



Report for: Cabinet

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| Date of Meeting: | 14 September 2023 |
| Subject: | Revenue and Capital Budget Monitoring Report 2023-24 Q1 |
| Key Decision: | Yes |
| Responsible Officer: | Sharon Daniels - Interim Director of Finance and Assurance |
| Portfolio Holder: | Councillor David Ashton - Portfolio Holder for Finance and Human Resources |
| Exempt: | No except for Appendix 5 and Appendix 6 which are exempt on the grounds that it contains "exempt information" under paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) in that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information). |
| Decision subject to Call-in: | Yes |
| Wards affected: | All |
| Enclosures: | Appendix 1 – Summary of Grants 2023-24 Appendix 2 – MTFS Savings Tracker 2023-24 Appendix 3 – Capital Programme 2023-24 Appendix 4 – Trading Company Update 2023-24 Appendix 5 – EXEMPT – Concillium Assets LLP Business Plan Appendix 6 – EXEMPT – Sancroft Community Care Limited Business Plan |

Section 1 – Summary and Recommendations

This report sets out the Council's projected revenue and capital outturn position for 2023-24, based on all information known at the end of Q1 30 June 2023.

Recommendations:

1. That Cabinet notes the revenue and capital outturn positions set out in paragraphs 1.2 to 1.4.
2. That Cabinet approve the proposed additions and amendments to the Capital Programme as set out in paragraphs 3.28 to 3.32
3. That Cabinet note the Council's Trading Update as detailed in Appendix 4.
4. That Cabinet approves Concillium Assets LLP Business Plan as detailed at confidential Appendix 5.
5. That Cabinet approves the Sancroft Community Care Limited's Business Plan as detailed at confidential Appendix 6.

Reason: (For recommendations)

To report the 2023-24 financial forecast position at Q1 and to update Cabinet on trading company performance.

Section 2 – Report

1.0 INTRODUCTION

- 1.1 This is the first budget monitoring report for 2023-24.
- 1.2 The revenue budget in 2023-24 at Q1 is £196.354m which is net of external grants. A list of external grants is shown at Appendix 1. The net forecast position on the revenue budget for 2023-24, after the planned use of reserves, is a net overspend of £2.350m. This sum will need to be drawn down from the budget planning reserve if it is not mitigated by year end.
- 1.3 The general fund capital programme budget in 2023-24 is £102.634m. The net forecast position on the capital budget at Q1 is £76.155m which represents 74% of the total capital programme budget. The variance of £26.478m is made up of proposed slippage of £26.415m and an underspend of £63k.
- 1.4 The Housing Revenue Account (HRA) capital programme budget is £55.757m. The net forecast position on the HRA capital budget at Q1 is £51.661m which

represents 93% of the total HRA capital programme budget. The variance of £4.096m is made up of proposed slippage of £3.891m and a net underspend of £205k.

2.0 REVENUE MONITORING

2.1 As at Q1 the forecast revenue budget outturn, after the planned use of reserves, is a net overspend of £2.350m.

Table 1: Summary of Revenue Budget Monitoring – Forecast at Q1 2023-24

| Service Area | Revised Budget | Outturn | Variance | Contribution/ Drawdown From reserves | Corporate Funding | Revised Outturn | Variance to budget |
|----------------------------------|----------------|----------------|---------------|--------------------------------------|-------------------|-----------------|--------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Managing Director | 19,014 | 18,929 | -85 | -255 | 0 | 18,674 | -340 |
| Resources | 19,861 | 20,422 | 561 | -381 | 0 | 20,041 | 180 |
| Place | 33,960 | 39,773 | 5,813 | -2,879 | -130 | 36,764 | 2,804 |
| People's Services | 104,234 | 113,430 | 9,196 | -4,716 | 0 | 108,714 | 4,480 |
| Total Directorate Budgets | 177,069 | 192,554 | 15,485 | -8,231 | -130 | 184,193 | 7,124 |
| Corporate | 4,322 | 2,922 | -1,400 | -1,000 | 130 | 2,052 | -2,270 |
| Contingency for Unforeseen | 1,248 | 0 | -1,248 | 0 | 0 | 0 | -1,248 |
| Technical | 14,007 | 13,951 | -56 | -2,000 | 0 | 11,951 | -2,056 |
| Investment Properties | -2,876 | -2,801 | 75 | -75 | 0 | -2,876 | 0 |
| Pay Inflation | 4,000 | 6,928 | 2,928 | 0 | 0 | 6,928 | 2,928 |
| Non-Pay Inflation | 2,625 | 498 | -2,127 | 0 | 0 | 498 | -2,127 |
| Total Corporate Budgets | 23,326 | 21,498 | -1,829 | -3,075 | 130 | 18,553 | -4,773 |
| Uncontrollable Budgets | -4,041 | -4,041 | 0 | 0 | 0 | -4,041 | 0 |
| Grand Total | 196,354 | 210,010 | 13,656 | -11,306 | 0 | 198,705 | 2,350 |

2.1 Table 1 shows a projected net draw down from reserves of £11.306m (which does not include the draw down of £2.350m for the projected overspend). Out of the £11.306m, £1m relates to planned draw down to support the 2023-24 budget. The remainder of the draw downs from reserves generally relate to planned use, for example

- £2m MTFs Implementation to support delivery of savings
- £1.7m ringfenced grants to support planned spend
- £2m Adults budget in relation to a one off payment to be made to care providers in 2023-24 in relation to inflation pressures
- £1.4m of budget carried forward from the 2022-23 budget to complete projects or ensure grant is fully spent.
- £1m Children's Social Care to support overall pressures
- £2.2m Other draw downs including planned PFI contributions, use of the public health reserve and other projects.

