

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

MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17

Appendix 2

Analysis of Changes From December MTFS

Note that these changes are included within individual directorate summaries

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Capital and Investment				
Capital financing costs and investment income		-2,059		
Grant Changes				
Education Support Grant	-2,500	1,000	1000	
Formula Grant	353	749		
Other Technical and Inflation Changes				
Increase in business rates taxbase	-300			
Freedom Pass Levy increase	181			
Reduce reliance on capitalisation	-14	14		
Budget planning contingency	171	-1,171		
Contingency for Welfare Reform and other pressures	1,000		-1000	
Ending NI contracted out rebate - 2 year delay announced by Government			-1000	
Saving from formula change on freedom passes - agreed at London councils TEC in December 2012		-108	-81	-81
Utility inflation - reduction in contingency	-300			
Redundancy provision	1,000	-1,000		
Inflation on goods and services @ 1.5% in 2013-14 and 2% p.a. from 2014-15	-450			
Procurement - Category Management savings	-500			
Agency Staff - reduction in usage	-500			
Staffing - Vacancy management	-470			
Other Technical and Inflation Changes Total	-182	-2,265	-2,081	-81

Community, Health and Wellbeing				
Circles of support - one off budget to be provided from the Transformation and Priority Initiatives Fund in 2013-14	-300			
Supporting People		-274		
Sustain Transport		500		
Voluntary Sector Funding		350		
PSL growth is one off not ongoing as in MTFS		-289		
Reinstate part of grants budget reduction	100			
PSL saving not achievable		50		
WL Housing partnership saving not achievable	150			
Reduce subsidy to harrow young musicians	30	-10		
Review of Growth				
one-off support for commissioning for voluntary sector	-40			
Libraries transformation 2	-150			
Occupational Therapy	-230	230		
Combine Civic & Gayton Libraries	-75	75		
Homelessness Growth		-500		
Public Health Transition costs	100	-100		
Support for specialist welfare advice services		-90		

Deletion of post supporting community festivals		-48		
Meals on Wheels		-190		
Older People Integrated Care		-800		
Library Volunteers		-40		
Contribution to overheads from Barnet/Harrow Public Health	-100			
Further Public Health efficiencies		-100		
Total Community, Health and Wellbeing	-515	-1,236	0	0
Children and Families				
Reduction of Youth Dev / Early Intervention Team	-150	-150		
Growth Bids - Reduction				
Reduction in Project Costs	-50	50		
Bring Forward Savings from 2014/15 to 2013/14				
Commissioned budgets to Youth Groups (previously YOF)	-115	115		
Children and Families Total	-315	15	0	0
Environment and Enterprise				
Research and Development operational budget not reduced	0	56		
Reduction to growth for early termination related to fortnightly organic collection proposal rejected	-537	537		
Parking concession delayed 6 months	-261	261		
Reduce Outer London Fund 2 cleaning budget	-80			
Reduced CCTV camera maintenance cost	-20			
charge for free car parks	-30			
Public Realm service reduction	29	-29		
flexible retirement of Climate change HOS		-58		
Grass Verge Maintenance reduction		-165		
Management reductions	-100	-45		
Environment and Enterprise Total	-999	557	0	0
Resources				
Lag public realm savings for access harrow 1 year due to impact of public realm reductions	30	40	-20	
Corporate services savings shortfall	20			
Transfer from capital - Microsoft annual licence costs more economic than buying	88			
HRD - delay deletion of posts 1 year	75		-75	
Internal Audit - ending service to WLWA	17			
Reduce Harrow funds put into a Harrow HELP scheme from original proposal of £250k to £100k	-150			
internal audit - delete post	-30			
Cut Discretionary Rate Relief		-50		
Restrict the issuing of taxi cards to only that which is available through TFL funding	-200			
Reduce the proposed growth in Finance for 2013/14	-100	100		
Audit fees reduced	-160			

Increased savings on Occupational Health tender	-40			
Bring forward cuts to H&S team by one additional post	-40			
Expansion of Legal Practice (dependent on M&F). Assumes 1 deal is worth £200k p.a.	-100	-100		
Reduced Number and Frequency Formal Committees	70	-70		
London Boroughs grant scheme – reduced levy	-74			
Increased Investment income	-477			
Resources Total	-1,071	-80	-95	0
Total of Changes	-5,229	-3,319	-1,176	-81
Budget Gap at December Cabinet	5,230	3,319	16,869	14,317
Budget Gap at February Cabinet	0	0	15,693	14,236
Change	-5,230	-3,319	-1,176	-81

