2 Variance	Movement between Quarter 3 and Quarter2
£'000	£'000	£'000
2,780	3,001	(221)

- 2.10 As at Quarter 3 the headline pressure for the division is £3.676m which reduces to a net forecast overspend of £2.780m after the use of one off management actions totalling (£0.529m) and draw down from reserve for redundancy costs of (£0.367m). This represents a reduction in overspend of (£0.221m) from the position reported at Quarter 2. The main reductions are:-

- **£0.183k Reduction in children's placements spend** as a result of planned actions. In particular there have been significant reductions to the numbers of children in residential, external fostering and semi-independent placements.
- **£67k Anticipated reduced requirement for secure placements** as this budget is demand led and there are now only 3 months of the financial year remaining.
- **£161k Additional income for Asylum seekers** Following confirmation by the Home Office and verification of eligible cases. The above reductions are partially offset by
- **£100k Additional pressure in legal costs** - This increase results from an increase in the number and complexity of care proceedings including judicial reviews for age assessments.
- **£45k Increased advisor capacity** required to support the resolution of the Schools Expansion Programme dispute.
- **£30k additional staffing costs** in relation to the Indian Social Worker recruitment linked to changes in Government regulations
- **£0.015k Other small increases across the directorate.**

2.11 The headline pressures of £3.309m before one off management action of £0.529m are as follows:

- **Children's Placements and Accommodation £2.211m overspend** - There is an overall reduction of £0.411m from the overspend reported at Quarter 2. As part of the service's planned actions, there has been reductions of 2 children in residential placements, 2 in mother and baby placements and 3 in semi-independent placements since quarter 2.
- **Children and Young People's Service Frontline Teams £0.441m overspend** -as a result of agency staff covering vacant posts, sickness and maternity together with 'as and when' required staff carrying out supervised contact. In addition to this there is a one off cost for overseas social worker recruitment estimated at £0.080m and anticipated pressures of £0.150m relating to IT & mobile phone equipment
- Agency costs continue to be reduced during the remainder of the year with the continued arrival of social workers from India, and the permanent recruitment of social workers who complete the front-line and step-up programmes. A total of 11 social workers have already arrived from India. A further 5 are anticipated to arrive in February 2018 which would further reduce costs.
- **Families with No Recourse to Public Funds £0.074m overspend** - These are families being supported by the Council because they have no recourse to public funds (NRPF). The welfare reforms, along with stricter enforcement of Asylum

Legislation are the main causal factors for this demand, which is unpredictable in terms of volume and costs. The exit routes for ceasing funding are dependent on variable factors, many of which cannot be controlled by the Council. 1.5 FTE bespoke workers have been recruited to focus specifically on these families to help reduce costs and mitigate the financial pressures on this budget. These workers are currently supporting 20 cases, 12 cases have been successfully closed since April 2017.

- A premium service from the Home Office involving the co-location of an Immigration & Enforcement Officer for 3 days per week is in place. This will fast-track all asylum related processes and background checks. This post started in July. A number of asylum seeking young people have already moved on to the National Asylum Seeking Service as a direct result of the work undertaken by this post holder. The screening processes around NRPF at the front door have prevented cases coming into the NRPF Service, reducing the need for on-going payments.
- **Departmental Legal Costs £0.203m overspend**
- **Signers and Interpreters Fees £0.090m overspend**
- **Capital Team £0.221m overspend** - There are anticipated costs for external legal services and external commercial and technical advice services in relation to continued efforts to close the accounts for School Expansion Programme phase 2 (SEP2).
- **Commissioning Team £0.030m overspend**
- **Harrow School Improvement Partnership £0.179m overspend.**
- **Other small underspend £0.010m.**
- **Early Support Service under spend £0.130m**
- These pressures are partially offset by one off management actions totalling (£0.529m).

2.12 DEDICATED SCHOOLS GRANT (DSG)

The total notified DSG budget at Q3 is £135.374m. This is a reduction from the figure reported at Q2 of £1.116m as a result of the conversion of Earlsmead school to academy status. The EFA therefore recoups the funds from the LA to delegate to the academy directly.

2.13 Early Years Block

In 2017/18 the initial Early Years Block is £15.046m. This will be adjusted to take account of the January 2018 census for participating 2, 3 & 4 year olds. The overall block is forecast to balance to budget. However there are a number of assumptions built into the forecast including take-up for the newly established SEN Inclusion Fund and

participation in the extension of the free entitlement for eligible 3&4 year olds from 15 hours to 30 hours from September.

2.14 High Needs Block

The High Needs Block budget is £30.979m and is currently forecasting to overspend by £0.045m. It is made up of a number of service areas covering staffing, funding to schools, academies, independent & non maintained school sector and further education institutes and is considered to cover educational provision for young people aged 0-25 years in line with the SEND reforms.

2.15 De-delegated and central budgets.

De-delegated and central budgets including Education Services Grant are forecast to balance to budget.

2.16 Growth Fund

The growth fund has been primarily established for Additional Class Funding for planned increases in Planned Admission Number (PAN) for the Primary Expansion Programme. In addition, funds have been added for expansion funding for schools extending the age range, in year bulge classes in the second year and funding for schools with varying rolls. At this time it is not anticipated that any additional bulge classes will be opened this financial year therefore these budgets have been released to cover an increase in NNDR costs due to revaluations of several schools in the schools expansion programme. Overall there is a balancing underspend of £0.045m to balance out the pressure on the HNB.

REGENERATION, ENTERPRISE AND PLANNING

- At Quarter 3, Regeneration, Enterprise & Planning are reporting a balanced budget which is consistent with Quarter 2 forecast.
- Regeneration activity, estimated at £0.818m, will be funded from the capacity already set aside.
- £5.247m [net] of Community Infrastructure Levy (CIL) and S106 money has been received at Quarter 3. The net unspent income will be transferred to CIL reserves at year end.
- Some salary and operating costs in Economic Development are assumed to be met from external funding, which is subject to a successful claim to ESF and the outcome of which will not be known until later part of the financial year.

HOUSING REVENUE ACCOUNT

Table 6: HRA Variance

Quarter 3 Variance £'000	Quarter 2 Variance £'000	Movement between Quarter 3 and Quarter 2 £'000
(870)	(837)	(33)

- 2.18 As at Quarter 3 there is a forecast capacity of (£0.870m) in the HRA, an improvement against quarter 2 of (£0.033m)
- 2.19 A summary of the HRA position is provided below which includes estimated balances
- Included in the forecast position of (£0.870m) is the £0.200m interest payments to the Department for Community and Local Government on retained Right to Buy receipts expected to be repaid to Government under terms of the retention agreement.
 - The costs of compulsory upgrade of IT systems have been reflected although additional pressures in this area are possible; an impact assessment is in progress.
 - Reforms of HRA and Welfare, including rent reduction, borrowing cap and high value voids levy from 2018/19 continue to present significant challenges which are being addressed by the Housing Management Team.

CORPORATE BUDGETS

- 2.20 Corporate budgets are forecast to underspend by (£3.310m). This underspend includes unallocated inflation budgets, other contingencies and grants. The council has also received one off income of (£0.834m) after the budget was set in February 2017.

SPENDING CONTROL FREEZE

- 2.21 In Month 2, a balanced position was reported after proposing a £1.5m spending control and Spending Freeze contribution across the Directorates.
- 2.22 Further work was done on this proposal in Q2 and a total of (£1.325m) has been identified across the directorates as the amount that directorates are able to contribute towards the spending controls. At Q3 the (£1.325m) has now been revised down slightly to (£1.295m) due to budget pressure within the Housing division.
- 2.23 Table 8 below shows the breakdown of the (£1.295m) by directorate.

Table 7: Spending Control Freeze

Directorate	Contribution to Spending control Freeze
	£000
Spending control freeze included in the Budget Monitoring Report at period 2	1,499
Resources and Commercial	(475)
Community and Culture	(425)
Adult	(159)
Public Health	(161)
People Total	(320)
Planning and Enterprise	(75)
Total Directorates	(1,295)

CAPITAL FLEXIBILITY

- 2.24 Included in the forecast balanced position that is been reported at Quarter 3 is the use of £3.093m fund realised from assets disposal under the capital receipts flexibility (CRF) scheme that was introduced by the central government in 2016/17.

CONTINGENCIES AND RESERVES

- 2.25 The contingencies exist to cover unavoidable pressures together with other unforeseen items and spending pressures and to cover areas such as risk, health and safety, equality impacts and uncertainty.
- 2.26 The contingency for unforeseen items of £1.248m has been used in full for Pinner Wood School.
- 2.27 There are also a number of earmarked reserves for a variety of purposes as identified in table 8 below:

Table 8: Contingencies and Earmarked Reserves

	Budget Planning	Rapid Response	Standing up for those in need	IT Impl./Trans.	Commercialisation	TPIF	Carry Fwd	Business Risk	MTFS Implementation cost	CIL Harrow
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Balance at Start of Year April -17	2,000	75	800	678	405	2,534	2,336	2,109	2,857	6,133
Estimated total to be drawn down in 2017/18 as at Period 9	(1,000)				(405)	(943)	(2,336)		(799)	-4800
Estimated total to be applied in 17/18 and future years.		0	0	0		(1,364)		0		4,137
Available after commitment in 2017/18	1,000	75	800	678	0	227	0	2,109	2,058	5,470

MTFS IMPLEMENTATION TRACKER

- 2.28 The 2017/18 budget includes approved MTFS savings of £10.242m. The progress on implementation is summarised in table 9 below and shown in more detail in Appendix 2.
- 2.29 As at the end of Quarter 3, 13% of savings have already been banked (blue savings), 71% of savings (green and amber) are on track or partially achieved, with 16% of savings being declared as red. There are no changes to the savings tracker between Q3 and Q2.

Table 9: RAG Rating of 2017/18 Savings

	Resources	People	Community	Regeneration	Pan Organisation	Quarter 3	Quarter 2	Movement between Q3 and Q2	Percentage Split
	£000	£000	£000	£000	£000	£000	£000	£000	
Red	57	871	354	0	350	1,632	1,632	0	16%
Amber	195	914	944	100		2,153	2,153	0	21%
Green	1,282	1,128	2,718	47	0	5,175	5,175	0	50%
Blue	307	925	50	0	0	1,282	1,282	0	13%
Purple	0	0	0	0	0	0	0	0	0
Total	1,841	3,838	4,066	147	350	10,242	10,242	0	100%

Red	Agreed savings not achievable
Amber	Savings only partially achieved or risk remaining
Green	Achievement of savings on track
Blue	Savings achieved and banked

Debt Write-off

- 2.30 Cabinet is requested to write off debt of £138,125 in relation to three historic adult social care debts which are not considered recoverable and which have been fully provided for within the Adults bad debt provision.

- 2.31 These debts relate to the payment of care. In two of the cases, the debts were expected to be discharged through property transactions (these were complex cases including joint ownership and trusts). The third case related to the payment of benefits to a family member who was not responsible for care costs.
- 2.32 The service users died over the period 2011 to 2014. In recent years efforts have been made to recover these outstanding amounts, however given the age of the debt and the length of time which has passed since the service users death, these are no longer considered recoverable.

3. CAPITAL PROGRAMME

- 3.1 The 2017/18 capital programme agreed by Council in February 2017 totalled £143.863m. After allowing for agreed slippage of £76.691m from 2016/17 outturn and other approved amendments including the 25% reduction to Capital programme in Quarter 2, the programme now totals £198.231m at Quarter 3.
- 3.2 The forecast spend at Quarter 3 is £101.962m, 51% of the total capitals programme.
- 3.3 The forecast variance on the General Fund at Quarter 3 is a variance of (£77.113m) (47%) of which £38.767m is requested for slippage into 2018/19, and (£38.346m) can be removed from the Capital Programme.
- 3.4 The forecast variance on the Housing Revenue Account budget of £32.457m at Quarter 3 is an under spend of (£19.155m), of which £17.192m is requested for slippage into 2018/19 and (£1.964m) can be removed from the Capital Programme.
- 3.5 Tables 10 and 11 below summarise the capital forecast position and Appendix 4 shows the capital programme in more detail.