MANAGING DIRECTOR

Table 2: Managing Director Forecast Outturn Q1 2023-24

| Division | Budget | Forecast | To/ (From) Reserves | Revised Forecast | Variance to budget |
|------------------------------|---------------|---------------|---------------------|------------------|--------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Internal Audit & CAFT | 658 | 658 | 0 | 658 | 0 |
| Finance & Insurance | 3,448 | 3,702 | -255 | 3,447 | 0 |
| Revenues, Parking & Benefits | 9,583 | 9,583 | 0 | 9,583 | 0 |
| Procurement | 680 | 680 | 0 | 680 | 0 |
| Legal & Governance | 4,381 | 4,041 | 0 | 4,041 | -340 |
| Managing Director | 265 | 265 | 0 | 265 | 0 |
| Totals | 19,014 | 18,929 | -255 | 18,674 | -340 |

2.2 As at Q1 the directorate is reporting a net underspend of £340k after drawdown from reserves.

2.3 The reserve movements are shown in Table 3

Table 3: Managing Director Reserve Movements 2023-24

| Description | Movement £'000 |
|--|----------------|
| Insurance Reserve | -255 |
| Managing Director net draw down | -255 |

2.4 The net underspend of £340k is made up as follows:

- **Legal & Governance** - £340k net underspend due to additional Land Charges and Registrars income and delayed recruitment

RESOURCES

Table 4: Resources Forecast Outturn Q1 2023-24

| Division | Budget | Forecast | To/ (From) Reserves | Revised Forecast | Variance to budget |
|---------------------------------|---------------|---------------|---------------------|------------------|--------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Business Support | 4,042 | 4,042 | 0 | 4,042 | 0 |
| Customer Services/Access Harrow | 3,698 | 3,873 | 0 | 3,873 | 175 |
| ICT | 7,562 | 7,564 | 0 | 7,564 | 2 |
| Director of Resources | 67 | -133 | 0 | -133 | -200 |
| HRD | 2,222 | 2,832 | -381 | 2,451 | 229 |
| Strategy | 2,270 | 2,244 | 0 | 2,244 | -26 |
| Totals | 19,861 | 20,422 | -381 | 20,041 | 180 |

2.5 As at Q1 the directorate is reporting a net overspend of £180k after drawdown from reserves.

2.6 The reserve movements are shown in Table 5

Table 5: Resources Reserve Movements 2023-24

| Description | Movement £'000 |
|---------------------------------------|----------------|
| Corporate MTFS Implementation Reserve | -381 |
| Resources net draw down | -381 |

2.7 The net overspend of £180k is made up as follows:

- **Access Harrow** - £175k overspend due to the decision to not implement a prior year MTFS saving to close the telephone lines for Revenues and Collections.
- **HR** - £229k overspend due to loss of income from schools for payroll services
- **Management** - £200k underspend due to vacancies
- **Strategy** - £26k underspend due to vacancies.

PLACE

Table 6: Place Forecast Outturn Q1 2023-24

| Division | Budget | Forecast | To/ (From) Reserves | Corporate Funding | Revised Forecast | Variance to budget |
|--------------------------------------|---------------|---------------|---------------------|-------------------|------------------|--------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Directorate Management | 292 | 498 | -81 | 0 | 417 | 125 |
| Environment | 19,281 | 21,889 | -513 | 0 | 21,376 | 2,095 |
| Inclusive Economy, Leisure & Culture | 4,156 | 4,137 | -80 | 0 | 4,057 | -99 |
| Regeneration & Development | 6,754 | 8,066 | -612 | 0 | 7,454 | 700 |
| Housing General Fund | 3,477 | 5,183 | -1,593 | -130 | 3,460 | -17 |
| Total Budget | 33,960 | 39,773 | -2,879 | -130 | 36,764 | 2,804 |

2.8 As at Q1 the directorate is reporting a net overspend of £2.804m after contributions to and draw down from reserves and cross-divisional adjustments.

2.9 The reserve movements are shown in Table 7

Table 7: Place Reserve Movements 2023-24

| Description | Movement £'000 |
|---------------------------------------|----------------|
| Capacity Building Reserve | -105 |
| Business Risk Reserve | -81 |
| Place MTFS Implementation Reserve | -445 |
| Revenue Grant Reserve | -1,593 |
| 3G Pitch Strategy Reserve | 25 |
| Decommissioning Accommodation Reserve | -500 |
| Budget Planning Reserve | -180 |
| Place net contribution | -2,879 |

2.10 **Directorate Management** – £125k net overspend due to the result of a delay in finalising and implementing the new directorate-wide restructure, meaning the £125k MTFS savings target profiled for 2023-24 is unlikely to be met. This pressure will be offset via savings made from vacant posts held elsewhere in the directorate.

2.11 **Environment** - £2.095m net overspend. This is made up as follows:

- **Parking Services** - £2.312m net overspend due to underachievement of income generated from penalty charge notices (PCNs) of £1.952m and a reduction in car parking income of £360k from the 1 hour free parking initiative . Mitigating actions are being put in place to increase enforcement activities and therefore revenue, with a view to a reduction in the forecast loss of income from PCNs.
- **Traffic, Highways & Asset Management** - £200k net overspend on highway reactive maintenance works due in part to a contract indexation uplift and an increase in the level of demand for works.
- **Clean & Green** - £260k net underspend due to a historical one-off income for cemeteries owed from Brent and Hillingdon councils relating to the service level agreements (SLAs) in place for Carpenders Park Cemetery and Breakspear Crematorium respectively. This is offset by a £40k overspend arising from a shortfall in income on garden waste subscriptions. Subscription numbers and income will continue to be monitored on a weekly basis.
- **Strategy, Development & Performance** - £132k net underspend on staffing costs owing to vacant posts across the service. These posts have been held vacant pending the review of a directorate wide reorganisation. This saving is being used to mitigate against the MTFS target of £125k for the directorate restructure
- **Head of Transport & Environmental Operations** - £25k net underspend on employer pension contributions.

2.12 **Inclusive Economy, Leisure, and Culture** - £99k net underspend due to a vacant post and reduced working hours arrangements.

2.13 **Regeneration and Sustainable Development** - £700k net overspend

- **Planning** - £261k net overspend due to forecast underachievement of planning income, driven by lower-than-expected number of applications
- **Building Control** - £116k net overspend due to forecast underachievement of income from building control works

- **Facilities Management** - £42k net underspend. The building repair & maintenance budget is forecast to overspend by £400k based on historical trend on spend. In addition, a further overspend of £70k is forecast following the deployment of additional security staff across various council buildings. This has been offset by a forecast underspend on other staffing costs of £202k as a result of vacant posts and a net credit of £310k relating to the annual NNDR bill for the Civic Centre.
- **Head of Facilities & Estates** - £55k net overspend on staffing due to interim arrangements.
- **Catering Services** - £310k net overspend due to reduced sales from the canteen at HCH which has resulted in £168k loss of income. In addition, following the cessation of Meals on Wheels service, there are one-off residual costs and redundancy costs in 2023-24 totalling £143k.