TECHNICAL BUDGET CHANGES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Capital and Investment				
Capital financing costs and investment income	1,102	-743	-390	841
Total Capital and Investment Changes	1,102	-743	-390	841
Grant Changes				
New homes bonus	-1146	-591	-525	-525
SSCF Grant received from GLA - reduction	98			
Council Tax Support Grant 2012-13 scheme - one off only	2,608			
PCT Funding via s256 agreement	-546	233		
Grants rolled into Formula Grant	13,714			
Education Support Grant	-2,500	1,000	1000	
Early Intervention Grant Spend Transferred to DSG	-314			
Total Grant Changes	11,914	642	475	-525
Other Technical Changes				
Freedom Pass Levy increase	681	350	360	370
Provisions and Reserves				
Contribution to insurance provision	300	0	0	0
Capitalisation strategy/recharges strategy				
Reduce reliance on capitalisation	986	14	0	0
Miscellaneous				
Print Contract Costs-reversal of one off balloon payment allocation	-421			
Pinner Road costs prior to disposal - one off in 2012-13	-10			
Balance on SSC annual review - net charge to non general fund	150	150		
Budget planning contingency	171	1,829	3000	3000
Contingency for Welfare Reform and other pressures	2,000		-1000	
Saving from formula change on freedom passes - agreed at London councils TEC in December 2012		-108	-81	-81
Utility inflation - allocation in 2012-13 overstated	-300			
Redundancy provision	1,000	-1,000		
Total Other Technical Changes	4,557	1,235	2,279	3,289

INFLATION PROVISION

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Pay and Inflation				
Pay Award @ 1% 2013-14 and 2014-15, then 2% pa	950	950	1850	1850
Employer's Pension Contributions @ 0.25% in 2013-14 and then 0.5% p.a.	200	400	400	400
Inflation on goods and services @ 1.5% in 2013-14 and 2% p.a. from 2014-15	1,360	1,810	1810	1810
Additional provision for electricity and gas price increases	257			
Excess of September RPI (2.9%)on National Non Domestic Rates on Council properties above 2%	17			
Total Pay and Price Inflation	2,784	3,160	4,060	4,060

CROSS CUTTING TRANSFORMATION PROGRAMME

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Mobile and Flexible working - implementation and running costs	96	24		
Terms and conditions	-960	-320	-140	
Commercialisation project. Benefits incorporated into Directorate proposals	100			
Procurement - Category Management savings	-500			
Agency Staff - reduction in usage	-500			
Staffing - Vacancy management	-470			
Total	-2234	-296	-140	0

COMMUNITY HEALTH AND WELLBEING

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Investment in Services				
Demographic Growth	2,800	2,600	2,800	2,500
Mental Health Properties	50			
West London Alliance	10			
Homelessness [100 families & anticipated B&B HB changes]	-250	-250		
Homelessness	1,000	-500		
Invest to Save in PSL	289	-289		
Cultural Strategy Review growth and efficiencies	-150			
London Youth Games	8			
Under One Sky	25			
Public Health Transition costs	100	-100		
Support for specialist welfare advice services	90	-90		
Total Investment	3,972	1,371	2,800	2,500
Savings				
Contract Management - managing inflation	-100			
Contract Management - efficiencies	-150	-100		
Contract Management - Home care providers	-900			
WLA Joint Procurement: AC Res Care	-150	-150		
CNWL: Mental Health Efficiencies	-100			
Voluntary Sector Funding - investment		-100		
Voluntary Sector Funding		-200		
Residential Care Strategic Review	-1,550	-3,000		
Investment in Community Based Services	775	1,500		
Day Care Strategic Review	-300	-300		
Purchasing Budget [community based efficiencies]		-1,000		
Commissioning Staff		-300		
Reablement	-900			
Cessation of Funding for Transport Clubs	-75			
Share Complaints team with another local authority and/ or aggregate within Council		-104		
Supporting People - targeted efficiency savings through specific contracts		-1,324		
Sharing of Joint Assessment Team with another local authority		-93		
Secure further earmarked investment from PCT/CCG in Adult Social Care	-500			
Decommission Greenview Services	-230			
Occupational Therapy	-230			
Meals on Wheels		-190		
Older People Integrated Care		-800		
Housing Needs - Private Sector Leasing Scheme		-25		
Housing Service Efficiency Review		-70		
Reallocation of staff time from GF to HRA	-215			
Deletion of vacant Enabling Project Officer Post	-36			
Invest to Save - cash incentives	-48	-48		
Affordable PSL accommodation	-240			
Reduced costs at Travellers Site	-10			
Empty Homes Initiative		-300		

