

## MEDIUM TERM FINANCIAL STRATEGY 2016/17 to 2019/20

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
<b>Budget Requirement Brought Forward</b>		164,987	164,804	157,973
Corporate & Technical		-638	17,134	8,941
People		3,629	-7,999	-4,340
Community		-1,570	-3,796	-409
Resources & Commercial		-1,107	-2,127	-150
Regeneration		-147	0	0
Pan Organisation		-350	-2,000	0
<b>Total</b>		<b>-183</b>	<b>1,212</b>	<b>4,042</b>
<b>FUNDING GAP</b>		<b>0</b>	<b>-8,043</b>	<b>-8,998</b>
<b>Total Change in Budget Requirement</b>		<b>-183</b>	<b>-6,831</b>	<b>-4,956</b>
<b>Revised Budget Requirement</b>	<b>164,987</b>	<b>164,804</b>	<b>157,973</b>	<b>153,016</b>
Collection Fund Deficit/-surplus	-3,494	-3,760	0	0
Revenue Support Grant	-21,935	-13,019	-7,332	-1,560
Top Up	-21,113	-21,049	-21,684	-22,392
Retained Non Domestic Rates	-13,189	-14,446	-14,446	-14,446
<b>Amount to be raised from Council Tax</b>	<b>105,256</b>	<b>112,530</b>	<b>114,511</b>	<b>114,618</b>
<b>Council Tax at Band D</b>	<b>£1,283.61</b>	<b>£1,347.66</b>	<b>£1,347.66</b>	<b>£1,347.66</b>
<b>Increase in Council Tax (%)</b>	<b>3.99%</b>	<b>4.99%</b>	<b>0.00%</b>	<b>0.00%</b>
Tax Base	82,000	83,500	84,970	85,050
Collection rate	97.75%	98.00%	98.00%	98.00%
Gross Tax Base	83,887	85,204	86,704	86,786

## MTFS 2017/18 to 2019/20 – Proposed investments / savings

<b>TECHNICAL BUDGET CHANGES</b>			
	2017/18	2018/19	2019/20
	£000	£000	£000
<b>Capital and Investment</b>			
<b>Capital financing costs and investment income</b>			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	3,747	7,994	4856
<b>Reductions following review of capital bids in December</b>		-51	-816
<b>Application of Capital Receipts to reduce borrowing costs</b>	-1,000		
One of use of MRP capacity	-500	500	
<b>Total Capital and Investment Changes</b>	<b>2,247</b>	<b>8,443</b>	<b>4,040</b>
<b>Grant Changes</b>			
<b>New Homes Bonus</b>			
<b>Estimated Grant changes</b>	-525	940	1000
<b>Reduction in New Homes Bonus - December Settlement</b>	1,705		
New Adult Social Care Grant 2017.18	-974	974	
<i>Total New Homes Bonus</i>	<i>206</i>	<i>1,914</i>	<i>1,000</i>
<b>Better Care Fund</b>			
<i>Estimated additional grant from 2016/17</i>			
<b>Education Support Grant.</b>			
Projected reduction in grant received	1,285	751	0
<b>Reduction in ESG - December Settlement</b>	123		
<i>Total ESG</i>	<i>1,408</i>	<i>751</i>	<i>0</i>
<b>Transition grant</b>	13	699	
<b>Public Health Grant Reduction</b>	907	697	487
<b>Total Grant Changes</b>	<b>2,534</b>	<b>4,061</b>	<b>1,487</b>
<b>Other Technical Changes</b>			
<b>Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London</b>	380	390	
Amendment 2016/17 review - extension to 2019/20	0	0	414
<i>Total Freedom Pass Levy change</i>	<i>380</i>	<i>390</i>	<i>414</i>
<i>Remove original energy price contingency</i>	<i>-350</i>	<i>0</i>	
<i>Increase energy contingency</i>	<i>260</i>	<i>-64</i>	
<i>Contingency - reduction back to £1.248m</i>	<i>-81</i>		
Estimated Cost of the Apprenticeship Levy	400		
<b>Budget planning contingency.</b>	-2,000	370	0
One off use from 2016/17	-1,000	1,000	TBC
<i>Total Budget planning contingency.</i>	<i>-3,000</i>	<i>1,370</i>	<i>0</i>
<b>Total Other Technical Changes</b>	<b>-2,391</b>	<b>1,696</b>	<b>414</b>
<b>Pay and Inflation</b>			
<b>Pay Award @ 1% pa</b>	1,000	1,000	1,000
<b>Pay inflation total</b>	1,000	1,000	1,000
<b>National Minimum Wage</b>			1,300
<b>Employer's Pension Contributions lump sum increases agreed with actuary</b>			
Required to reduce the pension deficit	622	664	700
<b>Further Contribution of Lump sum in accordance with actuarial triennial valuation</b>	378		
<b>NNDR Revaluation - Estimated cost of Harrow NNDR</b>	565		
<b>Inflation on goods and services @ 1.3% p.a.</b>	1,270	1,270	0
Reduction in inflation provision	-870	0	TBC
<i>Inflation Provision total</i>	<i>400</i>	<i>1,270</i>	<i>0</i>
<b>Total Pay and Price Inflation</b>	<b>2,965</b>	<b>2,934</b>	<b>3,000</b>
<b>OTHER</b>			
<b>Contribution to MTFS Implementation Reserve - one off in 2016/17</b>	-2,954		

