

MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2018/19

	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
Budget Requirement Brought Forward		167,381	164,987	154,156
Corporate & Technical		9,537	500	13,280
People		-4,207	-5,558	-10,887
Community		-3,420	-2,094	-2,704
Resources & Commercial		-3,994	-2,126	-2,540
Regeneration		-90	-150	0
Pan Organisation		-220	-350	-2,000
Total		-2,394	-9,778	-4,851
FUNDING GAP		0	-1,053	-90
Total Change in Budget Requirement		-2,394	-10,831	-4,941
Revised Budget Requirement	167,381	164,987	154,156	149,216
Collection Fund Deficit/-surplus	-1,900	-3,494	0	0
Revenue Support Grant	-32,034	-21,935	-13,019	-7,332
Top Up	-20,939	-21,113	-21,529	-22,164
Retained Non Domestic Rates	-14,012	-13,189	-13,189	-13,189
Amount to be raised from Council Tax	98,496	105,256	106,419	106,531
Council Tax at Band D	£ 1,234.36	£1,283.61	£1,296.45	£1,296.45
Increase in Council Tax (%)	1.99%	3.99%	1.00%	0.00%
Tax Base	79,795	82,000	82,085	82,171
Collection rate	97.50%	97.75%	97.75%	97.75%
Gross Tax Base	81,841	83,887	83,975	84,062

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TECHNICAL BUDGET CHANGES	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
MTFS Proposals Agreed in February 2015			
Capital and Investment			
Capital financing costs and investment income			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	2,462	2,095	4,731
Amendment 2016/17 review	958	1,437	1,631
Total Capital and Investment Changes	3,420	3,532	6,362
Grant Changes			
New Homes Bonus			
Projected grant received net of topslice to London LEP	-150	325	579
Amendment 2016/17 review	-2,413		2,000
<i>Total New Homes Bonus</i>	<i>-2,563</i>	<i>325</i>	<i>2,579</i>
Better Care Fund			
<i>Estimated additional grant from 2016/17</i>	<i>-1,000</i>		
Education Support Grant.			
Projected reduction in grant received	545	545	545
Amendment 2016/17 review	-472	100	100
<i>Total ESG</i>	<i>73</i>	<i>645</i>	<i>645</i>
S31 Grant Re Business Rate Reliefs			
Reduction in 2016/17 due to ending retail relief scheme	443		
Public Health Grant Reduction	300		
Total Grant Changes	-2,747	970	3,224
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London	289	380	390
Amendment 2016/17 review - extension to 2019/20	0	0	0
<i>Total Freedom Pass Levy change</i>	<i>289</i>	<i>380</i>	<i>390</i>
Remove energy price contingency		-350	
Budget planning contingency.	3,000	3,000	3,000
Homelessness Reserve	1,000		
Amendment 2016/17 review	-1,000	-5,000	-2,630
<i>Total Budget planning contingency.</i>	<i>3,000</i>	<i>-2,000</i>	<i>370</i>
Total Other Technical Changes	3,289	-1,970	760
Pay and Inflation			
Pay Award @ 2% pa	1,800	1,800	1,800
Reduction to 1% and National Living Wage	-800	-800	-800
Pay inflation total	1,000	1,000	1,000
Employer's Pension Contributions lump sum increases agreed with actuary			
Required to reduce the pension deficit	582	622	664
Inflation on goods and services @ 1.3% p.a.	1,270	1,270	1,270
Reduction in inflation provision	-1,120	-870	
<i>Inflation Provision total</i>	<i>150</i>	<i>400</i>	<i>1,270</i>
Increase in cost of NI for contracted out employees			
Ending of contracted out rebate - 3.4% on applicable salary range	1,100	0	0
Total Pay and Price Inflation	2,832	2,022	2,934

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TECHNICAL BUDGET CHANGES	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
OTHER			
Contribution to MTFS Implementation Reserve - one off	2,954	-2,954	
Commercialisation Savings		-1,100	
Audit Fee Reduction	-80		
Car allowance review	-100		
Staff Terms and Conditions. Final year of phasing out of protection on terms and conditions changes agreed with Staff from January 2013.	-31	0	0
Total Corporate & Technical	9,537	500	13,280

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PEOPLE DIRECTORATE	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
Children & Families			
Proposed Savings - see appendix 1a	-3,569	-681	-3,262
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	413	0	0
Sub total Children & Families	-3,156	-681	-3,262
Adults			
Proposed Savings - see appendix 1a	-3,542	-4,415	-5,330
Balance of Adult Social Care Precept	525		
Changes agreed in 2015/16 MTFS - see appendix 1b	-50	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	2,500	0	0
Sub total Adults	-567	-4,415	-5,330
Public Health			
Proposed Savings - see appendix 1a	-484	-462	-2,295
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0
Sub total Public Health	-484	-462	-2,295
Total People Directorate	-4,207	-5,558	-10,887

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COMMUNITY	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
Environmental Services			
Proposed Savings - see appendix 1a	-595	-453	-1,959
Changes agreed in 2015/16 MTFS - see appendix 1b	-2,440	-675	-264
Changes agreed in 2014/15 MTFS - see appendix 1c	764	0	0
Sub total Environmental Services	-2,271	-1,128	-2,223
Community & Culture			
Proposed Savings - see appendix 1a	-15	-390	-209
Changes agreed in 2015/16 MTFS - see appendix 1b	-584	-100	0
Changes agreed in 2014/15 MTFS - see appendix 1c			
Sub total Community & Culture	-599	-490	-209
Housing - General Fund			
Proposed Savings - see appendix 1a	-550	-476	-272
Changes agreed in 2015/16 MTFS - see appendix 1b	0	0	0
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0
Sub total Housing General Fund	-550	-476	-272
Total Community	-3,420	-2,094	-2,704

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RESOURCES & COMMERCIAL	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
Resources & Commercial			
Proposed Savings - see appendix 1a	-2,934	-474	-1,195
Changes agreed in 2015/16 MTFS - see appendix 1b	-1,565	-1,652	-1,345
Changes agreed in 2014/15 MTFS - see appendix 1c	505	0	0
Total Resources & Commercial	-3,994	-2,126	-2,540

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REGENERATION	Proposed		
	2016/17	2017/18	2018/19
	£000	£000	£000
Proposed Savings - see appendix 1a	-90	-50	
Changes agreed in 2015/16 MTFS - see appendix 1b		-100	
Changes agreed in 2014/15 MTFS - see appendix 1c			
Total Regeneration	-90	-150	0

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Pan Organisation	Proposed		
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	£000	£000	£000
Proposed Savings - see appendix 1a	0	0	0
Changes agreed in 2015/16 MTFS - see appendix 1b	-220	-350	-2,000
Changes agreed in 2014/15 MTFS - see appendix 1c	0	0	0
Total Pan Organisation	-220	-350	-2,000