Housing General Fund

- 2.14 As at Q1 there is a projected draw down from the Homelessness Prevention Grant (HPG) reserve of £1.593m, which is in addition to the full use of the 2023-24 HPG of £2.312m and the HPG Ukraine of £627k. In addition, there is corporate funding of £130k. This will leave a balance on the HPG reserve of £2.678m.
- 2.15 The £1.593m increase in the use of HPG in 2023-24 is towards the prevention of homelessness; keeping the vulnerable households in their current accommodation. However, the spiralling cost of living may result in vulnerable households prioritising food over rent which will increase the demand for support. The number of evictions from the unpredictable private rented sector has increased significantly placing a burden on the HPG.

Housing Revenue Account (HRA)

- 2.16 The HRA budget was set with an in-year surplus for £423k in 2023-24. The forecast at Q1 is an increased surplus of £500k. The favourable variance of £77k is made up as follows:
- **Reduction in income** - £338k net pressure due to higher void levels £150k, reduced service and facility charges £303k, reduced forecast of non-dwelling income £36k and reduced income £44k for hall hire and court cost income recovery. These have partially offset by increased income £195k on investments of HRA balances held.
 - **Supervision & Management** - £295k reduced expenditure due to lower forecast of utilities spend £145k following management action and lower energy prices, and staff vacancies £150k.

- **Repairs & Maintenance** - £60k pressure due to loss of temporary accommodation income
- **Capital Charges** - £180k reduction as a result of the review and rephasing of the BCHFL Capital programme based on current information

PEOPLE SERVICES

Table 8: People Services Forecast Outturn Q1 2023-24

| Division | Service Area | Revised Budget £'000 | Outturn £'000 | To/ (From) Reserves £'000 | Revised Forecast £'000 | Variance to budget £'000 |
|----------------------------------|-------------------------|-------------------------|------------------|---------------------------------|---------------------------|-----------------------------|
| Adults | Strategic Management | 716 | 716 | | 716 | 0 |
| | Staffing | 9,177 | 10,355 | -1,178 | 9,177 | 0 |
| | Equipment | 967 | 1,367 | | 1,367 | 400 |
| | Contracts | 711 | 711 | | 711 | 0 |
| | Mental Health | 6,482 | 6,634 | | 6,634 | 152 |
| | Better Care Fund | -13,116 | -13,356 | | -13,356 | -240 |
| | Purchasing | 50,204 | 56,640 | -2,000 | 54,640 | 4,436 |
| | Transport | 979 | 898 | | 898 | -81 |
| | Complaints | 179 | 166 | | 166 | -13 |
| | In House Services | 4,551 | 4,376 | | 4,376 | -175 |
| | Adults Total | | 60,850 | 68,508 | -3,178 | 65,330 |
| Public Health Total | | -163 | 214 | -377 | -163 | 0 |
| Children's Services | Children & Young People | 31,761 | 31,443 | 0 | 31,443 | -318 |
| | Education Services | 10,200 | 11,427 | -1,012 | 10,415 | 215 |
| | People Services Mgt | 1,587 | 1,837 | -148 | 1,689 | 103 |
| Children's Services Total | | 43,547 | 44,707 | -1,160 | 43,547 | -0 |
| People Services Total | | 104,234 | 113,428 | -4,715 | 108,713 | 4,480 |

2.17 As at Q1 the directorate is reporting a net overspend of £4.480m after drawing down £4.715m from reserves

2.18 The reserve movements are shown in Table 9

Table 9: People Services Reserve Movements 2023-24

| Description | Movement £'000 |
|--|----------------|
| Adults – People Services MTFS Implementation Reserve | -1,179 |
| Adults – Budget Planning Reserve | -2,000 |
| Public Health Reserve | -377 |
| Children's – Children's Social Care Reserve | -408 |
| Children's – Schools PFI Reserve | -655 |
| Children's – Revenue Grant Reserve | -97 |
| People Services net draw down | -4,715 |

2.19 The variations are explained in more detail at the following paragraphs.

Adult Services

2.20 As at Q1 the service is reporting a net overspend of £4.480m after drawdown from reserves of £3.178m.

2.21 **Staffing** – a balanced position after the draw down of £1.178m from the implementation reserves, reflecting costs associated with delivery of the MTFs savings. The MTFs savings are expected to be achieved in full, albeit a shortfall of approximately £130k will be mitigated through vacancies.

2.22 **Equipment** - £400k overspend based on forecast split of costs for all equipment which will be 45% for Harrow Council and 55% Integrated Care Board (ICB) which is based on the actual April invoice and last year's monthly average costs.

2.23 **Mental Health** - £152k overspend. This is the latest forecast position provided by Central North West London (CNWL) which assumes new care packages of £132k. The service has been managed by CNWL but will be managed directly by the Council from 1 July from CNWL.

2.24 **Better Care Fund** - £240k additional income reflecting the agreed annual uplift of the funding of social care services at 5.66% rather than the 2% assumed when setting the budget. As a result, the increased income will partially offset the purchasing overspends reported below.

2.25 **Purchasing (Adults)** – a net £2.128m overspend. The full year impact of the 2022-23 overspend resulted in an immediate pressure of £5.440m (including the inflationary uplift to care providers). This is reduced by unbudgeted income of £2.787m and an agreed contribution from the budget planning reserve of £525k.

2.26 The latest forecast assumes the cost of new packages will be offset by packages ending (as was experienced in 2022-23) however early indications suggest that this may not be the position in the longer term. This reflects a lower level of deaths being reported, together with the costs of new bedded care packages being materially higher than the weekly cost of those packages which end. The average weekly cost of bedded care (residential and nursing) at the end of July is £1,049 per week compared with £1,009 per week at the end of March 2023, and the number of beds commissioned has increased by 30 from 419 to 449.

2.27 The forecast includes capacity of £1.4m for growth of in year packages of care together with a further £900k for support for respite, carers and reablement between Q1 and year end.

