

MEDIUM TERM FINANCIAL STRATEGY 2018/19 to 2020/21

	2018/19	2019/20	2020/21
	£000	£000	£000
Budget Requirement Brought Forward	164,804	167,913	163,003
Corporate & Technical	5,049	14,848	13,862
People	5,965	-1,491	-90
Community	-3,967	-1,429	-271
Resources & Commercial	-1,888	-180	0
Regeneration	-2,050	0	0
Pan Organisation			
Total	3,109	11,748	13,501
FUNDING GAP	0	-16,658	-11,033
Total Change in Budget Requirement	3,109	-4,910	2,468
Revised Budget Requirement	167,913	163,003	165,471
Collection Fund Deficit/-surplus	-6,093		
Revenue Support Grant	-7,332	-1,560	-1,560
Top Up	-21,684	-22,392	-22,392
Retained Non Domestic Rates	-15,000	-15,000	-15,000
Amount to be raised from Council Tax	117,804	124,051	126,519
Council Tax at Band D	£1,394.69	£1,443.36	£1,472.08
Increase in Council Tax (%)	3.49%	3.49%	1.99%
Tax Base	84,466	85,946	85,946
Collection rate	98.00%	98.00%	98.00%
Gross Tax Base	86,190	87,700	87,700

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

TECHNICAL BUDGET CHANGES			
	2018/19	2019/20	2020/21
	£000	£000	£000
Capital and Investment			
Capital financing costs and investment income			
Increased Minimum Revenue Provision costs of the capital programme and interest on balances changes	7,994	4856	
One off MRP underspend	-4,000	4000	
On going MRP underspend	-2,000		
25%reduction i	-1,144	-355	-45
Reductions following review of capital bids in December	-51	-816	
Application of Capital Receipts to reduce borrowing costs	-350	350	
Capital In Investment			500
One of use of MRP capacity	500		
Total Capital and Investment Changes	949	8,035	455
Grant Changes			
New Homes Bonus			
Estimated Grant changes	940	1000	940
Reduction in New Homes Bonus - December Settlement			
New Adult Social Care Grant 2017.18	974		
<i>Total New Homes Bonus</i>	<i>1,914</i>	<i>1,000</i>	
Better Care Fund			
<i>Estimated additional grant from 2016/17</i>			
Education Support Grant.			
Projected reduction in grant received	751	144	0
Reduction in ESG - December Settlement			
<i>Total ESG</i>	<i>751</i>	<i>144</i>	
Transition grant	699		
Public Health Grant Reduction	697	487	
Total Grant Changes	4,061	1,631	940
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London	390		500
Amendment 2016/17 review - extension to 2019/20	0	414	
<i>Total Freedom Pass Levy change</i>	<i>390</i>	<i>414</i>	<i>500</i>
<i>Remove original energy price contingency</i>	<i>0</i>		
<i>Increase energy contingency</i>	<i>-64</i>		
<i>Contingency - reduction back to £1.248m</i>			
Estimated Cost of the Apprenticeship Levy			
Budget planning contingency.	370	0	
One off use from 2016/17	1,000	0	
<i>Total Budget planning contingency.</i>	<i>1,370</i>	<i>0</i>	
<i>corporate adjustment</i>	<i>-748</i>	<i>-108</i>	
Total Other Technical Changes	948	414	500
Pay and Inflation			
Pay Award @ 1% pa	1,000	1,000	
Pay Award @ 2% pa			2,000
Pay inflation total	1,000	1,000	
National Minimum Wage		1,300	

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

TECHNICAL BUDGET CHANGES			
	2018/19	2019/20	2020/21
	£000	£000	£000
Employer's Pension Contributions lump sum increases agreed with actuary			
Required to reduce the pension deficit	664	700	
Further Contribution of Lump sum in accordance with actuarial triennial valuation			
NNDR Revaluation - Estimated cost of Harrow NNDR			
Inflation on goods and services @ 1.3% p.a.	1,270	0	500
Reduction in inflation provision	0	TBC	
<i>Inflation Provision total</i>	1,270	0	
Total Pay and Price Inflation	2,934	3,000	2,500
OTHER			
Reversal 17.18 Income	3,500		
Estimated Directorate Growth			4000
Adult Social care grant 2018/19 and 2019/20	-2,743	1376	1367
Improved better care grant	-1,900	-2200	4100
Capital Receipts Flexibility	-2,700	2700	
Total Corporate & Technical	5,049	14,848	13,862

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

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

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

COMMUNITY			
	2018/19	2019/20	2020/21
	£000	£000	£000
Environmental Services			
Proposed Savings - see appendix 1a	-355	-1,120	-137
Proposed Growth - see appendix 1a	0	175	25
Proposed Savings - see appendix 1b	-2,527	-321	-159
Proposed Growth - see appendix 1c		100	0
Sub total Environmental Services	-2,882	-1,166	-271
Cultural Services			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a		0	0
Proposed Savings - see appendix 1b			
Sub total Community & Culture	0	0	0
Housing - General Fund			
Proposed Savings - see appendix 1a	-100	0	0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	-822	-263	0
Proposed Growth - see appendix 1c	-163	0	0
Sub total Housing General Fund	-1,085	-263	0
Total Community	-3,967	-1,429	-271

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

RESOURCES & COMMERCIAL			
	2018/19	2019/20	2020/21
	£000	£000	£000
Resources & Commercial			
Proposed Savings - see appendix 1a	-228	-30	0
Proposed Growth - see appendix 1a	110	0	0
Proposed Savings - see appendix 1b	-1,770	-150	0
Total Resources & Commercial	-1,888	-180	0

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

REGENERATION			
	2018/19	2019/20	2020/21
	£000	£000	£000
Proposed Savings - see appendix 1a	-50		
Proposed Savings - see appendix 1b	-2,000		
Total Regeneration	-2,050	0	0