COMMUNITY HEALTH AND WELLBEING

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Community Development review of structure and service reprovion	-48	-15		
Libraries Transformation 2	-25	-71		
Cultural Strategy Review efficiencies - savings subject to tender with Ealing & Brent	-200	-400		
Procurement Efficiencies	-40	-77		
Reduce Adult Learning Subsidy	-73	-50		
Reduce subsidy to harrow young musicians	-28	-10		
Share responsibility for Community Cohesion across Council	-63			
Commercialisation Hatch End Pool, Arts Centre, Museum & Bannister stadium	-117	-238		
Review main grants budget	-69			
Reduce officer support for grants	-40			
One off support for commissioning for voluntary sector	-40			
Libraries Transformation 2 -reversal of one off investment in 2012-13	-150			
Library Volunteers		-40		
Combine Gayton & Civic Centre Libraries	-75			
Deletion of post supporting community festivals		-48		
Contribution to DPH salary funded by grant	-50			
Contribution to overheads from Barnet/Harrow Public Health	-250			
Further Public Health Efficiencies		-100		
Total Savings	-6,227	-7,653	0	0
Net Community, Health and Wellbeing	-2,255	-6,282	2,800	2,500

CHILDREN & FAMILIES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Investment in Services				
Increase in CLA placement budgets reflecting growth in child population and changing demographic	178	178	178	178
Increase in CWD client costs reflecting growth in child population	82	82	82	82
Increase in staffing costs reflecting growth in child population and changing demographic	153	153	153	153
Loss of Youth Justice Board funding	90	10		
Transfer of duties in respect of new duties for young people on remand	270			
SEN post to undertake new statutory duties	50			
Qualified Social Worker - Recruitment & Retention Market Supplement	150			
Creation of Advanced Practitioner SW posts	310	70		
Principal Social Worker role - post-Munro	70			
Health Co-ordinator post at NWP	50			
Youth Scrutiny Proposals	70			
Project Management Costs including SNT, Childrens Centre remodelling and developing new transformation projects	97	-97		
Business Support				
Shortfall in targeted savings from business support model	185			
CIS Staffing	45			
Total Investment	1,800	396	413	413
Savings				
Integrated Childrens Services - Remaining staffing savings	-100			
Consolidation of staffing structure including proposed deletion of 1 Divisional Director post	-167	-148		
Deletion of Head of ESSO	-50	-50		
Reconfiguration of Early Intervention Service to support the Families First Programme	-150	-150		
Children's Centres remodelling	-373	-200		
Special Needs Transport II - demand management including Independent Travel Training	-56	-45		
Special Needs Transport III - full market engagement	-40	-500		
Introduction of Charging for non Statutory Educational Psychology	-125	-90		
Review of semi supported provision including potential closure of Honeypot Lane		-410		
Procurement Savings including placements	-620	-70		
Savings from commissioning budgets including connexions, parenting support, drugs & alcohol and clinic in a box	-835	-255		
Recommissioning of Respite Care for CWD		-100		
Consolidation of Early Years training functions	-100	-50		

CHILDREN & FAMILIES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Business Support Savings	-260			
Total of Children and Families Savings	-2,876	-2,068	0	0
Net Children's Services	-1,076	-1,672	413	413

ENVIRONMENT AND ENTERPRISE

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Investment in Services				
PRS - Vehicle early termination payments	295	-295		
Transformation growth	163	-163		
Parking review	261	307		
Additional Harrow Town Centre cleaning following from OLF2	87			
CCTV camera income decline		70	56	45
CRC/EA increase in cost of CRC scheme	93			
Welfare to work Xcite:	108			
WLWA Levy	1,218	689	677	708
Procurement related pressures due to change in market price and profit share for Dry recyclables	256			
Maintenance of CCTV cameras	71			
Total Investment in Services	2,552	608	733	753
Savings				
Additional income				
Additional planning fees income following change from central government		-290		
Introduce differential charging policy for planning applications to provide for fast track income generation	-15			
Increase Income and rental from Corporate Estate	-80	0	0	0
Increasing the level of fees recharged for adaptations undertaken using Council or DFG funding. Business as usual	-75	0	0	0
Introduction of Civic Centre staff car parking charges and other free car parks	-135	-45	0	0
Licensing - scope for additional income	-40	0	0	0
Revenue maximisation - Fleet sponsorship: Explore advertisement opportunities for PRS fleet	0	-25	0	0
SLA Income - HRA, Schools & Other Bodies. Increased income from revised SLA with schools	-19	0	0	0
Textile recycling	-10	0	0	0
ADDITIONAL INCOME TOTAL	-374	-360	0	0
Environment Savings				
PRISM growth and efficiencies (2012-13 reversal)	-200			
Property Co/FM growth and efficiencies (2012-13 reversal)	-100			
	-300	0	0	0
PRISM efficiencies	-1,500	-350		
Property Co/FM growth and efficiencies	-251			
	-1,751	-350	0	0