2.28 The cost of care provider inflation is expected to cost £4.3m. This is funded in the main by the Market Sustainability grant, with the balance of £525k funded on a one-off basis from reserves as noted in table 9 above.

2.29 In addition, the home care MTFs saving of £500k is expected to be delivered.

2.30 Unbudgeted income of £2.787m is reflected in this forecast and represents the agreed ICB discharge funding allocation of £1.312m together with the recently announced Market Sustainability Improvement Fund (Workforce Fund) of £1.475m.

2.31 The outstanding level of debt associated with unpaid client contribution continues to increase and age. At the end of June, the outstanding debt totalled £7.1m of which £3.5m had been outstanding for more than a year. As a result, a provision for bad debt of £4.1m needs to be set aside, requiring an increase in the bad debt provision, forecast at the budgeted £500k.

2.32 **Purchasing (LD, CYAD & Shared Lives)** - £2.308m overspend. This is made up as follows:

- **LD - £1.697m overspend.** At the beginning of the financial year, the full year impact of the 2022-23 overspend of £732k resulted in an immediate pressure of £1.241m (there was no MTFs growth in 23-24 for LD). This variation has increased by £456k to £1.697m and comprises the following:
 - £265k shortfall on the MTFs savings of £400k, now assuming that £135k will be achieved
 - £191k largely reflecting in year short term costs not forecast at 1st April 2023
- **CYAD - £2.128m overspend.** At the beginning of the financial year, the full year impact of the 2022-23 overspend of £824k resulted in an immediate pressure of £1.667m (there was no MTFs growth in 2023-24 for CYAD) which together with a forecast of £372k for new packages and other minor variations of £89k leads to an overall forecast overspend position.
- **Shared Lives - £42k underspend** as a result of 6 placement vacancies.
- **Contribution from reserves - £1.475m** – this represents an agreed contribution from reserves (as noted in table 9 above) following the application of the MSIF grant for a large part of the care provider inflation.

2.33 **Transport** - £81k underspend largely related to staffing vacancies and offsets the non-delivery of the day care savings reported within the LD overspend reported in para 2.28 above.

2.34 **Complaints** - £13k underspend which reflects a lower level of external support required for the complaints process

2.35 **Inhouse Services** - £175k underspend which reflects in the main a lower level of staffing costs arising from vacancies, reduced by the non-achievement of Bedford House deregistration (MTFS £100k). This underspend offsets the non-delivery of

the MTFS day care savings (approved at £400k with a shortfall on delivery of £265k) reported within the LD overspend reported in para 2.31 above.

Public Health

2.36 As at Q1 Public Health is reporting a balanced position after a planned draw down of £377k from the Public Health reserve to fund the continuation of improvement projects and increased funding for wider determinants of health.

2.37 The impact of the NHS uplift in relation to the Agenda for Change, unfunded by the Government, is expected to be contained within the grant uplift.

Children's Services

2.38 As at Q1 the service is reporting a balanced position after drawdown from reserves of £1.160m.

2.39 The main variances are summarised in the following paragraphs.

2.40 **Children and Young People Services** – £318k net underspend

- **Children's Placements & Accommodation** - £689k net underspend. Permanent growth was added to the placements budget through the 2023-24 MTFS of £3.450m which was based on the estimated number of children and young people requiring accommodation in 2023-24 however this is currently lower than originally projected.
- **Frontline Staffing** – £371k net overspend. The majority of this pressure assumes that the CYPS staffing restructure will not deliver the full savings this financial year. However, the revised structure as set out in the consultation will deliver the full savings, if implemented as proposed, and within the projected timescales. This will not be formally known until the consultation has ended later this year.

2.41 **Education Services – SEN Transport** - £215k net overspend due to projected in growth in the number of children and number of routes from the 2023-24 academic year as well as the full year impact of growth in the number of children and routes from the 2022-23 academic year. In addition to this, there are contract inflation pressures linked to the rise in London Living Wage.

2.42 **Commissioning & People Services Management** – £103k net overspend. This relates staffing pressures in relation to the Mosaic Team and the Safeguarding Team

Dedicated Schools Grant

2.43 The Dedicated Schools Grant (DSG) is a ring-fenced grant of which the majority is used to fund individual school budgets in maintained schools, academies, and

free schools in Harrow. It also funds Early Years nursery free entitlement places for 2-, 3- and 4-year-olds in maintained council nursery classes and private, voluntary, and independent (PVI) nurseries as well as provision for pupils with High Needs.

2.44 There is a projected overspend on the High Needs Block of £2.003m in 2023-24 which added to the cumulative deficit of £2.623m brought forward from previous years will take the total projected deficit at the end of March 2024 to £4.626m.

2.45 Any deficits an authority may have on its DSG account is expected to be carried forward and does not allow or require a local authority to cover this from its general reserves. This is a fixed term arrangement ending in March 2026.

2.46 The DfE requires local authorities to explain their plans for bringing the DSG account back into balance. An updated recovery plan is being drafted with the latest projections and will align with the updated SEND Strategy being presented to Cabinet later this year. Despite the significant proposals and measures planned over the next ten years, it is unlikely that the plan will fully mitigate the deficit. This is due to the following contributory factors:

- historical underfunding
- current budgets being based on historical budgets rather than historical spend
- extension of age range to include 0-5 and post 19
- current and projected formulaic funding which does not keep pace with demand
- significant historical and projected growth in number of EHCPs
- continued growth in complexity of pupils' needs
- limitations about creating cost effective provision in borough due to capacity and site limitations

CORPORATE AND TECHNICAL

2.47 As at Q1 the forecast for Corporate & Technical budgets is a net underspend of £4.773 as detailed below.

Corporate Items

2.48 As at Q1 the forecast is a net underspend of £2.270m on the Corporate items. This includes a draw down from the Children's Social Care Reserve of £1m. This funding was originally planned to be drawn down in 2022-23 to offset Children's Services pressures however was not required and is therefore uncommitted and available to support overall council pressures. In addition, there is £2.4m rebate from the West London Waste Authority from the sale of electricity of which £1.4m will be used to manage overall council pressures and the remaining £1m added to the Place MTFS Implementation reserve to support the Place directorate with delivery of savings in the MTFS.