Table 10: Summary of Capital forecast by Directorate

Directorate	Original Programme	CFWD's	Virement	Other Adjustment (Additional)	External	LBH	TOTAL BUDGET	Forecast Spend	Forecast Variance	Slippage	Underspend after slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
PEOPLE	17,315	20,534	0	-4,441	14,892	18,515	33,407	23,462	-9,945	9,868	-77
<i>Adult</i>	7,450	891	0	-48	1,516	6,776	8,293	7,420	-873	796	-77
<i>Schools and Children</i>	9,865	19,643	0	-4,393	13,376	11,739	25,115	16,042	-9,072	9,072	0
COMMUNITY	55,231	4,837	-898	-10,766	8,171	40,233	48,403	35,244	-13,159	12,890	-269
<i>Environment and Commission</i>	33,675	-297	0	-11,202	5,148	17,028	22,176	17,964	-4,212	4,075	-137
<i>Housing</i>	19,080	3,948	0	369	1,680	21,717	23,397	14,450	-8,947	8,815	-131
<i>Culture</i>	2,476	1,186	-898	67	1,343	1,488	2,831	2,831	0	0	0
RESOURCES	9,949	23,589	898	-7,116	0	27,320	27,320	11,989	-15,331	15,331	0
REGENERATION	46,130	10,513	0	0	872	55,771	56,643	17,966	-38,677	677	-38,000
TOTAL GENERAL FUND	128,625	59,473	0	-22,324	23,935	141,839	165,774	88,661	-77,113	38,767	-38,346
TOTAL HRA	15,238	17,219	0	0	1,481	30,976	32,457	13,301	-19,155	17,192	-1,964
TOTAL GENERAL FUND & HRA	143,863	76,691	0	-22,324	25,416	172,815	198,231	101,962	-96,269	55,959	-40,310

Table 11 Analysis of Forecast Outturn Variance

Directorate	Outturn variance	Split of outturn variance by funding		Slippage	Slippage by funding		Underspend after slippage	Split of Underspend after slippage	
		Grant/sec106	LBH		Grant /Sec 106	LBH		Grant	LBH
		£'000	£'000		£'000	£'000		£'000	£'000
PEOPLE	-9,945	-1,931	-8,014	-9,868	-1,882	-7,986	-77	-49	-28
<i>Adult</i>	-873	-64	-809	-796	-15	-781	-77	-49	-28
<i>Schools and children</i>	-9,072	-1,867	-7,205	-9,072	-1,867	-7,205			0
COMMUNITY	-13,159	-100	-13,059	-12,890	0	-12,890	-269	-100	-169
<i>Environment and commissioning</i>	-4,213	-100	-4,113	-4,075	0	-4,075	-138	-100	-38
<i>Culture</i>	0	0		0	0	0	0	0	0
<i>Housing</i>	-8,946	0	-8,946	-8,815	0	-8,815	-131	0	-131
RESOURCES	-15,332	0	-15,332	-15,332	0	-15,332	0	0	0
REGENERATION	-38,677	-677	-38,000	-677	-677	0	-38,000	0	-38,000
TOTAL GENERAL FUND	-77,113	-2,708	-74,404	-38,767	-2,559	-36,208	-38,346	-149	-38,196
TOTAL HRA	-19,155	0	-19,155	-17,192	0	-17,192	-1,964	0	-1,964
TOTAL	-96,268	-2,708	-93,559	-55,959	-2,559	-53,400	-40,310	-149	-40,160

RESOURCES DIRECTORATE

3.6 As at Quarter 3 the Resources Directorate is forecasting overall spend of £11.989m, which is 44% of the approved £27.320m capital budget in 2017/18. The forecast variance totals (£15.331m) which will all be slipped to 2018/19. The main items of slippage and underspend are detailed as follows:

- Property Investment Portfolio – out of £9.598m budget one property was acquired in 2017/18, the remaining £4.694m will be slipped to next year whilst the search for another appropriate investment property continues. The revenue implication of this is that the 2018/19 MTFs saving could slip depending on when the final purchase takes place.
- Small Schemes (Council wide) – £6.630m, this budget is carried forward to next year and intended to be used as and when small priority schemes across the Council are identified in the future. There are no revenue implications of slipping this budget to 2019/19.
- ICT Transformation, Refreshment and Enhancement projects – out of £9.152m 2017/18 budget £3.262m will be carried forward to next year. This is required in 2018/19 to fund contractual milestones and commitments made for Middleware and to fund the digital platform replacement programme. There are no revenue implications of slipping this budget to 2018/19.
- SAP Financial Ledger programme – the slippage of £0.520m will be required in 2018/19 to fund BW upgrade, Portal and potential purchase of Winshuttle licences. There are no revenue implications on slipping this budget to 2018/19.
- The balance of £0.225m relates to minor slippages on other schemes.

COMMUNITY DIRECTORATE

3.7 As at Quarter 3 the forecast is £35.244m, 73% of the total budget.

3.8 The forecast variance is (£13.159m) of which £12.890m will be slipped to 2018/19 and £0.269m is no longer needed. The main items of slippage and underspend are detailed below:

Commissioning and Environment & Culture

3.9 At Quarter 3, the service is forecasting to spend £20.795m (83%) in 17/18, a budget slippage of (£4.075m) and an under spend of (£0.137m).

3.10 Depot Redevelopment is a 3 year project with a capital budget of £5.26m profiled in 17/18. Originally the phasing of the scheme was based around prioritising the movement of buses from the former

driving centre to allow for the redevelopment of that site to commence. To achieve this, the multi storey car-park (and associated demolition works of existing units) at the depot would have been required as part of the first phase of the scheme. As the pressure to free up the former driving centre has been removed, it has allowed the re-phasing of the depot scheme to simplify the programme and minimise disruption to site users. In light of this, the costs of the construction of the multi-storey car park and the demolition of existing offices to facilitate this are not anticipated until 18/19. It is therefore proposed that £3.35m of the budget is slipped to 18/19 leaving £1.91m in the 17/18 programme to cover the costs for this financial year. Revenue savings built into budget to cover the capital financing costs. These will be re-profiled in line with capital spend.

- 3.11 A capital budget of £0.725m is provided primarily for the replacement of the roof and roof lights at Vernon Lodge. The work is currently put on hold pending a decision on a wider project. Although the roof is coming to the end of its life, the building is currently watertight. Should this position change before a decision is taken on the wider project, the capital budget will be used to undertake targeted repairs to the roof to prevent water ingress into the building. It is forecast that £0.725m will be slipped to 18/19. There are no revenue impacts of slipping this budget to 2018/19.
- 3.12 The forecast underspend relates to Green Grid project (£0.038m) as part of the contribution to the council wide capital reduction exercise, and Local Implementation Plan (£0.099m). Projects classified as capital within 17/18 Local Implementation Plan have a total budget of £2.21m, which is fully funded by Transport for London. The latest budget in the capital programme has been overstated by £0.099m. There are no revenue impacts of slipping this budget to 2018/19.

Housing General Fund

- 3.13 At Quarter 3 the outturn forecast for Housing General Fund is £14.450m
- 3.14 The forecast variance is (£8.947m) of which £8.815m will be slipped to 2018/19 and £0.131m budget is no longer needed.
- 3.15 Budget of £8.815m is for the 50 additional properties under the property acquisition programme it is assumed that this budget will be slip to 2018/19. The implication of this is the non achievement of the associated B&B savings assumed in the MTFs which has been addressed through the MTFs re-refresh.
- 3.16 Empty Property Grants is expected to under spend £0.131m; this will result in fewer private rented dwellings becoming available to accommodate homeless households adversely impacting homelessness expenditure. EPG spend is restricted by availability of suitable properties and completion of works, together with delays in securing funding from private land lords.

PEOPLE

- 3.17 At Quarter 3 the forecast spend is £23.462m, 70% of the 2017/18 People's directorate capital budget.
- 3.18 The forecast under variance of (£9.945m) which will be slipped to 2018/19 and £0.077m budget is no longer required.

ADULTS

- 3.19 At Quarter 3 the forecast spent is £7.420m this represents 89% of the approved capital programme.
- 3.20 The forecast variance is (£0.873m), of which £0.796m will be slipped to 2018/19, with £0.077m no longer required.
- 3.21 The secure NHS network connection (N3) under the Integrated Health Model Implementation project will slip £0.241m into 2018/19. This relates to improvement of business processes (not linked to MTFS savings).
- 3.22 Project Infinity anticipated spending £0.0130m by year-end 2017/2018, requiring £0.370m to be slipped into 2018-19 to fund further commercial and interface development. New funding of £0.100m is planned in 2018/2019 resulting in a total budget of £0.470m. The impact of this activity will maximise the commercial income potential and improve business processes and would allow, subject to relevant scrutiny in relation to on-going income streams, MTFS savings (taken out of the budget as a prudent measure to de-risk the financial position) to be reinstated.
- 3.23 Expenditure on the Mentis Pilot will not be required at the level originally anticipated for 2017/18. As a result, the unspent provision of £0.241m will be slipped into 2018/19 to fund any additional further capital works which may be considered necessary to support delivery of the MTFS savings of £0.184m. There will be no revenue implication as a result of the £0.241m budget that is been slipped to 2018/19. However following further analysis of the business case, the original MTFS proposal in 2018/19 to generate income from intermediate care beds is no longer considered achievable. Alternative plans are being developed to achieve this saving although it is not clear at this stage whether capital funding will be required.

SCHOOLS

- 3.24 The approved capital programme in 2017/18 for Children's Services totals £25.115m. The projected expenditure this year is £16.042m which represents 64% of the total capital budget.
- 3.25 **School Expansion Programme (SEP) 1 and 2 (including some SEN and Secondary)** - Keepmoat, the Council's Framework Partner was commissioned to deliver the majority of the Phase 1 (SEP1) and Phase 2 (SEP2) construction projects. The projects in SEP1 and SEP2 have reached Project Completion and the schools are occupying their new accommodation.

- 3.26 The Children's Capital Project Team is working to resolve a number of building defects with Keepmoat post completion. There are on-going contractual issues with Keepmoat and the council has appointed Legal and Commercial advisers to secure resolution. For the purposes of budget monitoring these programmes are forecast to budget but there is a risk to the capital programme that the final outturn is higher than the budget.
- 3.27 **SEP 3** - Following procurement processes, Arcadis were appointed as Technical Advisers and Willmott Dixon as the single supplier from the SCAPE framework for the SEP3 projects. The SCAPE framework is local authority owned and specialises in school construction. There are four school expansions over five school sites. Four of the projects are completed and the final scheme is scheduled to commence in February 2018. The majority of this project will therefore slip into 2018/19. In addition, Weald Rise is being rebuilt by the Priority Schools Building Programme (PSBP) and the LA is providing a top up to expand the school to 4 forms of entry.

Slippage

- 3.28 The total slippage is (£9.072m). Of this, £3.150m relates to funding set aside for secondary expansions. As reported to Cabinet in June 2017 the projections for Year 7 places continue to show a lower trajectory of increase than the 2015 projections. With the current number of places available there will be a shortfall of 4 to 5 forms of entry in 2022/23. This reduces to 3-5 forms of entry in 2027/28. However, at this time there are a higher number of Year 7 places than required which is resulting in vacancies being concentrated in a small number of schools. It is proposed to slip the funding to 2019/20 and ensure that the situation is monitored and that once there is greater clarity about changes on the borough boundaries that a local solution to meet the growing need is developed with the High Schools. There are no revenue implications from this slippage
- 3.29 SEP3 slippage totals £3.9m. This is the final project in SEP3 and relates to Welldon Park Junior School. Work is anticipated to start on site in February 2018 and completed by October/November 2018. The slippage does not impact on the school as the expanded year groups are still working through the infant school which is on a different site. There are no revenue implications from this slippage.
- 3.30 Special Educational Needs provision slippage totals £1.320m. Funding has been included in the capital programme to support additional in-borough SEN provision which is currently being reviewed and scoped. The outcome of the review will inform any decisions about future provision but will not be spent until 2018/19. There are no revenue implications from this slippage
- 3.31 The remainder of the slippage is for IT and funding for bulge classes which are not anticipated to be needed this financial year. There are no revenue implications from this slippage

REGENERATION

- 3.32 At Quarter 3, the forecast spent is £17.966m; this represents 32% of the £56.643m approved capital programme.
- 3.33 The forecast variance is (£38.677m) of which £0.677m will be slipped to 2018/19 and £38m is no longer needed.
- 3.34 The forecast variance of £38m that is no longer required is due to the revision of the Regeneration programme as detailed in the Capital Programme report elsewhere on the agenda. The £55.8m 2017/18 budget is forecast to spend £17.7m, with the revised regeneration programme being re phased over the periods 2018/19 to 2020/21 resulting in a reduction in the overall capital requirement.

