

Glossary of Terms Used in the Report

Appendix F

Audit Commission

The national body responsible for ensuring effective audit and inspection of Councils and other public bodies.

Balances

See reserves below.

Base Budget

The Council's main budget for the year, taking into account pressures, savings and funding. This is also used as the basis for future years budgets, updated for inflation, new pressures, savings etc.

Budget Review Working Group

A cross party group of members set up to consider in detail budget and financial issues affecting the Council.

Business Rates

See NNDR below.

Capital

Spend on creating or enhancing assets such as roads, buildings and computer systems which is one-off and can be classified as an investment.

Ceiling

A means by which the government caps the maximum financial support which any council can receive, so that other councils who would otherwise not receive much financial support can be granted additional funds.

Chief Financial Officer

The Council's officer designated as carrying the statutory financial role under section 151 of the Local Government Act 1972. This is currently the Executive Director (Business Connections)

Collection Fund

A separate account which the Council is required to keep to monitor income from Council Tax and National Non Domestic Rates.

CPA (Comprehensive Performance Assessment)

The Audit Commission's Assessment of how well each Council is performing in a wide range of areas.

CPZ (Car Parking Zone)

An area designated as being available for car parking for only those who are residents or have relevant car parking permits.

Council Tax

A tax based upon the value of a property which helps to support the council's general budget.

Council Tax Bands

A series of Bands (from A – H) based upon the value of a property which determines how much tax will be levied on each property.

Council Taxbase

The total number of properties in the Borough subject to Council Tax translated to their equivalent at Band D. This is required so that central government can compare the tax burden on each area of the country.

DCMS

Department of Culture, Media & Sport (Central government)

Demography

The changes in numbers of the population and the make up of those numbers by either age range, ethnicity or location.

ERP

Enterprise Resource Planning. A computer system linking the key corporate systems of finance, personnel, payroll and property.

External Auditor

The organisation charged with ensuring that the Council's accounts, budgets and finances comply with legislation and are true and accurate records. For the Council this is currently Deloitte & Touche.

Flood Levy

A payment made by Councils to the Environment Agency to cover the costs of flood defence work in their area.

FSS (Formula Spending Share)

The amount of funding that the government calculates (via a complex formula) that a Council needs to undertake all of its services.

Growth

Increased expenditure required to meet service expectations from changes to policy, legislation, demand etc.

HRA (Housing Revenue Account)

A separate account which must be kept by the council to track income and expenditure relating to its stock of council houses.

HSE

Health & Safety Executive

HSW

Health & Safety at Work

IdeA (Improvement and Development Agency)

A government body set up to help Councils improve their services.

LPSA (Local Public Service Agreements)

Agreements reached between Councils and central government which set the councils stretching targets for service improvement in a number of key areas over 3 years. Councils will receive financial rewards for each of the targets met.

Medium Term Budget Strategy

The Council's plans for how it intends to form its budget in support of its objectives over the following 3 years.

NCSC

National Care Standards Commission

NHP (New Harrow Project)

The major project being undertaken to improve the way the council delivers services to the citizens of the Borough, encompassing area based services, a restructure of the Council to provide more effective services, more investment in IT to enable greater customer focus and efficiency and ensuring sound financial management across the organisation.

NNDR (National Non-Domestic Rates)

Also called Business Rates. A rate charged on all businesses operating in the Council's area. It is calculated by applying a national figure to the rateable value of each business in the Borough. It is collected by the Council and paid to central government, who then redistribute it based on the Council's population.

Passporting

The Government terminology for the requirement to pass on increases in the Education element of the FSS directly to schools budgets.

PCT

Primary Care Trust

PFI (Private Finance Initiative)

A means whereby the Council enters into a partnership with a private provider to enable capital developments to be undertaken which the Council could not of itself afford and which generates value for money.

Procurement

The ways a council buys in goods and services.

Provisional Finance Settlement

The government's annual announcement of how much financial support each Council will receive in the following year. The final settlement is usually announced some 2 months after this, once the government has all the data it requires.

Repricing

The updating of a base budget to reflect inflation and more accurate costings of pressures and savings.

Resource equalisation

A means by which the government adjusts the national FSS to reflect changes in cost of services across the country.

Reserves

Also called balances. Money held by the Council to cover emergencies and unforeseen expenditure which may occur in the year.

Revenue

Spend on day to day running expenses of the Council.

RPI (retail Price Index)

The main measure of inflation used by government.

RSG (Revenue Support Grant)

The main grant which central government provides to support overall council expenditure. This grant can be spent on any services the council wishes.

SEN (Special Educational Needs)

Pupils who have educational requirements in excess of standard educational provision

Specific Grants

Additional grant funding from central government in excess of the Revenue Support Grant. These grants are paid for specific purposes and the Council needs to spend the grant for the purposes detailed by central government.

SRB (single Regeneration Budget)

A specific grant provided by central government for enhancements to areas with high deprivation.

SSI

Social Services Inspectorate

TfL (Transport for London)

The body which provides strategic co-ordination and funding for transport issues across the whole of London.