Contingency for Unforeseen Items

2.49 As at Q1 the forecast is a net underspend of £1.248m as this budget is uncommitted and will be used to manage overall council pressures.

Technical Budgets

2.50 As at Q1 the forecast is an underspend of £2.056m of which the majority relates to additional treasury management income and reduced interest charges.

Pay & Non-Pay Inflation Budgets

2.51 As at Q1 the pay and non-pay inflation budgets are held corporately. There is a net underspend on the non-pay inflation budget of £2.127m as forecast energy prices are lower than originally anticipated.

2.52 The pay inflation budget of £4m was based on 4% pay award. However, the cost of the pay award in 2022-23 was £6.928m but the pay award for 2023-24 is likely to be higher than the 2022-23 award. There is a further one-off budget of £1.4m which is being held to fund any increases above £6.928m.

Investment Properties

As at Q1 the forecast for investment properties is a balanced position. This is after allowing for a drawdown of £80k from the Investment Properties Reserve to fund a loss in rental income as a result of vacant space.

RESERVES

Table 10: Summary of Reserves 2023-24

| Description | Balance Carry Forward 31/03/2023 | Directorate Reserve Movements | Corporate Reserves Movements | Other Reserves movement | Balance Carry Forward 31/03/2024 |
|--|----------------------------------|-------------------------------|------------------------------|-------------------------|----------------------------------|
| CIL Harrow | -11,053,401 | | | 1,000,000 | -10,053,401 |
| Revenue Grant Reserve | -5,161,951 | 1,689,666 | | | -3,472,285 |
| Compensatory Added Year Reserve | -162,782 | | | 80,000 | -82,782 |
| PFI Schools Sinking Fund | -2,071,676 | 655,164 | | | -1,416,512 |
| Public Health Reserve | -2,848,296 | 377,000 | | 400,000 | -2,071,296 |
| PFI NRC Sinking Fund | -1,823,836 | | | | -1,823,836 |
| Legal Services Contingency | -500,000 | | | | -500,000 |
| Carryforward Reserve | -1,396,857 | | 999,793 | 397,064 | 0 |
| Collection Fund Reserve | -2,246,846 | | | | -2,246,846 |
| Borough Election | -159,847 | | | | -159,847 |
| Harvist Reserve Harrow Share | -88,613 | | | | -88,613 |
| Proceeds Of Crime Reserve | -63,000 | | | | -63,000 |
| Proceeds Of Crime Reserve Planning | -430,172 | | | | -430,172 |
| Public Mortuary Expansion Reserve | -500,000 | | | | -500,000 |
| 3G Pitch | -50,000 | -25,000 | | | -75,000 |
| CIL Mayor | -192,259 | | | | -192,259 |
| Vehicle Fund | -1,250,478 | | | | -1,250,478 |
| PAP Sinking Fund | -712,500 | | | | -712,500 |
| HRA Hardship Fund | -2,330 | | | | -2,330 |
| HRA Regeneration Reserve | -199,531 | | | | -199,531 |
| HRA Repair Reserve | -277,428 | | | | -277,428 |
| Business Risk Reserve | -155,000 | 81,000 | | | -74,000 |
| Capacity Build/ Transformation Reserve | -527,927 | 105,000 | | 300,000 | -122,927 |
| Equalities Diversity & Inclusion Reserve | -26,000 | | | | -26,000 |
| Total Earmarked (Specific) Reserves | -31,900,730 | 2,882,830 | 999,793 | 2,177,064 | -25,841,043 |
| Decommissioning Accommodation | -561,000 | 500,000 | | | -61,000 |
| Adults Social Care Reserve | -1,800,475 | | | | -1,800,475 |
| People Services MTFS Implementation | -2,099,000 | 1,179,000 | | | -920,000 |
| Children's Social Care Reserve | -2,620,771 | 407,770 | 1,000,000 | | -1,213,001 |
| Insurance Reserve | -1,304,124 | 255,000 | | | -1,049,124 |
| Place MTFS Implementation Reserve | -1,595,000 | 445,000 | 1,000,000 | -1,000,000 | -1,150,000 |
| Investment Property Reserve | -1,122,960 | | 75,000 | | -1,047,960 |
| Corporate MTFS Implementation Reserve | -3,000,000 | 381,000 | | | -2,619,000 |
| Total Earmarked (Non Specific) Reserves | -14,103,330 | 3,167,770 | 2,075,000 | -1,000,000 | -9,860,560 |
| Budget Planning Reserve MTFs gap | -18,342,606 | 2,180,000 | | | -16,162,606 |
| Total Non Earmarked Reserves | -18,342,606 | 2,180,000 | 0 | 0 | -16,162,606 |
| General Fund Reserves | -10,008,000 | | | | -10,008,000 |
| Total General Fund Reserves | -10,008,000 | 0 | 0 | 0 | -10,008,000 |
| DSG Deficit Recovery | -1,384,105 | | | | -1,384,105 |
| DSG Overspend | 4,006,867 | | | | 4,006,867 |
| Total Net DSG Deficit Reserve | 2,622,762 | 0 | 0 | 0 | 2,622,762 |
| Grand Total All Reserves | -71,731,904 | 8,230,600 | 3,074,793 | 1,177,064 | -59,249,447 |

Table 10 shows the balance brought forward on the Council reserves and the projected reserve balances at the end of the financial year. The drawdowns from reserves of £8.230m and £3.074m in table 10 are already incorporated in the overall forecast for 2023-24 as reflected in Table 1 (which shows the total use of reserves of £11.306m). The "other reserves movement" in Table 10, are further use or reserves not reflected in the current revenue forecast. For example, £1m planned use of BCIL will support the Capital programme. The forecast year end balance on the budget planning reserve is £16.162m after allowing for a £2.180m draw down already included in the forecast. If the Q1 forecast overspend is not

mitigated by the end of the year, then the budget planning reserve would be reduced by a further £2.35m.

GRANTS

2.53 Attached at Appendix 1 is a schedule of all the revenue grants the Council expects to receive in 2023-24. The majority of these grants are received and paid out and don't impact on the bottom line. For example, the Dedicated Schools Grant is £155m and is paid out to education providers.