Housing Revenue Account

- 3.35 At Quarter 3, outturn forecast for Housing Revenue Account is £13.301m resulting in forecast variance (£19.155m) of which £17.192m will be slipped into 2018/19 and £1.964m will be removed from the programme.
- 3.36 The HRA main planned investment programme is slipping £1.930m to 2018/19 and under spending by £1.964m. The implication of the £1.964m underspend is that some improvement schemes affecting Council tenants will be delayed although priority is given to mandatory Health & Safety works and statutory works; the slippage relates to contractually committed expenditure which will all be spent in 2018/19. As the expenditure is funded mainly from HRA capital reserves and not borrowing there is no revenue impact.
- 3.37 The remaining slippage of £15.261m relates to the Grange Farm Regeneration scheme £5.250m, and Infill New Build scheme £10.011m, arising from delays in planning and procurement. This will result in delays in providing new houses in Council's HRA to replace those lost through right to buys and delivery of regenerated Grange Farm Estate resulting in lower than expected net rental income.

AMENDMENTS TO THE CAPITAL PROGRAMME

Additions to the capital programme

- 3.38 The Headstone Manor restoration project is now complete and the capital element of the costs is forecast to overspend by £0.459m in 17/18, this is because additional works has been carried out. The level of spend is still within the overall funding envelope for the project. It is proposed that £0.317m budget be added to the capital programme

and £0.142m be brought forward from 2018/19 to 2017/18 capital programme. These are all externally funded.

- 3.39 The Council has successfully secured a capital grant of £0.025m from the GLA for the purchase of IT equipment to support the delivery of community learning and skills focused education. The grant is profiled as £0.015m in 17/18 and £0.010m in 18/19. Match funding from Harrow of £0.025m is to be provided for this project, via the external funding from Skills Funding Agency, that the Service obtains annually to meet its costs. It is therefore proposed that this new project is added to the current capital programme as follows:

Table 12: Addition to Capital programme

	2017/18			2018/19		
	Gross Value	External Funding	Net Value	Gross Value	External Funding	Net Value
Mobile technology in Community Learning	30,000	-30,000	0	20,000	-20,000	0

Re-profile to the Capital Programme

- 3.40 A total CIL funding of £4.8m is allocated to Highway Programme over 2 years in the capital programme. The projects have been included in the programme of work and are well underway. It is proposed that the £2.4m originally set for 18/19 is re-profiled to 17/18 to allow additional highway infrastructure improvement works to be completed in this financial year.

4. CONCILIUM BUSINESS SERVICES

- 4.1 The Quarter 3 forecast currently shows that Concilium Business Services is close to target in achieving the business plan.

5. Legal Implications

- 5.1 Section 151 of the Local Government Act 1972 states that without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs”. Section 28 of the Local Government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.
- 5.2 Under the Council’s Financial Regulation B48 Additions in year to the Capital Programme up to £500,000 additional capital spending can be approved by Cabinet on specific projects where the expenditure is wholly covered by additional external sources; and the expenditure is in accordance with at least one of the priorities listed in the capital

programme; and there are no significant full year revenue budget effects. The additional capital spending agreed by Cabinet in one financial year cannot exceed £2.5million.

- 5.3 Debt write offs are covered under the Council's Financial Regulations D22 debts of more than £0.025m need Cabinet approval.

6. Equalities

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

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

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

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

- 2.5 Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

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

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

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

- 6.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons

who do not share it involves having due regard, in particular, to the need to:

- a) Tackle prejudice, and
- b) Promote understanding.

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

- a) Age
- b) Disability
- c) Gender reassignment
- d) Pregnancy and maternity
- e) Race
- f) Religion or belief
- g) Sex
- h) Sexual orientation
- i) Marriage and Civil partnership

6.7 A full equalities impact assessment was completed on the 2017/18 budget when the budget was set by Full Council. Equalities implications are taken into account by individual directorates whilst running services and making decisions to vire money. A full equality impact assessment will be completed on the budget for 2018/19.

7. Financial Implications

Financial matters are integral to the report.

8. Performance Issues

Good financial performance is essential to achieving a balanced budget. The financial performance is integrated with the strategic performance of the Council through quarterly Directorate Improvement Boards which consider the financial position alongside performance including key projects, service KPIs (including customer data and complaints) and workforce. Monitoring of finance and performance is reported regularly to the Corporate Strategic Board and Cabinet and is also considered by the Council's Performance and Finance Scrutiny Sub-Committee.

The Revenue forecast position at Quarter 3 is a balanced position.

For the 2017/18 savings built into the MTFs, the overall position as at Q3 is that 13% of the savings are RAG rated as blue (achieved and banked), 50% green (achievement of saving on track), 21% amber (saving only partially achieved or risks remaining) and 16% red (agreed saving not achievable).

The Capital Programme is projecting a spend of 51% as at quarter 3.

9. Risk Management Implications

The risks to the Council and how they are being managed are set out in the report.

Risks are included on the Directorate risk registers

10. Council Priorities

The Council's vision is:

Working Together to Make a Difference for Harrow

The Council's priorities are:

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

This report deals with Revenue and Capital monitoring which is key to delivering the infrastructure to deliver the Council's priorities.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 5 February 2018		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 19 January 2018		

Ward Councillors notified:	NO, as it impacts on all Wards
EqIA carried out:	NO
EqIA cleared by:	Not applicable

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels (sharon.daniels@harrow.gov.uk),
Deputy Section151 officer Tel: 020 8424 1332

Background Papers: [..\..\..\BUDGET\Budget 2017-18\February Cabinet\Final report\Final Report Appendices for Daksha\V4 Final Budget Report 070217.doc](#)
[G:\1 Public\Capital programme\2017-18 to 2019-20\February Cabinet\Final February Cabinet\Final version Capital Programme Feb 2017 Cabinet.docx](#)
[G:\1 Public\Capital programme\2017-18 to 2019-20\February Cabinet\Final February Cabinet\Appendix 1 - 16.17 Capital Programme restated V4 18.01.17.xlsx](#)

Call-In Waived by the Chairman of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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Revenue Summary

Appendix 1

	Revised Budget	Outturn	Quarter 3 Variance	Drawdown From Reserve	Quarter 3 Variance	Quarter 2 Variance	Budget Movement between Q3 and Q2
	£000	£000	£000	£000	£000	£000	
Resources							
Controllable Budget							
Customer Services	23,611	23,473	● (138)		(138)	(221)	83
Business Support	3,597	3,604	● 7		7	17	(10)
Director of Resources	1,270	1,264	● (6)		(6)	(1)	(5)
Assurance	558	557	● (1)		(1)	14	(15)
HRD & Shared Services	1,068	1,102	● 34		34	73	(39)
Procurement & Commercial	322	393	● 71		71	81	(10)
Legal & Governance	2,390	2,333	● (57)		(57)	81	(138)
Strategic Commissioning	2,166	2,558	● 392	● (409)	(17)	(26)	9
Finance	3,157	3,014	● (143)	● 0	(143)	(6)	(137)
Contribution to spending Freez			● 0		0	0	0
Total Controllable Budget	38,139	38,298	159	(409)	(250)	12	(262)
Uncontrollable Budget	(15,115)	(15,115)	● 0		0	0	0
Total Directorate Budget	23,024	23,183	159	(409)	(250)	12	(262)
Community							
Controllable Budget							
Commissioning & Corporate Estate	(3,410)	(3,089)	● 321	(321)	0	0	0
Environment & Culture	20,900	21,757	● 857	(335)	522	428	94
Directorate Management	179	179	● 0		0	0	0
Housing General Fund	4,476	4,776	● 300		300	0	300
Total Controllable Budget	22,145	23,623	1,478	(656)	822	428	394
Uncontrollable Budget	14,491	14,491	● 0		0	0	0
Total Directorate Budget	36,636	38,114	1,478	(656)	822	428	394
People							
Controllable Budget							
Adult Services	58,085	58,979	● 894	(455)	439	439	0
Public Health	476	476	● 0		0	0	0
Children & Families	29,192	32,868	● 3,676	(367)	3,309	3,177	132
Management control		(529)	● (529)		(529)	(176)	(353)
Total Controllable Budget	87,753	91,794	4,041	(822)	3,219	3,440	(221)
Uncontrollable Budget	15,810	15,810	● 0		0	0	0
Total Directorate Budget	103,563	107,604	4,041	(822)	3,219	3,440	(221)
Regeneration							
Economic Development & Research	613	693	● 80	(80)	0	0	0
Planning	384	414	● 30	(30)	0	0	0
Regeneration Programme	(350)	468	● 818	(818)	0	0	0
Sec 106		0	● 0		0	0	0
Total Controllable Budget	647	1,575	928	(928)	0	0	0
Uncontrollable Budget	1,083	1,083	● 0		0	0	0
Total Directorate Budget	1,730	2,658	928	(928)	0	0	0
Total Directorate Budgets	164,953	171,559	6,606	(2,815)	3,791	3,880	(89)
Corporate Items Including Levies	5,610	5,610	● 0		0	0	0
Corporate Contingency	1,248	1,248	● 0		0	0	0
Reserves and Provisions Including Other Grants	(3,968)	(7,278)	● (3,310)		(3,310)	(1,721)	(1,589)
Use of Capital Receipts	(3,039)	(3,039)	● 0		0	0	0
Other Income		(834)	● (834)	● 0	(834)	(834)	0
Spending Controls Freez		(1,295)	● (1,295)		(1,295)	(1,325)	30
Total Budget Requirement	164,804	165,971	1,167	(2,815)	(1,648)	0	(1,648)
Contribution to 2019/20 budget		1,648	1,648	0	1,648	0	
Total Budget Requirement after one-off contribution to 2019/20 budget	164,804	167,619	2,815	(2,815)	0	0	(1,648)

2017-18 MTFs Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFs	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
Resources									
							-		
RES_01	Customer Services and IT	Increase Helpline Income Developing a robust multi-channel marketing plan to build the brand and promote the Helpline service to generated additional income through the existing service.		80	100	100	280	Green	Achievement of savings on track
RES_13	Customer Services and IT	Technology and Transformation Services Reduce level of support on SAP.		64	-	-	64	Blue	Savings achieved and banked
RES_CS06	Customer Services and IT	Assumed savings from the completion of the roll out of universal credit and the opportunity this provides to simplify the CTS scheme.			300		300	Purple	Saving reversed during the 2018/19 budget process
RES_14	Procurement / HR	Early re-procurement of Agency Staff Contract		150			150	Amber	This amount will flow through to Harrow 18 months after commencement date. The estimated £130K income from Yorkshire Procurement Organisation will therefore need to be raised as an outstanding asset as at 31/3/18.
RES_15	Procurement / HR	Re-procurement of Occupational Health contract delivering an overall cheaper pricing model on the service.		24			24	Blue	Savings achieved and banked
RES_HR01	HR	Shared HR Service with Buckinghamshire County Council - Business Case Under Development		140	110		250	Blue	Savings achieved and banked
RES_HR03	HR	Organisational Development - Review existing shared OD service provision		155			155	Blue	Savings achieved and banked
RES_CP01	Commercial, Contracts & Procurement	Selling services through shared procurement arrangements.		(19)	29	0	10	Green	See below
RES15	Procurement	Restructuring of the Commercial, Contracts and Procurement Division's function.		201	151		352	Green	2017/18 target has been delivered. New Divisional Director has been apprised of savings target of £180K.
RES_16	Strategic Commissioning	VCS funding - This saving reduces community grants and transfer funding from the emergency relief fund, to support the information and advice strategy as the December cabinet report.		110	57	50	217	Green	Savings on track for delivery.
RES_17a	Strategic Commissioning	Member Development Reducing the frequency in spend of the member development budget.		26	-		26	Blue	Savings achieved and banked
RES_SC01	Strategic Commissioning	Income from Communications Through Gain Share Model		25	13		38	Amber	Plans being brought together to make sure that 2018/19 savings target is achieved..
RES_SC02	Strategic Commissioning	Additional Income from Communications Provider and Further Savings			107		107	Purple	Future year, still in development.
RES_SC03	Strategic Commissioning	Alternative Funding of domestic violence budget		21	61		82	Green	External funding secured for 2017/18 and 2018/19.
RES_SC04	Strategic Commissioning	Proposed savings in Health watch Funding			50		50	Purple	Future year, still in development.
RES_SC05	Strategic Commissioning	SIMS Team Contribution to Overheads and Additional Income		20	20		40	Amber	Income on-track on the basis of last years' performance. However, schools budgets are being put under more pressure so this is not guaranteed at this stage. Exploring joint marketing opportunities with Bucks CC.
RES_SC06	Strategic Commissioning	Commissioning Capacity in the Council		10	50		60	Blue	Savings achieved and banked