**MTFS 2017/18 to 2019/20 – Proposed investments / savings**

<b>TECHNICAL BUDGET CHANGES</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Capital Receipts Flexibility</b>	-3,039	0	
<b>Total Corporate &amp; Technical</b>	<b>-638</b>	<b>17,134</b>	<b>8,941</b>

**MTFS 2017/18 to 2019/20 – Proposed investments / savings**

<b>PEOPLE DIRECTORATE</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Children &amp; Families</b>			
Proposed Savings - see appendix 1a	-255	0	0
Proposed Growth - see appendix 1a	2,838	200	
Proposed Savings - see appendix 1b	-167	-2,611	-150
<b>Sub total Children &amp; Families</b>	<b>2,416</b>	<b>-2,411</b>	<b>-150</b>
<b>Adults</b>			
Proposed Savings - see appendix 1a	-1,120		0
Proposed Growth - see appendix 1a	4,629	-96	-90
Proposed Savings - see appendix 1b	-1,571	-3,228	-4,100
<b>Sub total Adults</b>	<b>1,938</b>	<b>-3,324</b>	<b>-4,190</b>
<b>Public Health</b>			
Proposed Savings - see appendix 1a	-263	31	0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-462	-2,295	0
<b>Sub total Public Health</b>	<b>-725</b>	<b>-2,264</b>	<b>0</b>
<b>Total People Directorate</b>	<b>3,629</b>	<b>-7,999</b>	<b>-4,340</b>

**MTFS 2017/18 to 2019/20 – Proposed investments / savings**

<b>COMMUNITY</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Environmental Services</b>			
Proposed Savings - see appendix 1a	-964	-379	-246
Proposed Growth - see appendix 1a	500		100
Proposed Savings - see appendix 1b	-1,128	-2,223	0
<b>Sub total Environmental Services</b>	<b>-1,592</b>	<b>-2,602</b>	<b>-146</b>
<b>Cultural Services</b>			
Proposed Savings - see appendix 1a			0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-35	-209	0
<b>Sub total Community &amp; Culture</b>	<b>-35</b>	<b>-209</b>	<b>0</b>
<b>Housing - General Fund</b>			
Proposed Savings - see appendix 1a	-898	-469	-225
Proposed Growth - see appendix 1a	2,996	-163	
Growth funded from topslice	-1,000		
Proposed Savings - see appendix 1b	-1,041	-353	-38
<b>Sub total Housing General Fund</b>	<b>57</b>	<b>-985</b>	<b>-263</b>
<b>Total Community</b>	<b>-1,570</b>	<b>-3,796</b>	<b>-409</b>

**MTFS 2017/18 to 2019/20 – Proposed investments / savings**

<b>RESOURCES &amp; COMMERCIAL</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Resources &amp; Commercial</b>			
Proposed Savings - see appendix 1a	-724	-157	-150
Proposed Growth - see appendix 1a	734		
Proposed Savings - see appendix 1b	-1,117	-1,970	0
<b>Total Resources &amp; Commercial</b>	<b>-1,107</b>	<b>-2,127</b>	<b>-150</b>

**MTFS 2017/18 to 2019/20 – Proposed investments / savings**

<b>REGENERATION</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Proposed Savings - see appendix 1a	-47		
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-100		
<b>Total Regeneration</b>	<b>-147</b>	<b>0</b>	<b>0</b>

**MTFS 2017/18 to 2019/20 – Proposed investments / savings**

<b>Pan Organisation</b>			
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Proposed Savings - see appendix 1b	0	0	0
Proposed Savings - see appendix 1a	-350	-2,000	0
<b>Total Pan Organisation</b>	<b>-350</b>	<b>-2,000</b>	<b>0</b>