SAVINGS TRACKER

2.54 Attached at Appendix 2 is the MTFs Savings Tracker.

| Rag Rating | Resources £000 | Managing Director £000 | Total People £000 | Total Place £000 | Council Wide £000 | Total £000 | % |
|--------------|-------------------|---------------------------|----------------------|---------------------|----------------------|---------------|-------------|
| Red | 0 | 0 | -290 | -2,616 | 0 | -2,906 | 31% |
| Amber | -506 | -310 | -1,314 | -1,040 | 0 | -3,170 | 33% |
| Green | -365 | -56 | -1,494 | -859 | -650 | -3,424 | 36% |
| Total | -871 | -366 | -3,098 | -4,515 | -650 | -9,500 | 100% |

2.55 31% of the savings are rated Red which means they will not be achieved either fully or only partially achieved in 2023-24. These assumptions are already included within the directorate forecasts as follows:

| Directorate | Savings Proposal | 2023-24 £'000 | Comments |
|--------------|---------------------------------------|---------------|---|
| Adults | Inhouse Residential | -100 | Work in progress but P3 forecast assumes saving will not be delivered in 2023-24 |
| Adults | Review of Occupational Therapy | -60 | Work in progress and P3 forecast assumes saving will not be delivered in 2023-24 |
| Children's | SEN Transport | -130 | Will not be achieved in 2023-24 due to delay in recruitment and mitigated through other underspends. To be achieved in full 2024-25 |
| Place | Parking Review | -2,500 | Partially achieved in 2023-24 and is part of directorate overspend. Unlikely to be achieved in full in future. |
| Place | Building Control Fees & Charges | -68 | Not achieved in 2023-24 and is part of directorate overspend. Unlikely to be achieved in full in future. |
| Place | Development Management Fees & Charges | -48 | Not achieved in 2023-24 and is part of directorate overspend. Unlikely to be achieved in full in future. |
| Total | | -2,906 | |

3.0 CAPITAL PROGRAMME

3.1 The revised capital budget for 2023-24 is £158.391m as set out at Table 11 and in more detail at Appendix 3:

Table 11: Capital Programme Budget 2023-24 Q1

| Directorate | Grant Funding/CiL/ S106 (A) | Harrow Borrowing (B) | Revised Budget (A+B) | Forecast Outturn | Forecast Variance | Slippage to 24/25 | Over/ Underspend after Slippage |
|---|-----------------------------|----------------------|----------------------|------------------|-------------------|-------------------|---------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| RESOURCES TOTAL | 0 | 10,838 | 10,838 | 9,786 | -1,052 | -1,049 | -3 |
| PEOPLE: | | | | | | | |
| Adults | 0 | 358 | 358 | 100 | -258 | -258 | 0 |
| Public Health | 1 | 0 | 1 | 1 | 0 | 0 | 0 |
| Children | 18,077 | 129 | 18,206 | 10,782 | -7,424 | -7,424 | 0 |
| PEOPLE TOTAL | 18,078 | 486 | 18,565 | 10,883 | -7,681 | -7,681 | 0 |
| PLACE: | | | | | | | |
| Environment | 12,581 | 23,298 | 35,880 | 32,378 | -3,502 | -3,502 | 0 |
| Inclusive Economy, Leisure & Regeneration & Development | 2,343 | 3,764 | 6,108 | 6,108 | 0 | 0 | 0 |
| Housing General Fund | 2,216 | 17,139 | 19,355 | 5,171 | -14,183 | -14,183 | 0 |
| | 3,377 | 8,513 | 11,890 | 11,829 | -60 | 0 | -60 |
| PLACE TOTAL | 20,517 | 52,714 | 73,231 | 55,486 | -17,745 | -17,685 | -60 |
| TOTAL GENERAL FUND | 38,595 | 64,038 | 102,634 | 76,155 | -26,478 | -26,415 | -63 |
| TOTAL HRA | 15,217 | 40,540 | 55,757 | 51,661 | -4,096 | -3,891 | -205 |
| TOTAL GENERAL FUND & HRA | 53,813 | 104,579 | 158,391 | 127,817 | -30,573 | -30,305 | -268 |

3.2 The general fund capital programme budget in 2023-24 is £102.634m. The net forecast position on the capital budget at Q1 is £76.155m which represents 74% of the total capital programme budget. The variance of £26.478m is made up of proposed slippage of £26.415m and an underspend of £63k.

3.3 The Housing Revenue Account (HRA) capital programme budget is £55.757m. The net forecast position on the HRA capital budget at Q1 is £51.661m which represents 93% of the total HRA capital programme budget. The variance of £4.096m is made up of proposed slippage of £3.891m and a net underspend of £205k.

RESOURCES

- 3.4 As at Q1 the projected spend is £9.786m which represents 90% of the capital budget. The variance of £1.052m is made up of slippage of £1.049m and a small underspend of £3k. The slippage relates to the council wide capital budget which is used to fund various schemes across the council which have not received a capital allocation during the normal budgeting cycle. This is currently uncommitted and therefore will be slipped to 2024-25.

PLACE

- 3.5 As at Q1 the projected spend is £55.488m which represents 76% of the capital budget. Of the variance to budget of £32.925m, a total of £17.685m of funding will be slipped to 2024-25 and there is an underspend of £60k.

Environment

- 3.6 The services forecast to spend £32.378m against a budget of £35.880m. £3.50m is forecast to be slipped to 2024-25.

- **Vehicle Procurement** - £2.637m slippage. The budget of £2.867m was originally set up based on the data in the vehicle replacement programme. Of this, £500k is forecast to be spend this year on the replacement of grounds maintenance vehicles and machines. A number of minibuses for delivering Brent's special needs transport service are almost 7 years old and are due to be replaced. However, options are to be explored with Brent, considering their service requirements and the potential move to greener vehicles as part of the re-procurement process. Given the replacement value of the vehicles, this will be subject to a separate Cabinet decision in future. £2.367m is therefore forecast to be slipped to 2024-25.
- **Future High Street Fund (FHSF) Harrow Town Centre** – £1.135m slippage. All 3 projects in the revised FHSF programme are underway following the approval of the project and adjustment request by DLUHC that all grant is spent by 31 March 2024. The budget of £8.319m is made up of FHSF of £7.184m and BCIL of £1.135m. As the grant condition requires the FHSF to be committed no later than 31 March 2024, the FHSF is forecast to be spent this year and the BCIL fund is slipped to 2024-25 to meet the remaining costs of the projects.