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
RES16	Strategic Commissioning	Retender of the Communications Service to take account of reductions in spend phased in the following way: 2015/16 - 20% reduction, 2016/17 - 10% reduction, 2017/18 - 10% reduction.		57			57	Red	The saving has not been delivered and it was removed from the budget during the 2018/19 budget process. However, for the current year the Division will deliver the required saving within its overall budget
RES_10	Legal	Political Office Support Councillors are supported by a variety of administrative arrangements. The proposal reduces the amount allocated to each member /group office.		100			100	Blue	Savings achieved and banked
RES_LG04	Legal & Governance	Expansion of the Legal Practice		210	210		420	Green	Achievement of savings on track
RES12	Legal & Dem Services	Reduction in Legal cost, in the initial instance by growing the business		144	144		288	Green	Achievement of savings on track
RES 18	Finance	Finance - 'Insurance Savings from re-tendering of Insurance contract.		50			50	Green	Achievement of savings on track
RES_F02	Finance & Assurance	Improved Treasury investment return from increased Risk appetite (Primarily lending for longer and to institutions with lower credit ratings)		595	625		1,220	Blue	Savings achieved and banked
RES_F03b	Finance & Assurance	Audit and Fraud - deletion of Fraud Investigation Officer post		15			15	Green	Achievement of savings on track
RES_F04	Finance & Assurance	Investment Portfolio		350	350		700	Green	Achievement of savings on track
		Total Resources excluding Business Support		2,528	2,377	150	5,055		
Business Support							£0		
BSS_02	Business Support	PA Support The creation of a new Central PA Hub to support the Chief Executive, Corporate Directors and Directors offering a fixed catalogue of services.		100			100	Green	Achievement of savings on track
BSS_07	Business Support	Community Hub A reorganisation of the Community hub will re-allocate a prioritised workload over a smaller team.		20			20	Green	Achievement of 2017/18 savings on track but 2018/19 likely to be delayed.
		Total Business Support		120	-	-	120		
		sub - Resources Total		2,648	2,377	150	5,175		
BSS 01	BSS	Reversal of saving - 'A thorough review of Business Support has been undertaken in the last year, as a result of which over £1m of savings have been identified that are being delivered. However it has been decided that further reduction in these areas are not appropriate, and therefore savings proposed in previous budgets will not be progressed and need to be reversed. This is reversing the 2017/18 and 2018/19 savings.		(557)			(557)	Blue	Savings Reversed in17/18
RES_LG05	Legal & Governance	Delayed implementation of land charges transfer of service		(250)	(250)		(500)	Blue	Growth
		Resources Total		1,841	2,127	150	4,118		
People Services									
Adults									
PA_01	Adults	Voluntary Sector - cessation of all services other than those required under the Care Act. There is a separate cabinet report to the December 2016 cabinet in respect of this saving.		420			420	Amber	Shortfall of £35k, following consultation delay, will be mitigated by Adult Social Care grant.

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
PA_03	Adults	Commissioning - Cessation of Adults commissioning function (2.6FTE) from People's commissioning team resulting in spot purchasing only, and limited strategic commissioning for the Adult's services.		187			187	Red	Saving will not be achieved in 2017-18 due to a delay in implementation. Staff are not expected to leave until October. Residual staffing costs amount to £103k and redundancy and pension strain costs amount to £218k. Full saving will be achieved in 2018-19.
PA_04	Adults	Management - further reduction in strategic management function, reducing by 1FTE (Head of Service) from 4FTE down to 3FTE i.e.; DASS plus 2 Heads of Service		127			127	Blue	Post vacant since July 2016
PA_05	Adults	Contracts & Admin - in line with the voluntary sector proposals and move to personalisation model, the function of this team (4FTE) will be deleted. Any residual duties will be accommodated within already stretched social work teams.		161			161	Blue	Post holders left the Council's employment February 2017.
PA_06	Adults	Reduce Safeguarding Quality Assurance Team - Deletion of 2 FTE – reduction in ability to visit all 750 Community Providers and over 300 Care Homes in the year and respond to safeguarding alerts.		112			112	Blue	Vacant posts, previously covered by agency staff, now deleted
PA_08	Adults	Reduce Occupational Therapy Team - Deletion of 4FTE – will increase the current 6 month waiting list with more vulnerable people delayed in hospital, and an increased number of vulnerable people placed unnecessarily in costly residential and nursing units		113			113	Blue	Vacant posts, previously covered by agency staff, now deleted
PA_3	Adults	Wiseworks - commercialisation opportunities and to be self financing by end of MTFS period		69	56		125	Amber	Risk that additional commercial income may not be achieved
PA_4	Adults	Milmans Community tender		175	184		359	Amber	£78k Achieved. £97k is being mitigated via budget realignments within Adults Services.
PA_6A	Adults	Vaughan NRC - service review to identify efficiencies in supporting the most complex		100			100	Green	On target to be achieved
PA_9	Adults	Sanicroft - contract management and service renegotiation		334			334	Red	Superseded by local authority traded service operating from Sanicroft under project Phoenix. Expected to deliver £640k in a full year (after capital financing costs) and will increase with any dividend (after company expenses). Shortfall in 2017/18 (representing part year commencement) is assumed to be mitigated by ASC grant.
PA_10A	Adults	Transport - review transport provision		200	350		550	Red	Saving will not be achieved in 2017/18 as efficiencies planned against routes are unlikely to be achieved. The pressure will be mitigated through base budget realignment. Future year budget savings reversed as a consequence.
PA_11A	Adults	MOW/Catering Service - review of service		65			65	Blue	Savings achieved and banked
PA_14	Adults	Shared Lives - commercialisation through selling model to neighbouring boroughs.		150			150	Red	Saving will not be achieved in 2017-18 as target commercial income is unlikely to be achieved. Pressure is to be mitigated through base budget re-alignment.

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
PA_15	Adults	Bedford House / Roxborough Park - review provision within Bedford House. £650k less £400k reversed as part of 17.18 Budge setting.		250			250	Amber	Shortfall due to building planning and procurement requirements and processes (after assuming redundancy costs funded centrally) which will be mitigated through wider variations.
PA_16	Adults	7 Kenton Road - review provision through supporting living and shared lives		228			228	Green	CQC de-registration confirmed, on target to be achieved
PA_26	Adults	My Community ePurse - commercialisation of My Community ePurse - Rephased.			1,000	600	1,600	Purple	Savings reversed as part of 2018/19 MTFS
PA_27	Adults	Re-phasing - add in new phasing			998	1,250	2,248	Purple	Savings reversed as part of 2018/19 MTFS
PA_28	Adults	Community Wrap - explore new commercialisation opportunities			640		640	Purple	Savings reversed as part of 2018/19 MTFS
PA_29B	Adults	Total Community ePurse - explore new commercialisation opportunities				2,250	2,250	Purple	Savings reversed as part of 2018/19 MTFS
		Total Adult		2,691	3,228	4,100	10,019		
Childrens									
PC_S05	Education Services	Virtual School Transfer funding for 1fte PEP Co-ordinator and 0.88fte Education Welfare Officer to external grant funding	-	90			90	Green	Saving is being closely monitored throughout the financial year.
PC_S06	Children & Young People	Children & Young People Services Additional Savings Reduction 1.3fte posts and cessation of procurement contract	-	165			165	Green	The savings are currently on track to be delivered as related contractual and staffing spend has ceased. The £20k reduction in relation to the Local Safeguarding Children's Board is being delivered by a reduction to the Council's contribution to the learning review and serious case review.
PC12	Children & Young People	Review of posts in Quality Assurance & Improvement Service			223		223	Purple	Savings partly reversed as part if 2018/19 MTFS
PC13	Children & Young People	Early Intervention & Youth Development Integration and restructure of childrens centres, early intervention and youth development service		266			266	Green	Saving is currently on track to be achieved. There are some residual costs relating to staff whose redundancies are taking place between April and August 2017 which are being offset by holding a number of posts vacant in year.
PC14	Children & Young People	Review of Adoption Contract			86		86	Purple	Savings reversed as part of 2018/19 MTFS
PC15	Children & Young People	Review of posts in MASH			100		100	Purple	Future year, still in development.
PC16	Children & Young People	Review of posts in Family Information Service			61		61	Purple	Savings reversed as part of 2018/19 MTFS
PC17	Children & Young People	Review of posts in Access to Resources			57		57	Purple	Savings reversed as part of 2018/19 MTFS
PC19	Children & Young People	Review of Leaving Care, Children Looked After & Unaccompanied Asylum Seeking Children Teams			173		173	Purple	Savings reversed as part of 2018/19 MTFS
PC24	Education & Commissioning	Enhancing Achievement within Education Strategy Post should be 75% funded by grant management fees from April 2016, post holder redundant from August 2016		8			8	Blue	Post holder left in August 2016 and post deleted from costed establishment.
PC28	Cross Service	Non-pay inflation		150	150	150	450	Blue	Funding retained centrally and therefore not included in 2017/18 budgets.

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
PC33	Special Needs Service	Review of Special Educational Needs Transport		257			257	Blue	Saving reversed through growth - see PC 33 below.
PC36	Children & Young People	Review of posts in Quality Assurance & Service Improvement.			248		248	Purple	Savings reversed as part of 2018/19 MTFS
PC38	Children & Young People	Review of Children Looked After & Placements Service.			1,000		1,000	Purple	Savings reversed as part of 2018/19 MTFS
PC42	Special Needs Service	Review of Special Needs Service £1,164m ('Reversal of Savings - Special Educational Needs Placements In respect of PC41 approved February 2016. New funding regulations mean there will no longer be flexibility to further charge these costs to grant £651k)			513		513	Purple	Savings of £413k is reversed as part of 2018/19 MTFS
Total Childrens Services				936	2,611	150	3,697		
PC33	Special Needs Service			(514)			(514)	Blue	Reversal of saving. See PC 33 above
				422	2,611	150	3,183		
Public Health									
PH	PH	Reduction in wider health improvement function.	-	107			107	Blue	Savings acheived and banked
PH	PH	Reversal of Public Health wide growth to deal with small projects.	-	60			60	Blue	Savings acheived and banked
PH_01	PH	Wider Health Improvement - bring forward approved 2018/19 savings in relation to wider determinants of health to 2017/18. Warmer Homes £50k retained until 2018/19.		96	(96)		-	Green	On target to be achieved
PH_02	PH	Wider Health Improvement - breast feeding - saving scheduled for 2018/19 to allow service to develop alternative model.			65		65	Purple	Future year savings will be achieved as part of the 0-19 reprocurement.
PH_3	PH	Contract Efficiencies within Health Visiting contract		105			105	Green	On target to be achieved
PH_5	PH	Tobacco Control & Smoking Cessation - reduction of service		279			279	Blue	Post holders left the Council's employment March 2017.
PH_9	PH	Health intelligence & Knowledge - reduction in staff costs		48			48	Green	On target to be achieved
PH_10	PH	Staffing & Support - reduction in budget & deletion of additional procurement support		30			30	Green	On target to be achieved
PH_11	PH	Drug and Alcohol - reduction in service (contract related costs. Employee costs included in PH_12)			1,500		1,500	Purple	£1m of this has been reserved out as part of 18/19 MTFS, balance of £0.5m on target to be achieved.
PH_12	PH	Reduction to service - staffing reductions			795		795	Purple	Future year, on target to be achieved.
Total Public Health				725	2,264	-	2,989		
People Total				3,838	8,103	4,250	16,191		
Community									
Community and Culture									

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
COM_S01	Commissioning & Commercial	Commercial projects under Project Phoenix - The Revenue Maximisation business case has identified commercial opportunities in parking, waste services, events, advertising and increased rental income. Implementation Costs: Projects will start during 16/17, and it is anticipated that implementation costs can be met from income raised in 16/17 achieving a break-even position.	1,640	520			520	Green	The projects under Revenue Maximisation business case are being implemented. On track of delivering the saving target this year.
COM	Commissioning & Commercial	Income from expansion of Central Depot		68	239	246	553	Green	Although new income streams can only be expected following the completion of depot redevelopment, the saving target allocated this year will be met from central depot leases already negotiated.
COM_S04	Environment & Culture	Sports & Physical Activity - 2 options: either cease all activities or seek alternative funding to meet the costs including the use of S106 funding and/or funding the post by working together with other funding partners.	-	48			48	Green	100% of salary of Sports Development Co-ordinator post in 2017-18 to be assigned to S106 Bannister Sports Centre funding for project support for delivery of the improvements.
COM_S13	Commissioning & Commercial	Additional cost recovery in Network Management - Additional cost recovery from street works by having better use of traffic orders to manage street works	30	50			50	Green	On track to be achieved.
COM_S08	Environment & Culture	Phase 2 of Environment & Culture Review - Regulatory Services Review of Enforcement functions across the Division and the Council. Revised approach to prioritise commercial / cost recovery generating work and health and safety issues and to undertake all other services at minimum standards meeting the minimum level of Food Standards Agency and other regimes.	320		200		200	Purple	Future year saving in development
COM_S12	Environment & Culture	Route Optimisation on food waste collection	-	-	150		150	Purple	Future year saving has been re-profiled as part of the 2018/19 MTFS
COM_S11	All	Reduce staff training, stationery and conference budgets across the directorate	-	68			68	Green	Achieved. In year one off savings offered in 16-17 now become reductions on an on-going basis.
COM_S10	Commissioning & Commercial Division	Neighbourhood Investment Scheme (NIS) - cease funding. This is already an agreed MTFS saving for 18/19. This proposal is to bring forward the saving to 17/18.	210	210	(210)		-	Green	No programmed NIS expenditure in 17/18.
CE_5	Directorate Wide	Reduction of supplies & services budget		50	50		100	Blue	Savings achieved and banked
CE_8	ESD - Technical Services	Staff efficiency once Towards Excellence fully embedded - Deletion of 2 posts.		34	34		68	Green	This is achieved as part of division-wide restructure due to be completed in 17/18.

