

MEDIUM TERM FINANCIAL STRATEGY 2019/20 to 2020/21

	2019/20	2020/21	2021/22
	£000	£000	£000
Budget Requirement Brought Forward	168,917	167,081	168,510
Corporate & Technical	-3,996	19,018	11,256
People	3,988	881	652
Community	-1,921	-1,505	-1,046
Resources & Commercial	-193	-500	-1,761
Corporate Growth - capital financing	286	330	244
Total	-1,836	18,224	9,345
FUNDING GAP	0	-16,795	-9,345
Total Change in Budget Requirement	-1,836	1,429	0
Revised Budget Requirement	167,081	168,510	168,510
Collection Fund Deficit/-surplus	-2200		
Revenue Support Grant	0		0
Top Up	-13,753	-21,977	-21,977
Retained Non Domestic Rates	-24,833	-16,975	-16,975
Amount to be raised from Council Tax	126,295	129,558	129,558
Council Tax at Band D	£1,464.29	£1,493.43	£1,493.43
Increase in Council Tax (%)	4.99%	1.99%	0.00%
Tax Base	86,250	86,752	86,752
Collection rate	98.00%	98.00%	98.00%
Gross Tax Base	88,010	88,522	88,522

MTFS 2019/20 to 2021/22 – Proposed investments / savings

TECHNICAL BUDGET CHANGES			
	2019/20	2020/21	2021/22
	£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	4856		
One off MRP underspend	4000		
On going MRP underspend			
25%reduction	-355	-45	0
Reductions following review of capital bids in December	-816		
Application of Capital Receipts to reduce borrowing costs	350		
Capital Investment reversed		500	0
Capital Financing costs increasing 2020/21 for depot		681	0
2018/19 implications in 2021/22			1900
Use of Regen MRP Provision 2019/20	-1000	1000	
Use of Regen MRP Provision 2020/21		-1000	1000
Reduction in MRP provision set aside	-450		
MRP on Community projects and Property investment			1454
Interest on Community projects and Property investment			967
Total Capital and Investment Changes	6,585	1,136	5,321
Grant Changes			
New Homes Bonus			
Estimated Grant changes	1000	940	0
Additional New Homes Bonus - December 2017 Settlement	353		
New Homes Bonus 2018	-962	300	
Additional 2019 New Homes Bonus after settlement	-1254	176	535
Better Care Fund			
<i>Estimated additional grant announced Dec 2017</i>	24	33	0
Improved Better Care Fund 2018/19 one off grant assumed	4643	0	0
Improved Better Care Fund 2019/20 one off grant assumed	-5467	5467	0
Assumed BCF continues beyond 2019/20 on permanent basis		-5,467	
Education Support Grant.			
Projected reduction in grant received	144	0	0
One-off Education Service Grant	-902	902	
New NNDR Multiplier Inflation compensation grant	-399	1194	0
Reduction to New NNDR Multiplier Inflation compensation grant	612	-612	
Section 31 Grant 2018/19	-779	779	
Section 31 Grant 2019/20	-2170	2170	
Use of 2018/19 Business Rates Pool Budget in 2019/20	-3500	3500	
2019/20 Business Rates Pool budget	-£2,625		
Contribution to 2020/21 budget	£2,625		
Use of 2019/20 Business Rates Pool Budget in 2020/21		-2625	2625
Reduction in 2019/20 Business Rates Pool after December settlement	£825		
Reduced to contribution to 2020/21 budget after December settlement	-£825		
Reduced use of 2019/20 Business Rates Pool in 2020/21		825	-825
2019/20 Adult Social Care Grant	-£2,627		
Contribution to Adult social care reserve	£2,627		

MTFS 2019/20 to 2021/22 – Proposed investments / savings

TECHNICAL BUDGET CHANGES			
	2019/20	2020/21	2021/22
	£000	£000	£000
Public Health Grant Reduction	487		
Removal of budget to fund Public Health Grant reduction	-487		
Total Grant Changes	-8,657	7,582	2,335
Other Technical Changes			
Freedom Pass Levy increase. Cost of Freedom passes charged to Harrow by Transport for London		500	0
Ammended to 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>	-238		
Total Other Technical Changes	-4,024	4,700	0
Pay and Inflation			
Pay Award @ 2% pa	2,300	2,000	2,000
Employer's Pension Contributions lump sum increases agreed with actuary			
Required to reduce the pension deficit	700		
Inflation on goods and services @ 1.3% p.a.	0	500	1100
Total Pay and Price Inflation	3,000	2,500	3,100
OTHER			
Gayton Road Income	-500	0	500
Estimated Directorate Growth		0	0
Capital Receipts Flexibility	2700		
Capital Receipts Flexibility	-800	800	0
Additional Capital Flexibility	-2300	2300	
Total Corporate & Technical	-3,996	19,018	11,256

MTFS 2019/20 to 2021/22 – Proposed investments / savings

PEOPLE DIRECTORATE			
	2019/20	2020/21	2021/22
	£000	£000	£000
Children & Families			
Proposed Savings - see appendix 1a	-831	0	0
Proposed Growth - see appendix 1a	315	0	0
Proposed Savings - see appendix 1b	-150	0	0
Sub total Children & Families	-666	0	0
Adults			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a	5,995	971	652
Proposed Savings - see appendix 1b	-1,251	0	0
Proposed Growth - see appendix 1b	-90	-90	0
Sub total Adults	4,654	881	652
Public Health			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a			
Proposed Savings - see appendix 1b	0	0	0
Sub total Public Health	0	0	0
Total People Directorate	3,988	881	652

MTFS 2019/20 to 2021/22 – Proposed investments / savings

COMMUNITY			
	2019/20	2020/21	2021/22
	£000	£000	£000
Community and Culture			
Proposed Savings - see appendix 1a	-300	-553	-1,046
Proposed Growth - see appendix 1a	195	0	0
Proposed Growth - see appendix 1b	-1,441	-977	0
Proposed Savings - see appendix 1b	20	25	0
Sub total Environmental Services	-1,526	-1,505	-1,046
Housing - General Fund			
Proposed Savings - see appendix 1a	0	0	0
Proposed Growth - see appendix 1a	0	0	0
Proposed Savings - see appendix 1b	-395	0	0
Sub total Housing General Fund	-395	0	0
Total Community	-1,921	-1,505	-1,046

MTFS 2019/20 to 2021/22 – Proposed investments / savings

RESOURCES & COMMERCIAL			
	2019/20	2020/21	2021/22
	£000	£000	£000
Resources & Commercial			
Proposed Savings - see appendix 1a	-643	-595	-1,901
Proposed Growth - see appendix 1a	100	95	140
Proposed Savings - see appendix 1b	-180	0	0
Proposed Growth - see appendix 1b	530	0	
Total Resources & Commercial	-193	-500	-1,761