- 3.7 Unless stated otherwise, the slippage has no implications on the revenue budget.

Inclusive Economy, Leisure, and Culture

- 3.8 As at Q1 the forecast is £3.562m which represents 100% of the capital budget.

Regeneration and Development

3.9 As at Q1 the service forecasts to spend £5.172m against a budget of £19.355m. The remaining £14.183m is forecast to be slipped to 2024-25.

- **Investment in Harrow New Civic and 3 core sites** - £14.183m slippage. Following the Cabinet report in November 2022 on the review and progress of the Harrow Strategic Development Partnership (HSDP), it was agreed that £10.735m of the budget was earmarked for Grange Farm Phase 2 (private homes) and Grange Farm Phase 3 design and planning (private homes) respectively. This is profiled to be spent in 2024. Of the remaining budget of £3.448m, £500k is earmarked to fund the Milton Road scheme (commercial unit) and £2.948m will remain in the capital programme for future schemes.

3.17 Unless stated otherwise, the slippage has no implications on the revenue budget.

Housing General Fund

3.18 As at Q1, the services forecast to spend £11.830m against a budget of £11.890m. The remaining £60k is forecast as an underspend. This relates to Empty Properties Grant where demand has reduced due to landlords in London exiting the rental market. The rent levels offered by Harrow are no longer competitive even with the guaranteed rent and bond schemes.

Housing Revenue Account (HRA)

3.19 The HRA capital programme budget is £55.009m. As at Q1 the net forecast spend position is £50.912m. The variance of £4.096m is made up of slippage of £3.891m and a net underspend of £205k.

3.20 The slippage of £3.891m relates to the following schemes

- **Retrofit for Energy** - £1.761m slippage. The HRA budget report set aside £1.0m placeholder budget as match funding to support bids to the government for energy efficiency/decarbonisation related works. The budget has been reprofiled following a successful bid to the Social Housing Decarbonisation Fund (SHDF) Wave 2, at £2.147m contributing to a contract circa £5.1m of which £2.93m will be co-funding by Harrow to delivery energy efficiency works across over 226 homes over 2 years.
- **Grange Farm Phase 2** - £942k slippage and **Grange Farm Phase 3** - £109k slippage. The budget has been reprofiled to reflect the later than anticipated handover of Phase 1 and pause in design and planning application for Phase 2 and 3 related to the HSDP review.

- **Homes for Harrow Phase 2** - £1.079m slippage. The budget has been reprofiled to reflect the HSDP review and reprofiling of GLA grant agreed with the GLA to match with start on sites being reprofiled to 2024-25.

3.21 The underspend of £205k relates to the Planned Investment Programme due to changes to specifications and reductions in the property numbers on some schemes.

PEOPLE SERVICES

3.22 As at Q1 the projected spend is £10.883m which is 59% of the total budget.

Adult Services

3.23 As at Q1 the forecast spend is £100k which is 28% of the total budget. The remaining £258k is reported as slippage.

3.24 The slippage relates to funding for inhouse provision which largely represents a placeholder in the event of any unforeseen requirements. It is not anticipated that the full budget will be required this financial year. There are no revenue implications as a result of this slippage.

Public Health

3.25 As at Q1 the projected spend is £1k which represents 100% of the budget.

Children's Services

3.26 As at Q1 the projected spend is £10.782m which is 59% of the total budget. The remaining £7.424m will be slipped to future years.

3.27 The majority of the slippage relates to grant funding for Special Educational Needs capital projects which are planned for 2024-25.

ADDITIONS AND AMENDMENTS TO THE CAPITAL PROGRAMME

3.28 Yeading Brook Unbound Project £204,975 – addition

The Yeading Brook Unbound Project seeks to deliver biodiversity, amenity, and ecosystem service benefits, targeting sites along the western section of the brook between Headstone Manor Park and Roxbourne Park. To date, external funding has been secured from the Mayor of London's Rewild London Fund (£146,121), and Thames Water and the Crane Valley Partnership's Crane Valley Project Fund (£83,354). These grants will be used to deliver both capital works and revenue activities, with the capital element totalling £204,975. It is

therefore proposed that an additional budget of £204,975 is included in the 2023-24 capital programme.

3.29 Electric Vehicle Charging Points £520,840 - addition

The Council has successfully secured funding of £520,840 from Office for Zero Emission Vehicles (OZEV) as part of Tranche 2 and Tranche 3 funding rounds for on street residential charging points. The majority of the funding is expected to be retained by the Council to fund civil works and signage. A match fund will be provided by a third party supplier who will also be responsible for installing and maintaining EV charging points. It is therefore proposed that an additional budget of £520,840 is included in the 2023-24 capital programme.

3.30 Investment in 3 Core Sites (HNC) £14,183,222 - virement

In the approved capital programme, there is a total budget (including carry forward from 2022-23) of £14.183m for Investment in 3 Core Sites and Investment in HNC. Following the Cabinet report in November 2022 on the review and progress of the Harrow Strategic Development Partnership (HSDP), it was agreed that £9.905m was committed to private home units for Grange Farm Phase 2 and £830k was committed to the design and planning costs of private home units for Grange Farm Phase 3.

Approval is therefore sought to complete the budget reprofile within the capital programme as follows:

| Scheme | 2022-23 | 2023-24 | Total |
|---|-------------------|------------------|-------------------|
| Unallocated – Investment in 3 core sites | 10,198,222 | 1,915,000 | 12,113,222 |
| Investment in HNC | 2,070,000 | | 2,070,000 |
| Total | 12,268,222 | 1,915,000 | 14,183,222 |
| Budget Re-profile: | | | |
| Grange Farm Phase 2 – private homes | | | 9,905,000 |
| Grange Farm Phase 3 – design & planning private homes | | | 830,000 |
| Unallocated – Investment in 3 core sites | | | 3,448,222 |
| Total | | | 14,183,222 |

3.31 Local Authority Housing Fund Round 2 (LAHF R2) £2,400,000 - addition

The Council has received £2.4m from the LAHF R2 from DLUCH to be used to provide at a minimum 10 homes to accommodate Afghans currently in or exiting bridging accommodation, and the rest used to ease existing homelessness pressures. The grant equates to 40% of the total capital cost plus £20,000 per property to account for other costs including refurbishment (£240,000). The 60% is to be match funded via the Council. The grant is to provide a minimum of 3 homes for the resettlement element ie permanent homes (via HRA) and a minimum of 7 homes for the TA element (via General Fund). The grant is to be spent in 2023-24.