2017-18 MTFs Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFs	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
CE_9	ESD - Public Protection	Efficiencies arising from Selective Licensing - Through full cost recovery and reduction in failure demand.		35			35	Amber	The target set for Selective Licensing was ambitious and is reliant on other Wards coming on board. South Harrow will be consulted on which should address this but staffing resources remain tight (being reviewed as part of an enforcement review)
CE_10.2	ESD - Management	Management savings Savings on a management post across the Environmental Service Delivery division.		75			75	Green	This is achieved as part of Phase 1 of the division-wide restructure. One Head of Service post is deleted.
E&E_18	Directorate wide	Staff efficiencies following the merger of the Business & Service Development and Commissioning Services Divisions - Delete one performance management officer post and a cemetery superintendent post as of 31 March 2015. In addition, further efficiencies to be achieved in Environmental Services Delivery and Commissioning Divisions in 17/18.		30	50		80	Green	This is achieved as part of division-wide restructure due to be completed in 17/18.
E&E_20	Directorate-wide	Contractual/commissioned/SLA savings - To seek maximum value in savings from existing contracts, Service Level Agreements and all services commissioned, from third parties by re-negotiating terms that will yield cashable savings. To secure on-going cashable benefits from gain share and third party income arrangements.		200			200	Green	Income from the shared Special Need Transport service with Brent and the Service Level Agreement with Barnet for the use of Central Depot will contribute towards achieving this saving target in 17/18.
CE_12	Commissioning Services	Project Phoenix - Commercialisation projects		0	1,525		1,525	Purple	The implementation of business cases approved to date will contribute towards the overall 3-year targets.
CE_14	Commissioning Services	Highways Services - revenue savings on utilities and maintenance costs due to acceleration of the Street Lighting replacement programme and extension of the variable lighting regime.		10			10	Green	Included in 17/18 budget, completed.
CE_15	Commissioning Services	Highways Services - Reduction in revenue budget for reactive maintenance due to accelerated capital investment from 2014/15.		20	20		40	Green	Included in 17/18 budget as a reduction against highways reactive maintenance, changes for 18/19 will be achieved in the same way. This is deliverable but the highways reactive maintenance budget will be severely reduced and require far greater capitalisation of minor works (where appropriate) in order to achieve service standards.
CE_16	Commissioning Services	Staff efficiencies in Parking and Network Teams - reduction in team leader and inspector posts. Staff consultation completed in June 15. The reduction in posts will be phased over the next 2 years to ensure minimal impact on service level.		80	20		100	Green	Restructure completed.
CE_17	Commissioning Services	General efficiencies across the Division (Policy, Community Engagement, Facilities Management and Contracts Management) - including capitalisation of senior contracts officer post, removal of some supplies & services budget.		9	80		89	Green	17/18 target achieved by reducing Supplies & Services budget

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
CE_18	Commissioning Services	Income Generation - Facilities Management Service Level Agreements (SLAs) and Energy SLAs to schools.		20	20		40	Green	Council services are being actively marketed to schools by Business & Commercial team. Additional SLAs from schools will achieve this year's target.
CE_19	Commissioning Services	Road safety officer post - externally funded by Transport for London (TfL)		40			40	Green	Income target realigned as part of the budget build process.
CE_20	Commissioning Services	Further contract efficiencies following the re-procurement of Facilities Management contract.		80			80	Green	To secure reduced costs through gain share mechanism on commercial opportunities / back office efficiencies.
E&E_01	Commissioning Services	Trading Standards - Further cost reduction in Trading Standards service by re-negotiating the Service Level Agreement with London Borough of Brent		40			40	Green	SLA is being re-negotiated with Brent. More collaborative approach of work to maximise Proceed Of Crime Act income.
E&E_05	Commissioning Services - Contract Mgt & Policy	Staff Efficiencies across the Division - Deletion of 3 posts		86			86	Green	Achieved. Relates to the deletion of 2 vacant posts as part of staffing efficiencies.
E&E_06	Commissioning Services - Facilities Mgt	Reduction in Facilities Management costs - reduce the controllable budget by 20% in the first 2 years through re-structuring and changing ways of service delivery and a further 5% over Years 3 & 4 through additional efficiencies post re-structuring. Consultation with staff already underway and it is proposed to delete 8 posts, 3 of these are currently vacant.		44	22		66	Green	Restructure completed and salaries budgets have been realigned.
E&E_08	Commissioning Services - Highway Services	Reduce highways maintenance budget - Changes to the response times on non urgent works i.e. respond to these in 48 hours instead of existing 24 hours.		45			45	Green	Included in 17/18 budget, completed.
E&E_09	Commissioning Services - Highways	Highways Contract - Extend the scope of the Highways Contract to include scheme design and / or inspection services when the contract is re-procured (current contract will expire in 16/17).		120	120		240	Green	Included in 17/18 budget as a reduction against highways reactive maintenance, changes for 18/19 will be achieved in the same way. This is deliverable but the highways reactive maintenance budget will be severely reduced and require far greater capitalisation of minor works (where appropriate) in order to achieve service standards.
E&E_10	Commissioning Services - Highways	Review salary capitalisation of highway programme & TfL funded projects		50	50		100	Green	Included in 17/18 budget as additional income, changes for 18/19 will be achieved in the same way. This will increase recharges to capital up to 82% of total staff costs in 18/19.
E&E_11	Commissioning Services - Network Mgt	Additional income - from street works		10			10	Green	On track to be achieved.
E&E_12	Commissioning Services - Street Lighting	Changes in Street Lighting Policy to include variable lighting solutions.		10	12		22	Green	The energy consumption has been reduced following the street lighting investment as part of capital programme. The financial saving is achieved, however has been outstripped by the increase in energy inflation, resulting in a net (smaller) increase in energy costs.

2017-18 MTFS Savings Tracker

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
E&E_13	Commissioning Services - Street Lighting and Drainage	Street lighting and Drainage budgets capital investment allows for lower maintenance costs		40			40	Green	Included in 17/18 budget and completed. The budget reduction has placed extreme pressure on the services even though this has been mitigated by capital investment, work programmes are prioritised and limited to budget.
E&E_14	Commissioning Services - Winter Gritting	Reduction in winter gritting budgets - renegotiation of winter gritting contract - adopt a risk sharing approach and move away from the current fixed pricing for the service			10		10	Purple	Deliverable in 18/19 if there is a mild winter but not if there is a harsh winter. Subject to winter weather conditions because a pay as you go system has been introduced from 16/17
CE_21	NIS	Neighbourhood Investment Scheme (NIS) - a base budget of £210K is available for all 21 wards. A one-off saving has been offered as part of the early year saving. It is now proposed that the full budget is removed from 16/17 onwards.			210		210	Purple	This saving has been achieved early in 2017-18 [see COM-S10]
CC_2	C&C	Library Strategy Phase 2 - delivery of network of libraries and library regeneration		108	209		317	Amber	The saving is partially met from the reduction of book fund. The remaining saving is dependent on the re-provision / commercialisation of libraries, which is delayed. 18/19 saving is to be re-profiled to align with the timescale of the re-provision of Central Library, as part of 18/19 MTFS.
CC_4	C&C	Arts & Heritage - delivery of business plan (reallocation of savings based on Cabinet report May 2015)		282			282	Green	Saving reversed.
CHW12	C&C	Redevelopment Harrow Leisure Centre Site. This will need to link with Regeneration Programme. 17/18 saving is expected to be met from one-off income through the improvement to playing pitches at Bannister Sports Centre.		100			100	Red	The redevelopment of Harrow Leisure Centre will not now be completed until 2020-21 at the earliest. The target is being mitigated by other income within Cultural Services.
		Total Community & Culture		2,582	2,811	246	5,639		
CC_4	C&C	Arts & Heritage Services - Total saving in the original MTFS proposal in relation to the proposed transfer of the services to Cultura London was £455k (£173k of which was profiled in 16/17). At this stage the service remains in-house, subject to any further decisions regarding the future of the arts centre and therefore at this stage the saving is being reversed. Should this position change, adjustments would be made to the MTFS and be reflected in the Final Budget report.		(455)			(455)	Green	A Cultural Strategy is being developed to help inform decisions regarding future cultural provision in Harrow.
				2,127	2,811	246	5,184		
							-		
Housing									
							-		
COM_S09	Housing	Supporting People - savings from contract renegotiation and/or review of service delivery	60	50			50	Green	Savings achieved. Contracts include savings

2017-18 MTFS Savings Tracker

Appendix 2

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
COM_S02	Housing	Home Improvement Agency - increase in fee income as a result of increased capital expenditure on Disabled Facilities Grants - savings are conditional on capital budget increases being approved with additional amounts being administered by HIA.	120	100			100	Green	Savings achieved but assumes adequate referral rate from Adult Services throughout financial year 2017-18
COM_G05.3	Housing	Homelessness - Extension of Property Purchase Initiative (Additional 50 homes) - Purchase of a further 50 homes for use as TA to reduce pressure on B&B.	304	254	469	225	948	Red	MTFS savings of £375k reversed out as part of MTFS refresh leaving savings £573k to offset capital financing costs to yield net nil impact on General Fund.
COM_G05.3	Housing	Homelessness Invest to save - Reduction in expenditure resulting from work undertaken by temporary additional staff resources taken on to undertake additional prevention work, local procurement of properties and arears recovery.		494			494	Green	Staff have been recruited for homelessness prevention resulting in lower expenditure in accomodating homeless families
CH_3	HGF	Supporting People - cessation of funding for Handyperson Scheme, which is intended to become self-supporting through commercialisation		25			25	Green	To be achieved by alternative means : capitalisation of expenditure and funding through DFG which is permitted under the terms and condition of the grant.
CH_4	HGF	Supporting People - Sheltered Housing floating support - savings assumed to result from contract renegotiation or review of service delivery.		60			60	Green	This is reflected in Supporting People contracts
CH_7	HGF	Watkins House - Options review £100k (This is a 16/17 savings , full Reversal of savings was agreed in 17/18 however £25k was approved as growth in 16/17 hence the £25k net savings in 17/18)		25	0		25	Green	Salaries budget moved to Adults, non salaries budgets remain on Housing General Fund.
CH_9	HGF	Property purchase initiative - net benefit to Council of proposals to purchase 100 homes, per Cabinet report appendix. Homelessness savings are part of the equation.		31	(2)	42	71	Amber	MTFS savings £757k reversed out, being unacheivable B&B savings, as part of MTFS refresh leaving £435k representing net rental income expected to be achieved.
CH_9	HGF	Additional income - 'Property purchase initiative - net benefit to Council of proposals to purchase 100 homes, per Cabinet report appendix. Homelessness savings are part of the equation.		770	355	(4)	1,121	Amber	
CH_10	HGF	Home Improvement Agency - savings arising from a combination of reducing the service and increasing the charge to the HRA in respect of the Occupational Therapist service		130			130	Green	Assumes adequate referral rate for Adult Services throughout financial year 2017-18
		Total Housing		1,939	822	263	3,024		
		Community Total		4,066	3,633	509	8,208		
Regeneration									
REP_S01	Development Control	Planning income - Increase of pre-application charges to a competitive level (subject to the approval as part of annual F&C review process)	100	20			20	Green	On track to be achieved.
REP_S03	Economic Development	Economic Development & Regeneration – Reduction in activity to support economic development and regeneration	-	27			27	Green	Savings in revenue budget and staffing budget have been made.