ENVIRONMENT AND ENTERPRISE

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Closure of loss making car parks	-150			
Management Efficiencies	-75			
Parking permit charge increase	-40			
Returning Parks to Open Space	-350			
Trading Standards and Proceeds of Crime Act savings (linked to review of SLA with Brent trading Standards)	-50	-100		
Climate Change - Flexible retirement and consumables	-31	-58	0	0
Environment Consumables	-100	0	0	0
Further management reductions in Environment	-100	-285	0	0
Reduce highways maintenance budget	-273	0	0	0
Grass Verge Maintenance reduction		-165		
Public Realm service reduction	-644	-110	0	0
Public Realm Post reductions	0	-24	0	0
Traffic & Highways post reductions	-251	0	0	0
Consolidation of Civic Centre accommodation to secure utility cost savings. Transformation Project	0	-122	-58	0
Consolidation of property services within old Environment and Enterprise Directorates. Transformation Project	-180	0	0	0
Cost reduction of maintaining parking equipment	-30	0	0	0
Establishing the Harrow Home Improvement Agency as a stand alone organisation. Transformation Project	-75	-75	0	0
Reduce the number of off-street car park sites and dispose of selected car park sites	0	-100	0	0
Soft Market testing of statutory animal services and review of commercial animal services	-60	0	0	0
Review operations of the CCTV control room during the night	-30	0	0	0
Review Brent-Harrow Trading Standards consortium and / or provide Trading Standards on a reduced scale.	-140	0	0	0
Review Trade Waste	-220	0	0	0
Undertake maintenance and cleaning of corporate premises only to the minimum standard necessary for statutory compliance.	-100	0	0	0
TOTAL ENVIRONMENT SAVINGS	-4,950	-1,389	-58	0
ENTERPRISE SAVINGS:				
Residual from Major Projects budget	-25	0	0	0
Procurement savings on Northgate contract	-6	0	0	0
Enterprise Post Deletions	-1,083	0	0	0
Enterprise Consumables	-93			
TOTAL ENTERPRISE SAVINGS	-1,207	0	0	0

ENVIRONMENT AND ENTERPRISE

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Procurement Savings - others	-140	-273		
Procurement - Transport Review	-350			
Existing procurement Total	-490	-273	0	0
Total Environment and Enterprise Savings	-7,021	-2,022	-58	0
Net Environment and Enterprise	-4,469	-1,414	675	753

RESOURCES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Investment in Services				
Customer Services				
Web development & licences	10			
IT & text alerts	50			
Helpline Income shortfall	80			
Card Payment System	92			
IT / PMO				
BTP Contract Indexation	60	30		
Transfer from capital - Microsoft annual licence costs more economic than buying	88			
Strategic Commissioning				
Local Information System Licences and Running Costs	18			
Reduction in DAT contribution due to PCT budget reductions (reversal of one off growth in 2012-13)	-25			
Experian & LIS	3	22	-25	
Refresh of Residents Panel	10	-10		
HRD				
Cashiers Service Resilience	50			
Corporate services savings shortfall	20			
Increased Resources in Payroll	35			
Reduced WLWA SLA Income to Payroll	20	15		
Legal and Governance				
Legal Expansion of Child protection	120			
Individual Electoral Registration	100	-100		
Finance				
Finance Transformation Project	200	-200		
Finance - Ending Service to WLWA	23	27		
Reduced Schools SLA Income	20			
Risk Audit and Fraud				
Internal Audit - loss of income from ending service to WLWA	17			
Collections and Benefits				
DWP Housing Benefit Reduction in Administration Grant		250	500	
Loss Housing Benefits Overpayments Income Stream		200	320	110
Additional Staff-Revenues CTS collection	150			
Harrow HELP scheme	100			
PFI Grant Reduction	38	43		
DWP HB Reduction in Admin Grant	298	119		
Funding for Localised CTB consultation & Implementation (reversal of one off growth in 2012-13)	-100			
Procurement				
Investment in Procurement Team to restore size of team to that for 2011/12	140			
Total Investment in Services	1,617	396	795	110
Savings				
Customer Services				