The grant is to be allocated as follows:

- HRA Capital Programme £730,000 addition.
- General Fund Capital Programme £1,670,000 Property Acquisition Programme.

S106 match funding is required to support the delivery of the LAHF Round 2 funding and therefore an addition of £1,017,500 is required to the HRA Capital Programme from S106 funding.

3.32 Depot Redevelopment £798k - virement

The carried forward budget in the capital programme for the redevelopment of the depot is £2.322m. Of this, £798k is not committed to any expenditure. However, it has been identified that £600k is required to fund the cost overrun on Pinnora Mews (Waxwell Lane), leaving £198k for transfer to Other Schemes (Council Wide) held in Resources Directorate. Approval is therefore sought to complete these budget virements within the capital programme.

4.0 COUNCIL TRADING STRUCTURE UPDATE 2023-24

4.1 The Council's Trading Structure update is attached at Appendix 4 and summarises the financial position and provides a general update on the activities of all the Council's trading entities.

5.0 REPORTING FOR THE 2023-24 FINANCIAL YEAR

5.1 This is the first revenue and capital budget monitoring report for 2023-24

5.2 Cabinet will receive quarterly monitoring reports during the year as follows:

- Q2 Revenue & Capital Monitoring – December 2023
- Q3 Revenue & Capital Monitoring – February 2024
- Q4/Final Revenue & Capital Monitoring – July 2024

6.0 Implications of the Recommendation

Implications of recommendation are set out in the body of this report.

7.0 Performance Issues

Good financial monitoring is essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximized.

As at Q1 the forecast on the revenue budget is a net overspend of £2.350m.

The projected spend on the Capital Programme is £127.817m which represents 81% of the total budget.

8.0 Environmental Implications

There is no direct environmental impact.

9.0 Risk Management Implications

Risks included on corporate or directorate risk register. **No**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below.
Yes

The following key risks should be taken onto account when noting the report:

| Risk Description | Mitigations | RAG Status |
|--|--|------------|
| Failure to deliver the budget on target | <ul style="list-style-type: none"> ▪ At Q1 there is a projected net revenue overspend of £2.350m. ▪ This includes an assumption that 31% of the MTFS savings are rated Red and are either not achieved or not achieved in full this financial year <ul style="list-style-type: none"> ▪ It is anticipated that by the end of the year this overspend can be contained within budget through continued robust budget monitoring and challenge | Amber |
| Pay inflation impact on budget | The pay inflation budget of £4m was based on 4% pay award. However, the cost of the pay award in 2022-23 was £6.928m and it's likely the 2023-24 pay award will cost more than the 2022-23 award. There is a further one-off budget of £1.4m which is being held to fund any increases above £6.928m. | Amber |
| Trading companies' failure to deliver required contribution to the MTFS | <ul style="list-style-type: none"> ▪ Income target reprofiled over four years rather than three ▪ Impact of reprofiling on 2023-24 budget is already assumed in the overall outturn <ul style="list-style-type: none"> ▪ Quarterly stakeholder groups ▪ Review of financial and non-financial performance information | Green |
| Projects within the Capital Programme exceed their budget, potentially resulting in additional capital financing costs | <ul style="list-style-type: none"> ▪ If projects exceed their costs, Directorates would be asked to find compensatory savings elsewhere in the programme to cover the overspend. In the worst-case scenario, a council wide capital budget is held and a virement would be carried out to offset the overspend. | Green |

| | | |
|---|---|-------|
| | ▪ | |
| Additions to the capital programme occur that may incur additional borrowing costs to the council | Funded by additional grants and contributions thus no additional capital financing costs will be incurred | Green |

10.0 Procurement Implications

Any procurement arising from this report will be supported by the Procurement Team and will be undertaken compliant with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules.

11.0 Legal Implications

Section 151 of the Local Government Act 1972 states that without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 28 of the Local government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.

Under the Financial Regulations B48 Additions in-year to the Capital Programme

Up to £5m – additional capital spending can be approved by Cabinet on specific projects where

- i. The expenditure is wholly covered by additional external sources; and
- ii. The expenditure is in accordance with at least one of the priorities listed in the capital programmed; and
- iii. There are no full year revenue budget effects

The additional capital spending agreed by Cabinet in one financial year cannot exceed £20 million.

12.0 Financial Implications

Financial matters are integral to this report.

13.0 Equalities implications / Public Sector Equality Duty

13.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the budget proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

13.2 A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

13.2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - Tackle prejudice, and
 - Promote understanding.

13.3 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

13.4 Equality assessments were undertaken for the budget proposals agreed by Council listed as part of the MTFS process and an overall equality assessment was undertaken on the MTFS.

Section 3 - Statutory Officer Clearance

Statutory Officer: Sharon Daniels

Signed by the Interim Chief Financial Officer

Date: 18/8/23

Statutory Officer: Jessica Farmer

Signed by the Monitoring Officer

Date: 16/8/23

Chief Officer: Alex Dewsnap

Signed off by the Managing Director

Date: 29/8/23

Head of Procurement: Nimesh Mehta

Signed on behalf of Head of Procurement

Date: 23/08/23

Head of Internal Audit: Neale Burns

Signed on behalf of the Head of Internal Audit

Date: 21/08/23

Has the Portfolio Holder(s) been consulted? Yes

Mandatory Checks

Ward Councillors notified: NO as it impacts on all Wards

EqIA carried out: NO

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels, Interim Director of Finance & Assurance
(S151 Officer), Telephone 020 8424 1332,

Sharon.Daniels@harrow.gov.uk

Background Papers:

Final Revenue Budget 2023/24 and Final Medium Term Financial Strategy 2023/24 to 2025/26 Report

Call-in waived by the Chair of Overview and Scrutiny Committee - NO