2017-18 MTFS Savings Tracker

Unique Reference No.	Specific Service Area	Headline Description re: saving / reduction INTERNAL	Total Savings in Current MTFS	2017/18	2018/19	2019/20	Total	Rag rating	Comment
			£000	£000	£000	£000	£000		
E&E_36	Planning - Development Mgt	Planning Fees: following an increase in 2013, the government may increase the statutory planning fees at some point over the next four years		100			100	Amber	In Feb 2017, a proposed 20% increase in planning fees was announced by the DCLG for implementation in the summer. However this has been delayed by the call for a General Election. The implementation of the increase has recently commenced.
		Regeneration Total		147	-	-	147		
PO 03	Pan Organisation	Regeneration - Indicative net income realised from a long term regeneration strategy for the borough, to be formalised following consultation launched in early 2015.		350	2,000	0	2,350	Red	£350k saving to be delivered in 2017-18. Rental income from property portfolio not expected to be achieved 2017-18, and saving of £2,350 to be reversed out from 18/19 onwards as a de-risking strategy to the MTFS, it is prudent to remove this income stream which will be re-instated into the budget as and when realised.
		Total Savings		10,241	15,863	4,909	31,014		

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Draw Down From Reserves
Appendix 3

Resources	TPIF	Commercilisation	Redundancy	MRP	Others	Total
	£000	£'000	£000	£000	£000	
Domestic Violence	109					
Making Harrow clean again	300					
	409	0	0	0	0	409
Community						
Flytip squad (Night rider)	100					
CA site traffic management	77					
North Harrow Library transfer to voluntary group	14					
Loss of car parking income as a result of regeneration activity				205		
Redundancy			140			
Sancroft	120					
	311	0	140	205	0	656
People						
Adult						
Project Infinity		50				
Ewat House inflation	20					
Harrow User group	55					
Redundancy			330			
	75	50	330	0	0	455
Children						
SEN Transport	38					
Redundancy			329			
	38	0	329	0	0	367
Regeneration						
Food Strategy	80					
Planning Enforcement	30					
Regen				818		
	110	0	0	818	0	928
Total	943	50	799	1023	0	2815
Estimated total to be applied in 2017/18 and future years.	1364	0	0	0	0	1364

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Project Definition	Original Programme	Brought Forward	Other Adjustment (Additional/Reduction)	Externally Funded (E)	Harrow Funded (B)	TOTAL BUDGET	Forecast Outturn	Forecast Variance	Slippage	Over/Underspend
MOSAIC Implementation - Adults & Children's Services	0	272,306	0	0	272,306	272,306	286,000	13,694	0	13,694
Adults Personal Social Services - Community Capacity Grant	0	0	0	0	0	0	0	0	0	0
Capital Strategic Reviews	0	284,330	55,600	0	339,930	339,930	428,663	88,733	0	88,733
Reform Of Social Care Funding	0	0	0	0	0	0	960	960	0	960
Integrated Health Model	0	84,925	0	15,081	69,844	84,925	0	-84,925	84,925	0
Milman's Day Centre - Remodeling and Ref	0	0	0	0	0	0	0	0	0	0
Maintenance of Adults Properties	0	149,000	0	49,000	100,000	149,000	0	-149,000	0	-149,000
Project Infinity	2,000,000	0	-1,500,000	0	500,000	500,000	130,000	-370,000	370,000	0
In-House Residential	100,000	100,000	-55,600	0	144,400	144,400	13,000	-131,400	100,000	-31,400
Sancroft Care Home	5,100,000	0	1,452,000	1,452,000	5,100,000	6,552,000	6,552,000	0	0	0
Mentis Pilot	250,000	0	0	0	250,000	250,000	9,000	-241,000	241,000	0
Total Adult	7,450,000	890,561	-48,000	1,516,081	6,776,480	8,292,561	7,419,623	-872,938	795,925	-77,013
School Amalgamation	0	599,914	0	599,914	0	599,914	599,914	0	0	0
Bulge Classes	150,000	137,635	0	137,635	150,000	287,635	85,163	-202,472	202,472	0
Schools Capital Maintenance	1,350,000	1,931,385	0	3,281,385	0	3,281,385	3,281,385	0	0	0
Devolved Formula Non VA Schools	0	53,243	0	53,243	0	53,243	53,243	0	0	0
Secondary Expansions	2,625,000	2,017,420	0	-607,580	5,250,000	4,642,420	1,492,420	-3,150,000	3,150,000	0
SEN Provision	1,560,000	4,505,093	1,000,000	-4,200,000	617,000	2,248,093	1,545,093	-1,320,000	1,320,000	0
Schools Expansion Programme - Phase 1	0	219,543	0	-214,000	5,543	0	5,543	0	0	0
Schools Expansion Programme - Phase 2	0	2,928,688	0	2,611,073	317,615	2,928,688	2,928,688	0	0	0
Schools Expansion Programme - Phase 3	3,180,000	6,489,645	0	6,639,645	3,030,000	9,669,645	5,769,645	-3,900,000	3,900,000	0
Schools Expansion Programme - Phase 4	1,000,000	0	-1,000,000	0	0	0	0	0	0	0
Free School Meals	0	6,279	0	6,279	0	6,279	6,279	0	0	0
Whitmore School	0	11,301	-11,301	0	0	0	0	0	0	0
Hatch End MUGA	0	0	0	0	0	0	0	0	0	0
Short Breaks	0	0	32,000	32,000	0	32,000	32,000	0	0	0
Childrens IT Development	0	742,869	0	0	742,869	742,869	242,869	-500,000	500,000	0
Total School and Children	9,865,000	19,643,015	0	-4,393,301	13,376,137	11,738,577	16,042,242	-9,072,472	9,072,472	0
TOTAL PEOPLE	17,315,000	20,533,576	0	-4,441,301	14,892,218	18,515,057	33,407,275	-9,945,410	9,868,397	-77,013
Enviroment										
Carbon Reduction Programme	300,000	-210,000	0	0	90,000	90,000	90,000	0	0	0
Carbon Reduction - Schools	0	0	69,000	69,000	0	69,000	69,000	0	0	0
Car Parks Infrastructure	20,000	4,035	0	0	24,035	24,035	24,035	0	0	0
City Farm/Pinner Park Farm	0	90,789	0	0	90,789	90,789	90,789	0	0	0
Corporate Accommodation	255,000	0	0	0	255,000	255,000	255,000	0	0	0
Harrow On Hill Station	12,000,000	0	-12,000,000	0	0	0	0	0	0	0
High Priority Plan Maintenance Corporate Property	400,000	-101,670	0	0	298,330	298,330	298,330	0	0	0
Highway Drainage Improvements & Flood Defence Infrastructure	500,000	0	339,000	339,000	500,000	839,000	839,000	0	0	0
Highway Improvement Programme	6,900,000	-113,288	0	2,400,000	4,386,712	6,786,712	6,786,712	0	0	0
Parking Management Programme	300,000	6,139	0	0	306,139	306,139	306,139	0	0	0
Neighbourhood Investment Scheme	0	0	0	0	0	0	0	0	0	0
Waste and Recycling	200,000	0	0	0	200,000	200,000	200,000	0	0	0
Section 106 Schemes for Highways	0	0	30,000	30,000	0	30,000	30,000	0	0	0
Street Lighting Improvement Programme	3,000,000	86,761	0	0	3,086,761	3,086,761	3,086,761	0	0	0
TfL Principal Roads	0	659,000	0	659,000	0	659,000	659,000	0	0	0
TfL Transport Capital	2,000,000	-50,269	-659,000	360,000	1,650,731	1,650,731	1,551,000	-99,731	0	-99,731
Trade Waste	200,000	57,100	0	0	257,100	257,100	257,100	0	0	0
Town Centre Regeneration	0	0	0	0	0	0	0	0	0	0
Harrow Green Grid	150,000	60,459	0	0	210,459	210,459	172,959	-37,500	0	-37,500
CCTV cameras and equipment at the depot	150,000	0	0	0	150,000	150,000	150,000	0	0	0
Parks Infrastructure	875,000	-126,992	0	0	748,008	748,008	748,008	0	0	0
Parks Litter Bins	65,000	0	0	0	65,000	65,000	65,000	0	0	0
Green Gym	50,000	0	0	0	50,000	50,000	50,000	0	0	0
Street Litter Bins	300,000	0	0	0	300,000	300,000	300,000	0	0	0
Redevelopment of Vernon	750,000	0	0	0	750,000	750,000	25,000	-725,000	725,000	0
Depot redevelopment	5,260,000	0	0	0	5,260,000	5,260,000	1,910,000	-3,350,000	3,350,000	0
Total Enviroment	33,675,000	-296,936	0	-11,202,000	5,147,731	17,028,333	22,176,064	-4,212,231	4,075,000	-137,231
Housing										
Disabled Facilities Grants	2,030,000	0	500,000	1,680,000	850,000	2,530,000	2,530,000	0	0	0
Empty Property Grant	480,000	307,310	-113,000	0	674,310	674,310	542,869	-131,441	0	-131,441
Improvement grant	70,000	128,290	-18,000	0	180,290	180,290	180,290	0	0	0
Housing Property Purchase - 100 Homes	7,500,000	3,512,137	0	0	11,012,137	11,012,137	11,196,694	184,557	-184,557	0
Housing Property Purchase - 50 Homes	9,000,000	0	0	0	9,000,000	9,000,000	0	-9,000,000	9,000,000	0
Total Housing	19,080,000	3,947,737	0	369,000	1,680,000	21,716,737	23,396,737	-8,946,884	8,815,443	-131,441
Culture										
Sec 106 Banister Sport Pitch	50,000	39,875	0	89,875	0	89,875	89,875	0	0	0
Harrow Arts Centre	1,470,000	0	-1,000,000	0	470,000	470,000	470,000	0	0	0
Sports & Leisure	0	0	0	0	0	0	0	0	0	0
Headstone Manor	806,000	1,010,083	0	1,246,083	570,000	1,816,083	1,816,083	0	0	0
HAC/Museum - ICT	0	101,605	0	101,605	0	101,605	101,605	0	0	0
Central Library Refit/Refurb	0	0	60,000	0	60,000	60,000	60,000	0	0	0
Libraries and Leisure Capital Infrastructure	150,000	135,973	7,000	7,000	285,973	292,973	292,973	0	0	0
Total Culture	2,476,000	1,185,931	-898,395	67,000	1,342,958	1,487,578	2,830,536	0	0	0
Total Community	55,231,000	4,836,732	-898,395	-10,766,000	8,170,689	40,232,648	48,403,337	-13,159,115	12,890,443	-268,672
BTP - Public Realms	0	639,313	0	-639,313	59	0	0	0	0	0

