

MEDIUM TERM FINANCIAL STRATEGY 2018/19 to 2020/21

	2018/19	2019/20	2020/21
	£000	£000	£000
Budget Requirement Brought Forward	164,804	168,917	163,150
Corporate & Technical	1,719	14,826	15,770
People	5,965	-1,491	-90
Community	-1,983	-1,816	-952
Resources & Commercial	-1,888	350	0
Regeneration	300	0	0
Pan Organisation			
Capital In Investment reversed	4,113	11,869	14,728
FUNDING GAP	0	-17,636	-16,061
Total Change in Budget Requirement	4,113	-5,767	-1,333
Revised Budget Requirement	168,917	163,150	161,817
Collection Fund Deficit/-surplus	-6,093		
Revenue Support Grant	0	-1,560	0
Top Up	-10,582	-22,245	-21,977
Retained Non Domestic Rates	-34,438	-16,480	-16,975
Amount to be raised from Council Tax	117,804	122,865	122,865
Council Tax at Band D	£1,394.69	£1,429.56	£1,429.56
Increase in Council Tax (%)	3.49%	2.50%	0.00%
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	-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 reversed	-160		500
Capital Financing costs increasing 2020/21 for depot			681
One of use of MRP capacity	500		
Total Capital and Investment Changes	789	8,035	1,136
Grant Changes			
New Homes Bonus			
Estimated Grant changes	940	1000	940
Additional New Homes Bonus - December 2017 Settlement			
New Adult Social Care Grant 2017.18	974		
<i>Total New Homes Bonus</i>	<i>1,561</i>	<i>1,353</i>	
Better Care Fund			
<i>Estimated additional grant announced Dec 2017</i>	<i>-57</i>	<i>24</i>	<i>33</i>
Education Support Grant.			
Projected reduction in grant received	751	144	0
New NNDR Multiplier Inflation compensation grant			
<i>Total ESG</i>	<i>-44</i>	<i>-255</i>	<i>1194</i>
Transition grant	699		
Public Health Grant Reduction	697	487	
Total Grant Changes	2,856	1,609	2,167
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London			
Amendment 2016/17 review - extension to 2019/20	390		500
<i>Total Freedom Pass Levy change</i>	<i>390</i>	<i>414</i>	<i>500</i>
<i>Reduction in Freedom Pass Levy</i>	<i>-500</i>		
<i>Increase energy contingency</i>	<i>-64</i>		
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	448	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	

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

TECHNICAL BUDGET CHANGES			
	2018/19	2019/20	2020/21
	£000	£000	£000
Additional pay award	885		
National Minimum Wage		1,300	
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			
Reduction of inflation provision and corp budgets from 2017/18	-2,350		
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	1,469	3,000	2,500
OTHER			
Reversal 17.18 Income	3,500		
Estimated Directorate Growth			4000
Improved Better Care Fund 2018/19	-4,643	4643	1367
Improved Better Care Fund 2018/19		-5467	4100
Capital Receipts Flexibility	-2,700	2700	
Total Corporate & Technical	1,719	14,826	15,770

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			
Capital In Investment reversed			
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	720	-80	25
Proposed Savings - see appendix 1b	-2,527	-321	-840
Proposed Growth - see appendix 1c		100	0
Sub total Environmental Services	-2,162	-1,421	-952
Cultural Services			
Capital In Investment reversed	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	442	-395	0
Proposed Growth - see appendix 1c	-163	0	0
Sub total Housing General Fund	179	-395	0
Total Community	-1,983	-1,816	-952

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	530	0
Proposed Savings - see appendix 1b	-1,770	-150	0
Total Resources & Commercial	-1,888	350	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	350		
Total Regeneration	300	0	0