

## MEDIUM TERM FINANCIAL STRATEGY 2019/20 to 2020/21

	2019/20	2020/21	2021/22
	£000	£000	£000
<b>Budget Requirement Brought Forward</b>	168,917	168,780	167,760
Corporate & Technical	2,598	13,257	9,125
People	-1,012	881	652
Community	-2,116	-1,505	-643
Resources & Commercial	107	-500	-35
Corporate Growth - capital financing	286	330	244
<b>Total</b>	<b>-137</b>	<b>12,463</b>	<b>9,343</b>
<b>FUNDING GAP</b>	<b>0</b>	<b>-13,483</b>	<b>-9,343</b>
<b>Total Change in Budget Requirement</b>	<b>-137</b>	<b>-1,020</b>	<b>0</b>
<b>Revised Budget Requirement</b>	<b>168,780</b>	<b>167,760</b>	<b>167,760</b>
Collection Fund Deficit/-surplus	-2200		
Revenue Support Grant	-1,560	0	0
Top Up	-22,245	-21,977	-21,977
Retained Non Domestic Rates	-16,480	-16,975	-16,975
<b>Amount to be raised from Council Tax</b>	<b>126,295</b>	<b>128,808</b>	<b>128,808</b>
<b>Council Tax at Band D</b>	<b>£1,464.29</b>	<b>£1,493.43</b>	<b>£1,493.43</b>
<b>Increase in Council Tax (%)</b>	<b>4.99%</b>	<b>1.99%</b>	<b>0.00%</b>
Tax Base	86,250	86,250	86,250
Collection rate	98.00%	98.00%	98.00%
Gross Tax Base	87,700	87,700	87,700

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

<b>TECHNICAL BUDGET CHANGES</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<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	4856		
<b>One off MRP underspend</b>	4000		
<b>On going MRP underspend</b>			
<b>25%reduction</b>	-355	-45	0
<b>Reductions following review of capital bids in December</b>	-816		
<b>Application of Capital Receipts to reduce borrowing costs</b>	350		
<b>Capital Investment reversed</b>		500	0
<b>Capital Financing costs increasing 2020/21 for depot 2018/19 implications in 2021/22</b>		681	0
Use of Regen MRP Provision 2019/20	-1000	1000	
Use of Regen MRP Provision 2020/21		-1000	1000
<b>Total Capital and Investment Changes</b>	<b>7,035</b>	<b>1,136</b>	<b>2,900</b>
<b>Grant Changes</b>			
<b>New Homes Bonus</b>			
<b>Estimated Grant changes</b>	1000	940	0
<b>Additional New Homes Bonus - December 2017 Settlement</b>	353		
<b>New Homes Bonus 2018</b>	-962	300	
<b>Better Care Fund</b>			
<i>Estimated additional grant announced Dec 2017</i>	24	33	0
<b>Improved Better Care Fund 2018/19 one off grant assumed</b>	4643	0	0
<b>Improved Better Care Fund 2019/20 one off grant assumed</b>	-5467	5467	0
<b>Assumed BCF continues beyond 2019/20 on permanent basis</b>		-5,467	
<b>Education Support Grant.</b>			
Projected reduction in grant received	144	0	0
<b>New NNDR Multiplier Inflation compensation grant</b>	-399	1194	0
<b>Section 31 Grant</b>	-500	500	
<b>Business Rates Pool 2018/19</b>	-3779	3779	
<b>Business Rates Pool 2019/20</b>		-2625	2625
<b>Public Health Grant Reduction</b>	487		
<b>Removal of budget to fund PH Grant reduction</b>	-487		
<b>Total Grant Changes</b>	<b>-4,943</b>	<b>4,121</b>	<b>2,625</b>
<b>Other Technical Changes</b>			
<b>Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London</b>		500	0
Amendment 2016/17 review - extension to 2019/20	414		
Budget planning contingency.	-2,000	2,000	
One off use from 2018/19	-2,200	2,200	
<i>corporate adjustment</i>	-108		
<b>Total Other Technical Changes</b>	<b>-3,894</b>	<b>4,700</b>	<b>0</b>

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

<b>TECHNICAL BUDGET CHANGES</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Pay and Inflation</b>			
<b>Pay Award @ 2% pa</b>	2,300	2,000	2,000
<b>Employer's Pension Contributions lump sum increases agreed with actuary</b>			
Required to reduce the pension deficit	700		
<b>Inflation on goods and services @ 1.3% p.a.</b>	0	500	1100
<b>Total Pay and Price Inflation</b>	<b>3,000</b>	<b>2,500</b>	<b>3,100</b>
<b>OTHER</b>			
<b>Gayton Road Income</b>	-500	0	500
<b>Estimated Directorate Growth</b>		0	0
<b>Capital Receipts Flexibility</b>	2700		
<b>Capital Receipts Flexibility</b>	-800	800	0
<b>Total Corporate &amp; Technical</b>	<b>2,598</b>	<b>13,257</b>	<b>9,125</b>

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

<b>PEOPLE DIRECTORATE</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Children &amp; Families</b>			
Proposed Savings - see appendix 1a	-831	0	0
Proposed Growth - see appendix 1a	315	0	0
Proposed Savings - see appendix 1b	-150	0	0
<b>Sub total Children &amp; Families</b>	<b>-666</b>	<b>0</b>	<b>0</b>
<b>Adults</b>			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a	995	971	652
Proposed Savings - see appendix 1b	-1,251	0	0
Proposed Growth - see appendix 1b	-90	-90	0
<b>Sub total Adults</b>	<b>-346</b>	<b>881</b>	<b>652</b>
<b>Public Health</b>			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	0	0	0
<b>Sub total Public Health</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total People Directorate</b>	<b>-1,012</b>	<b>881</b>	<b>652</b>

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

<b>COMMUNITY</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Community and Culture</b>			
Proposed Savings - see appendix 1a	-300	-553	-643
Proposed Growth - see appendix 1a	0	0	0
Proposed Growth - see appendix 1b	-1,441	-977	0
Proposed Savings - see appendix 1b	20	25	0
<b>Sub total Environmental Services</b>	<b>-1,721</b>	<b>-1,505</b>	<b>-643</b>
<b>Housing - General Fund</b>			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a	0	0	0
Proposed Savings - see appendix 1b	-395	0	0
<b>Sub total Housing General Fund</b>	<b>-395</b>	<b>0</b>	<b>0</b>
<b>Total Community</b>	<b>-2,116</b>	<b>-1,505</b>	<b>-643</b>

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

<b>RESOURCES &amp; COMMERCIAL</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Resources &amp; Commercial</b>			
Proposed Savings - see appendix 1a	-643	-595	-175
Proposed Growth - see appendix 1a	400	95	140
Proposed Savings - see appendix 1b	-180	0	0
Proposed Growth - see appendix 1b	530	0	
<b>Total Resources &amp; Commercial</b>	<b>107</b>	<b>-500</b>	<b>-35</b>