Project Definition	Original Programme	Brought Forward	Virement	Other Adjustment (Additional/Reduction)	Externally Funded (E)	Harrow Funded (B)	TOTAL BUDGET	Forecast Outturn	Forecast Variance	Slippage	Over/Underspend
Capital cost of transition and transformation of ICT service	999,000	2,005,433	0	-1,201,465	0	1,802,968	1,802,968	1,501,866	-301,102	301,102	0
ITO Transformation	0	117,919	0	-101,900	0	16,019	16,019	16,019	0	0	0
Web Upgrade Project	0	25,291	0	-25,291	0	0	0	0	0	0	0
SAP: Financial Leger/Systems Control Imp	250,000	436,321	0	0	0	686,321	686,321	166,321	-520,000	520,000	0
BTP - IT BTP Refresh	0	206,451	120,000	0	0	326,451	326,451	326,451	0	0	0
BTP - Hardware Refresh	0	0	0	0	0	0	0	0	0	0	0
BTP - Mobile & Flex	0	721,320	0	-721,320	0	0	0	0	0	0	0
ICT Infrastructure & Corporate Applications	0	85,909	0	-9,809	0	76,100	76,100	76,100	0	0	0
IT Corporate System Refresh	0	750,107	0	-318,321	0	431,786	431,786	431,786	0	0	0
LAA Performance Reward Grant	0	88,788	0	0	0	88,788	88,788	0	-88,788	88,788	0
Loan Payment - Capital	0	225,358	0	0	0	225,358	225,358	225,052	-306	0	-306
Ongoing refresh & enhancement of ICT	2,000,000	1,956,372	0	901,106	0	4,857,478	4,857,478	2,112,220	-2,745,258	2,745,258	0
Small Schemes (Council wide)	0	5,851,726	778,395	0	0	6,630,121	6,630,121	0	-6,630,121	6,630,121	0
FM Minor Work	0	500,000	0	0	0	500,000	500,000	453,000	-47,000	47,000	0
IER Grant	0	12,178	0	0	0	12,178	12,178	0	-12,178	12,178	0
My Harrow Service Account	0	268,000	0	0	0	268,000	268,000	291,868	23,868	-23,868	0
Property Investment	5,000,000	9,598,645	0	-5,000,000	0	9,598,645	9,598,645	4,904,300	-4,694,345	4,694,345	0
HR Shared Service	0	100,000	0	0	0	100,000	100,000	0	-100,000	100,000	0
Devolved Applications refresh	1,700,000	0	0	0	0	1,700,000	1,700,000	1,483,826	-216,174	216,174	0
TOTAL RESOURCES	9,949,000	23,589,131	898,395	-7,116,313	0	27,320,213	27,320,213	11,988,809	-15,331,404	15,331,098	-306
Harrow Card	0	0	0	0	0	0	0	0	0	0	0
Station Road Highway and Environmental Improvements	0	0	0	0	0	0	0	0	0	0	0
Artisan Studios	0	109,414	0	0	109,414	0	109,414	109,414	0	0	0
Trinity Square	0	762,732	0	0	762,732	0	762,732	85,399	-677,333	677,333	0
Regeneration Programme	46,130,000	9,641,137	0	0	0	55,771,137	55,771,137	17,771,137	-38,000,000	0	-38,000,000
TOTAL Regeneration	46,130,000	10,513,283	0	0	872,146	55,771,137	56,643,283	17,965,950	-38,677,333	677,333	-38,000,000
TOTAL GENERAL FUND	128,625,000	59,472,722	0	-22,323,614	23,935,053	141,839,055	165,774,108	88,660,846	-77,113,262	38,767,271	-38,345,991
Housing Programme	15,238,000	3,254,141	0	0	1,480,966	17,011,175	18,492,141	8,499,450	-9,992,691	8,029,000	-1,963,691
Grange Farm Redevelopment	0	7,150,232	0	0	0	7,150,232	7,150,232	1,900,000	-5,250,232	5,250,232	0
HRA Affordable Housing	0	6,814,289	0	0	0	6,814,289	6,814,289	2,901,920	-3,912,369	3,912,369	0
TOTAL HRA	15,238,000	17,218,662	0	0	1,480,966	30,975,696	32,456,662	13,301,370	-19,155,292	17,191,601	-1,963,691
Total General Fund and HRA	143,863,000	76,691,384	-	- 22,323,614	25,416,019	172,814,751	198,230,770	101,962,216	- 96,268,554	55,958,872	- 40,309,682

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

Date of Meeting:	19 March 2018
Subject:	Review of Homelessness Review Recommendations
Responsible Officer:	Nick Powell Divisional Director – Housing Services
Scrutiny Lead Member area:	Councillor Jeff Anderson (Environment and Enterprise – Policy Lead) Councillor Manjibhai Kara (Environment and Enterprise – Performance Lead)
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1- Table of recommendations

Section 1 – Summary and Recommendations

This report provides an update on the recommendations of the Homelessness Scrutiny Review Challenge Panel which was presented to Cabinet on 8 December 2016.

Recommendations:

The Performance & Finance Scrutiny Sub-committee is requested to consider and note the update on the recommendations.

Section 2 – Report

Introductory paragraph

1. This report provides an update on the recommendations from the Homelessness Scrutiny Review.
2. The Homelessness Scrutiny Review Challenge Panel was held on 12 October 2016 to scrutinise the issue of homelessness and to understand the drivers of homelessness in the local area, examine whether or not the solutions currently being implemented effectively address these drivers and scrutinise local land and supply issues.
3. The members of the Homelessness Scrutiny Review Challenge Panel scrutinised the work of the Housing Needs and Housing Regenerations teams and challenged officers.
4. The key themes that emerged were housing supply, registered providers, finance, staffing, local impact and strategy. Recommendations were made and presented to the Overview & Scrutiny Committee on 8 November 2016.
5. The report of the Homelessness Scrutiny Review Challenge Panel, including recommendations, and the response report from Housing Services were presented to Cabinet on 8 December 2016.
6. The landscape has changed considerably since 2016. The Homelessness Reduction Act 2017 has been introduced and will be implemented from 3 April 2018. This includes a new Homelessness Code of Guidance.
7. Housing supply and the affordability of housing continue to be key issues faced locally and nationally. Our response since 2014 has been to start building the first new council houses in a generation with a target of 500 new council homes built by 2020; to regenerate the Grange Farm estate and invest in building our own Private Rented housing.

8. To date we have completed 16 new social homes, with 91 more affordable homes in development and a further 30 for which we have secured planning permission. Plans have been submitted for 241 new affordable homes on the Grange Farm estate. We are also improving our homeless hostel accommodation, Vernon Lodge.
9. We have successfully brought down the number of households in emergency B&B accommodation by over 60% from a peak of 307 families in June 2016 to 116 families by the end of 2017.
10. We have largely done this through our Property Purchase programme; actively working with private landlords to prevent homelessness so families don't have to move and offering longer term private rented accommodation in London and elsewhere to end the uncertainty of homelessness.
11. The Homelessness Strategy is being updated and it is proposed that it will now incorporate the Homelessness Accommodation Selection Policy and the Homelessness Accommodation Procurement Strategy and introduces a new Prevention or Relief Assistance Policy. The Homelessness Strategy is required under the Homelessness Act (2002) and should be updated every 5 years. The Council's current Homelessness Strategy 2013-2018 was approved in April 2013.
12. Our proposal is to amend the current Homelessness Strategy sufficiently to meet the requirements of the Homelessness Reduction Act 2017, extend it until the end of December 2019 and conduct a full review during 2019 after the implementation of the Homelessness Reduction Act 2017 and the revised Homelessness Code of Guidance.

Update on Recommendations

An update on the recommendations is provided in Appendix 1.

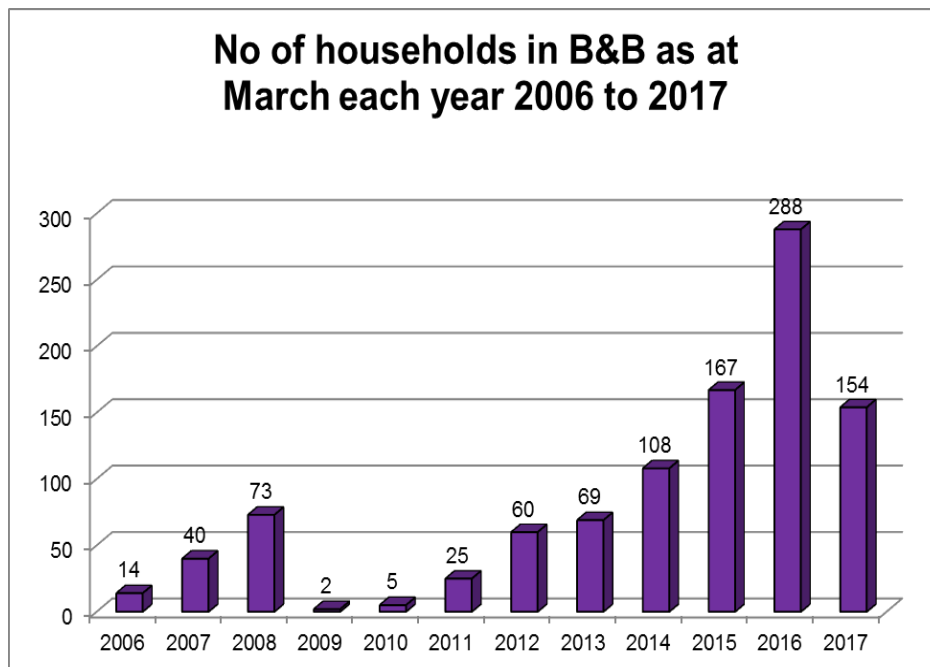
Financial Implications

There are no specific financial issues relating to this report.

Performance Issues

There are no specific performance issues relating to this report.

With regards to the performance in relation to the additional resources and staff agreed with CSB the use of B&B has been reduced significantly, from a peak of 307 families in June 2016 to 116 families by the end of 2017, and the MTFs savings in relation to those extra resources have been met.



Environmental Impact

There are no specific environmental issues relating to this report.

Risk Management Implications

Risk included on Directorate risk register? Yes

Separate risk register in place? Yes (Housing Risk Register)

Equalities implications

Was an Equality Impact Assessment carried out? No

An Equality Impact Assessment was not carried out in relation to this Homelessness Scrutiny Review Challenge Panel but EqlAs are carried out when reviewing or introducing strategies and policies relating to homelessness.

Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

Please identify how the report incorporates the administration's priorities.

- Making a difference for the vulnerable
- Making a difference for families

Section 3 - Statutory Officer Clearance

Not Required

Ward Councillors notified:	NO – affects all wards
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Section 4 - Contact Details and Background Papers

Contact:

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Housing Strategy Project Manager
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Community Directorate
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External: 020 8424 1346

Background Papers:

Response to Scrutiny's Review Challenge Panel on Homelessness
8 December 2016

<http://moderngov:8080/documents/s140445/Response%20to%20the%20SCP%20review%20of%20Homelessness.pdf>

Report to Overview & Scrutiny Committee 8 November 2016

<http://moderngov:8080/documents/s139982/Homelessness%20Challenge%20Panel%20Report.pdf>

Report of the Homelessness Scrutiny Review Challenge Panel October 2016

<http://moderngov:8080/documents/s139981/Homelessness%20Challenge%20Panel%20-%20Appendix%201.pdf>

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Appendix 1: Recommendations arising from the Scrutiny Review Challenge Panel on Homelessness

No.	Recommendation	Response	Update March 2018
67 1	To request that officers provide clarity on what plans there are to build more quality housing; high density, high rise (similar to the Harrow on the Hill development)	<p>Over the course of the next 5-10 years, the Borough will receive significant levels of investment in housing– a substantial proportion of the £1.75bn of investment in the Harrow and Wealdstone area will be directed towards housing. Officers consider that high quality design is central to Building a Better Harrow. Developing a reputation for design quality in Harrow will raise ambition and attract talent, improving the quality of architecture across the Borough, and the quality of life for Harrow residents and workers.</p> <p>The Council is promoting and managing design quality in a number of ways; in 2015, the Council's first Head of Design and Regeneration was appointed; a long-standing agreement with the GLA provides an Urban Design Officer with design expertise to secure high quality development and; a Harrow Design Review Panel is being established to provide independent external advice on applications. These measures enable the council to insist upon high quality and challenge substandard development. These measures have already yielded tangible results – the planning permissions at College Road and Gayton Road car park are examples of high quality, high density schemes.</p>	<p>Sites such as College Road and Gayton Road are now on site and building works significantly progressed. For example, the 72 new social homes being built on Gayton Road by Fairview Homes for the Council are due to be handed over from April-September 2018. The council will soon be advertising these homes to applicants on the Housing Register.</p> <p>Vaughan Road has been granted planning permission and will be on site shortly. The Civic Centre planning application has been submitted. Planning applications for Poets Corner and Byron Quarter are due to be submitted in Spring 2018. L&Q and Hyde/Barratt are progressing development of the Kodak site with an increased level of affordable housing than in the original application.</p> <p>Housing Services continues to deliver new social housing on its infill sites with the first homes completed in 2017/18. A planning application for the regeneration of the Grange Farm estate was submitted on 1 December 2017 for 574 homes to replace the existing social housing and provide private homes for sale.</p>

High quality, high density mixed use and housing schemes are being developed by the Harrow Regeneration Unit at the existing Civic Centre site (Poets Corner), Leisure Centre (Byron Quarter) and Vaughan Road car park with planning submissions expected in 2017. Schemes by Origin Housing at Palmerston Road and Cumberland Hotel are either in the planning system or expected shortly. TfL are considering options for the redevelopment of the Harrow-on-the-Hill underground and bus station complex to provide improved access and high quality, high density housing. Land Securities/L&Q will begin to develop the Kodak Alaris site for high quality, high density housing and applications are expected in 2017/18 for these sites.