RESOURCES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Move landlords online with F2F by appointment only on fixed days	-90			
Reduction in staff hours to meet demand through fewer full time posts	-60			
Use of Artificial Intelligence to divert switchboard calls	-60	-60		
Restructure of Reception to ensure all day cover	-10			
Further channel shift through roll out of My Harrow account		-60	-60	
Close F2F and Telephony Channels for Public Realm Enquiries		-30	-70	-50
Reconfigure One Stop Shop	-50	-100	-190	-100
IT / PMO				
Deletion of Project Manager	-48			
Datacentre to remain at the Civic Centre	-250			
Recharge utility costs for computer room to Capita	-177			
Reduction in Telephony Costs utilising SIP	-200			
Strategic Commissioning				
Merger of Corporate Performance Team and Service Performance Team, reducing staffing		-93		
Delete post of Senior Professional SIMS	-60			
Performance, Research & Analysis Business Case and New Operating Model Strategic Commissioning	-132	-97		
Merger of Consultation Officer into Communications team	-40			
Communications - reduction in number of campaigns	-46	-46		
HRD				
Reduction in HRD Management team		-65		
Reduction in HRD posts		-75	-75	
Re-negotiate L&D managed service contract fees	-38			
Reduction in TU facility budget	-30			
Print Contract Savings	-350	-100		
Cessation of External recruitment Advertising	-25	-75		
Risk Audit and Fraud				
CORPORATE ANTI-FRAUD TEAM				
Proceeds of Crime Act - pursue recoveries of fraudulent gains in partnership with Brent, plus additional income recovery	-20	-19		
INTERNAL AUDIT				
Reduce co-sourcing budget		-16		
Delete vacant post in audit	-30			
CORPORATE HEALTH & SAFETY SERVICE				
Delete 2 posts in Health and Safety	-82			

RESOURCES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
CIVIL CONTINGENCIES TEAM				
Joint working opportunity with other boroughs	-35			
INSURANCE SERVICE				
Reduced broker fees through more in-house handling and increased income on third party insurance schemes	-2	-3		
Future trading with Academies	-25			
Phase 2 restructure, reduced assistant post from claims handling transfer to Access Harrow / further LEAN efficiencies	-20			
Reduction of 1FTE Anti Fraud Investigator Post	-50			
Reprocurement Occupational Health	-70			
Deletion of Corporate Risk Management Support Service	-30	-30		
Cross Council Insurance Claims	-30	-70		
Reduced Contribution to Insurance Provision		-100		
Deletion of Divisional Director post as part of Resources Directorate restructure	-118			
LEGAL AND GOVERNANCE				
Legal Practice				
Legal Practice staffing	-28			
Shared Service efficiencies	-75			
Expansion of Legal Practice Shared Service	-100	-100		
Registrars				
Share/reduce management costs	-75			
Elections				
E-canvass Project	-20	-20		
Reduced Number and Frequency Formal Committees	-30	-70		
Efficiency savings in Mayor's office	-26			
Scaled Back Councillor Investigation Process	-50			
Increase to Registrars Fee Income Target	50	-100		
Corporate Finance				
Finance restructure		-300		
Audit fees reduced	-160			
London Boroughs grant scheme – reduced levy	-74			
Treasury Management - increased investment income	-939			
Procurement				
Collections and Benefits				
Deletion of 2 FTE posts in Revenues - Council Tax and NNDR	-60			
Deletion of 4 FTE posts in Housing Benefits		-140		
Deletion of 1 post in Parking Back Office	-25			
Staff reductions to match DWP Admin grant reduction		-48		
Concessionary Travel - Changes to TfL grant distribution	-105	-102		
Revenues Staffing Reductions				-40

RESOURCES

	2013-14	2014-15	2015-16	2016-17
	£000	£000	£000	£000
Housing Benefits Staffing Reductions as Benefits moves to DWP			-125	-145
Withdraw Discretionary Rate Relief from Charity Shops in 2013-14 and end in 2014-15	-25	-50		
Funding Administration of Emergency Relief Scheme from Grant	-85			
Restrict the issuing of taxi cards to only that which is available through TFL funding	-200			
Cross Council Efficiencies not delivered in 2012-13	215			
Total Resources Savings	-3,990	-1,969	-520	-335
Net Resources Directorate	-2,373	-1,573	275	-225