Within Housing Regeneration the council is committed to increasing the supply of high quality higher density housing on sites within its ownership. Each site will be developed taking into account its individual characteristics and ability to take an increased density. For example the planning application for the Grange Farm regeneration project significantly increases the existing density with a range of different types and height of buildings which reflect the different characteristics across the site in relation to neighbouring housing.

Action: To continue maximising high quality higher

		density housing taking into account individual site characteristics.	
2	To request that clarity be provided as to the financing of the Council's housing portfolio expansion and to investigate whether this Council could borrow General Fund housing revenue to act as a funding stream	<p>The council currently has two streams of new development.</p> <p>The first is within the Housing Revenue Account (HRA), and is largely comprised of infill development of small sites of spare land and disused or underused garage sites. This stream is constrained by the availability of development funding within the HRA, which has significantly reduced as a result of the requirement to reduce social rents by 1% per annum for a 4-year period. A December 2015 Cabinet report highlighted the significant increases in tender prices over recent years, and that the cost of building the approved programme would be higher than the original approved budget. We are currently reviewing the programme to assess how many new homes can be provided within the approved HRA budget, and the options for completing the programme. General fund borrowing could be an option for completing an extended infill programme as well as extending the property purchase initiative. The second stream is within the General Fund and is part of the Council's overall regeneration activity. This will entail building new housing for rent and sale and is likely to be funded from a combination of new General Fund borrowing (probably from the Public Works Loans</p>	<p>There is housing activity that is already funded by the General Fund, the 100 Homes Property Acquisition Programme at £27m, with a further additional 50 Homes to be funded from a budget allocation of £15m- decision pending.</p> <p>Unlike the Housing Revenue Account (HRA), the General Fund does not have a borrowing cap but spend is linked to affordability and this is considered annually as part of the Councils' capital programme.</p>

		Board) and capital receipts from the sale of some newly-built assets to help cross-subsidise the overall development, including delivery of a significant amount of new affordable housing.	
3	To request that the Leader of the Council raises with London Councils, concerns around the Homelessness Reduction Bill and the impact this will have locally if implemented	<p>Key issues and concerns regarding the Homelessness Reduction Bill will be raised with the Leader at the next monthly meeting. A range of possible financial impacts will be modelled in partnership with other councils, but it may take 6 months before sufficient clarity about the detail and impact of the Bill enables reasonable forecasting.</p> <p>Action: The Leader will lobby London Councils. Report back on modelling of the likely impact on homelessness in Harrow, demand for the housing needs service and the financial impact of the proposed new statutory duties once completed.</p>	Concerns around the proposed Homelessness Reduction Act 2017 were raised at all levels and all consultation opportunities were used, but this produced very little change to the legislation and implementation is due on 3 rd April 2018. Some new burdens funding was received to assist with implementation of the new statutory duties and the impact of the Act on the Council's homelessness budget will be closely monitored.
4	To request that officers be instructed to investigate options around utilisation of green belt land and allotments; and rationalise where you could develop housing in green belt areas and swap land elsewhere	Officers investigate all options to increase the supply of housing – there are planning restrictions on the use of green belt land and allotment land which combined with other lengthy statutory legal processes mean that these will always be long term options. The government is due to publish a Housing White Paper this year which will focus on increasing housing supply – at this time we do not know if this will allow for some opportunities to be taken forward which are currently restricted.	The Housing White Paper 'Fixing our broken housing market' was published for consultation in February 2017 with a focus on increasing housing supply, including social housing. However, following the General Election and change of Housing Minister no new policies with regard to green belt land have been proposed. Additional funding for new homes has been made available such as through the Housing Infrastructure Fund (HIF). This was a competitive bidding process and

		<p>Action: Review all council land assets for potential to increase housing supply. Report back on Housing White Paper when published.</p>	<p>the Council has been successfully awarded the maximum grant for the Grange Farm regeneration project.</p> <p>We are now awaiting publication of a Housing Green paper on social housing in England for further policy direction.</p> <p>We are continually reviewing council land assets and the opportunities to increase housing supply but this is also subject to availability of public subsidy for development of affordable housing.</p>
571	<p>To request that officers advise as to the work being undertaken with families on low incomes, whether there is close working between departments working with families at risk of homelessness, and how effective this is</p>	<p>For 2016/17 the council has secured funding to support households on low wages to increase their skills and wages. The performance for this financial year from the DCLG's Transformation Challenge Award Skills Escalator is as follows:</p> <ul style="list-style-type: none"> • 35 residents provided with independent Information Advice and Guidance • 17 residents entering training • 12 residents increasing their earnings. <p>Please note this is based on Q1 performance and there has been a change in staff with the broker role vacant from July-October.</p> <p>Harrow's Together with Families programme has referred 45 people, of which 12 have entered employment, 7 are now volunteering and 3 are in</p>	<p>As of February 2018, please note that the Skills Escalator programme is coming to an end. Harrow's positive work in engaging with businesses to address low skills was highlighted by the Learning and Work Institute in the evaluation of the Skills Escalator pilot (October 2017).</p> <p>Joint work with Housing Services, Revenue and Benefits and the Troubled Families programme continues.</p> <p>The "In the Mix" programme has ended. However, a second application has been submitted and we are awaiting the outcome of that bid.</p> <p>The secondment to CNWL has ended.</p>

	<p>training.</p> <p>The council's Xcite employment programme is closely working with Housing. The Xcite programme has been featured in Homing In, the quarterly magazine for council tenants and leaseholders. Housing officers refer their clients to Xcite. Housing rent statements sent to council tenants have also advertised Xcite. Information about Xcite is included on key housing leaflets and web pages. Xcite has attended a range of housing events, including the summer housing fair for council tenants and leaseholders and recent residents meetings at the civic centre and in the community.</p> <p>The Revenue and Benefits Service provides Xcite with list of Housing Benefit claimants affected by the Benefit Cap. As of September 2016 there were 175 households affected by the benefit cap in Harrow (as per the Economic Dashboard). Unemployed residents that secure employment are not subject to the Benefit Cap. In this financial year Xcite has supported 159 people into work, of which 117 were claiming Housing Benefit and/or Council Tax Support. 5 of these cases were direct referrals from Housing.</p> <p>The Xcite project has seconded a worker to Central and North West London (CNWL) NHS Foundation Trust to support residents with complex mental</p>	<p>The Work and Health programme was launched in Harrow on the 31st January 2018. Shaw Trust will be the prime contractor. The programme has specific priority groups which include supporting homeless people into employment.</p> <p>As of February 2018, 86 of the 278 residents supported into work in 2017/18 were referrals from housing and/or recipients of the council tax support scheme</p>
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		<p>health problems into work and a target of supporting 12 residents into work has been achieved.</p> <p>Economic Development has worked with Home Group and Jobcentre Plus to secure money from the DWP Community Fund to provide ESOL training and support residents into employment and self-employment. The “In the Mix” project has only recently begun and it has engaged 91 residents, supported 5 into work, 2 into pre-apprenticeship training, 52 into ESOL provision and 14 into business start-up training.</p> <p>In practice every council department is contributing towards the creation of job opportunities through procurement processes and application of social value criteria in the tender processes.</p> <p>Action: The West London Alliance (WLA) has secured new ESF funds for the Skills Escalator. Contract to be signed with lead borough. Programme to be launched to relevant council services. Promotion to community and voluntary sector and Registered Providers (RPs). Continue to embed joint working with Housing Needs. Xcite to attend Housing events.</p>	
6	To request that officers provide data on the correlations between	In September 2016 the Housing Benefit caseload was 16,000 households (as per the Economic	In December 2017 the Housing Benefit Caseload was 16161 as per the Economic Dashboard. There

	up-skilling the workforce, incomes, households on benefits and housing supply	Dashboard). There are circa 91,000 households (DCLG Household Estimates) in Harrow so approximately 18% claim housing benefit. There are between 23-25% of Harrow residents in low paid jobs (ONS Annual Survey of Hours and Earnings 2011 – 2013).	are circa 91,000 households (DCLG/MHCLG Household Estimates), an increase from 17.59% claiming benefit to 17.76%. 25% of Harrow workers earn below 2/3rds of the median hourly wage (Annual Survey of Hours and Earnings 2018).
7	To request that Cabinet and officers ensure that the maximum amount of affordable housing under planning policy is achieved	<p>The Planning and Housing teams work closely together to ensure that the maximum viable proportion of affordable housing is negotiated under planning policy. Financial viability assessments are required for all relevant planning applications and are independently scrutinised to ensure the maximum amount is provided – however this is much less than the policy target of 40% due to financial viability. Clawback mechanisms are considered in legal agreements so that any uplift in financial viability during the life of the development can be captured.</p> <p>Action: Current robust approach to continue. Appropriate clawback mechanisms to be included in all legal agreements where possible.</p>	We continue to robustly negotiate maximum levels of affordable housing subject to financial viability assessment and clawback mechanisms are included. The Mayor's London Plan policies also seem to be contributing to increased levels of affordable housing on larger sites.
8	To request that the Leader of the Council enters discussions with the Mayor of London on housing supply issues, highlighting that average wages in Harrow are low,	Officers meet regularly with colleagues in the GLA and brief them on Harrow's specific requirements for affordable housing. Housing supply issues are discussed in Housing Zone Board meetings.	Officers meet regularly with the Greater London Authority (GLA). The GLA supported the Council's bid to the Housing Infrastructure Fund (HIF) fund with a successful outcome. The GLA has also provided funding for Grange Farm affordable

	so the Council has to ensure access to a supply of genuinely affordable housing	Action: Discussions to continue with the GLA highlighting Harrow's specific circumstances to maximise funding opportunities for increasing the supply of affordable housing.	housing and for the Housing Zone, specifically for Poets Corner.
75	9 To request that consideration be given to the resourcing of the housing needs and housing regeneration teams in the event that these teams require extra resources in order to maintain and build on progress to date, particularly on homelessness prevention	<p>As a result of the CSB Challenge Panel on Homelessness Demand CSB agreed extra staffing provision for Housing Needs and recruitment is underway.</p> <p>The Housing Regeneration team has increased its resources to ensure delivery of current development programmes. However it has proved difficult to recruit suitably skilled and experienced staff on the grades agreed through the job evaluation process.</p> <p>Action: Resource levels in both teams to be kept under review and increased where proved necessary. Continue current recruitment process.</p>	<p>As a result of the impending Homelessness Reduction Act 2017 implementation and the associated new burdens funding more staff have been recruited to meet the new duties. .</p> <p>An assessment of the impact of the Homelessness Reduction Act 2017 and any restructuring of the service will be made in 2019.</p> <p>Recruitment to key posts in the Housing Regeneration team is due to commence again in Spring 2018.</p>
	10 To request that clarity be provided as to the impact of the additional resources in the housing needs team approved by the Corporate Strategic Board	Once all the additional staff are recruited, separate monitoring for these posts will be carried out in order to demonstrate the impact on performance (homelessness prevented or relieved) and the savings generated, as a result of the additional resources agreed by CSB. This will be reported using a dashboard.	The use of B&B has been reduced significantly, from a peak of 307 families in June 2016 to 116 families by the end of 2017, and the MTFS savings in relation to those extra resources have been met.
	11 To request that Cabinet make	Officers have responded to consultation regarding	We now have clarity on the change to the

	<p>representations to the Government concerning the impact on the Council's finances of the changes to the treatment of the Temporary Accommodation Management Fee.</p>	<p>the government's proposal to change the subsidy given for temporary accommodation and accommodation used for homelessness prevention. The West London Housing Partnership has been actively involved in the consultation.</p> <p>Action: The Leader will lobby London Councils for the details of the new formula to be released as soon as possible and/or once the details of the new scheme are confirmed and the likely impact on Harrow has been modelled.</p>	<p>Temporary Accommodation management fee. It has been replaced by the Flexible Homelessness Support Grant that we find helpful. However this is only guaranteed for 3 years (until 19-20) and will produce a significant financial pressure after that, if it is not extended. However plans are underway to reduce the use of Private Sector Leasing over the next 2 years that may partly mitigate this.</p>
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