

# CABINET MINUTES

## 11 FEBRUARY 2010

**Chairman:** \* Councillor David Ashton

**Councillors:**

|                          |                           |
|--------------------------|---------------------------|
| * Marilyn Ashton         | * Jean Lammiman           |
| * Miss Christine Bednell | * Barry Macleod-Cullinane |
| * Tony Ferrari           | * Paul Osborn             |
| * Susan Hall             | * Mrs Anjana Patel        |

\* Denotes Member present

### 753. Declarations of Interest

The Chairman advised Members that, in relation to the agenda item on the Revenue Budget 2010/11 - 2012/13, the discussion would be high level. Therefore, declarations in relation to specific items within the budget were not required unless that particular item was being discussed. However, it was a matter for individual Members to decide whether an interest should be declared.

**RESOLVED:** To note that the following interests were declared:

#### Agenda Item 9 - Revenue Budget 2010/11 – 2012/13

Councillors David Ashton and Marilyn Ashton declared personal interests in that their daughter-in-law was employed by the Council. They would remain in the room whilst the matter was considered and voted upon.

#### Agenda Item 16 – School Place Planning Strategy

Councillor Barry Macleod-Cullinane declared a personal interest in that his sister was a teacher at Hatch End High School. He would remain in the room whilst the matter was considered and voted upon.

## 754. Minutes

**RESOLVED:** That the minutes of the meeting held on 14 January 2010, be taken as read and signed as a correct record, subject to the following amendment:

Minute 746, second paragraph, first sentence to read 'The Portfolio Holder stated that the existing finance system was a disbenefit to Harrow and the government's proposals to dismantle the service were welcomed.'

## 755. Petitions

Ms Julie Ebnother-Parker presented a petition signed by 106 parents/carers whose children attended Roxeth First and Middle School. The petition urged the Council to implement various traffic measures in the vicinity of the school with a view to improving safety. The terms of the petition read:

"We, the parents from the children of the Roxeth First and Middle School say:

- It is absolutely not acceptable to not have pedestrian traffic light signals and zebra walks markings on the streets at the large intersection at Northolt and Shaftesbury Avenue where five streets converge and our children must daily cross, going to and from school.
- It is not right that there is no lollipop lady/man to stop the traffic and protect children at this very busy and dangerous intersection.
- It is not safe for children having to walk up a very narrow and busy road without having any metal barriers to shield them from the constant flow of traffic on Roxeth Hill/Ashbourne Avenue as they go to and from school.
- We are taxpaying parents that demand that the Harrow Council make this very dangerous intersection and walk to school safe for our children. A child should not have to die or be injured before the Council takes responsibility and finally makes the necessary changes to make the crossing and walk to Roxeth First and Middle School safe for our children and the people of the neighbourhood.

We therefore urge/ demand/ plead that action be taken now!

In the name of the many children, parents and local residents who are daily put at risk by this dangerous intersection".

**RESOLVED:** That the petition be received and referred to the Traffic and Road Safety Advisory Panel for consideration.

## 756. Public Questions

**RESOLVED:** To note that the following public questions had been received:

1.

**Questioner:** Patrick Stoupe

**Asked of:** Councillor Barry Macleod-Cullinane, Portfolio Holder for Adults and Housing

**Question:** We have been informed by the Divisional Director, Commissioning and Partnerships, Adults and Housing, that two Harrow provider organisations have been given the job of facilitating consultation events for users and carers to seek opinions on the new Section 75 Agreement on Harrow's mental health services. That Agreement will be between Harrow Council and Central and Northwest London NHS Foundation Trust (CNWL) and is due to come into effect on 1st April 2010.

Why have service users and their carers not been offered the opportunity to organise these events themselves and to set dates that are suitable to them, rather than being told what is going to happen at February 4th's Local Implementation Team meeting?

**Answer:** MIND in Harrow and Harrow Carers have been asked to support the review of the current S75 arrangements and to facilitate two separate events for users and carers. Both organisations are well-respected independent voluntary organisations and have a proven record of supporting users and carers and facilitating events in Harrow. They will bring a degree of independence to the review process, whilst ensuring good outcomes.

**Supplemental Question:** Service users and carers do not much time to be offered the type of service they have asked for. They need to be given more responsibility and offered the chance to have more involvement in the actual decision-making.

**Supplemental Answer:** The Council can certainly liaise with the organisations concerned with a view to setting suitable dates for both parties. The Council intends to ensure that many voices are heard through this process as possible and from across the borough's community, particularly in relation to mental health issues. It is in the Council's interest to ensure that the right solution is reached as it proceeds to re-specify the Section 75 Agreement.

2.

**Questioner:** Ann Freeman

**Asked of:** Councillor David Ashton, Leader of the Council and Portfolio Holder for Strategy, Partnership and Finance

**Question:** Would you please lead the way in negotiations with Central and Northwest London NHS Foundation Trust (CNWL) Foundation NHS Trust as you look at the renewal of the Section 75 Agreement and do all you can to ensure we have mental health services to be proud of in Harrow, enabling Harrow people to start having the best possible quality of life?

**Answer:** It is my objective and the administration's objective to have services to be proud of. I thought we had a useful meeting back on 2 February 2010 in terms of taking matters forward.

From a personal point of view, working closely with the Portfolio Holder for Adults and Housing, I would be happy to assist with those discussions to make sure they come to a positive fruition. The Portfolio Holder is of the same view, and we will work together to ensure a successful outcome.

**Supplemental Question:** The concern I have is that some organisations have their own agenda, whereas elected councillors are there to represent residents, in particular the vulnerable. I feel that both the Portfolio Holder for Adults and Housing and you would provide a fair understanding of what is required by listening to us.

**Supplemental Answer:** Thank you. Both the Portfolio Holder and I will be intent on the concern you have expressed. The Council would want to ensure a decent outcome for everybody who uses this service. The Council's objective is to be recognised as one of the best London Councils by 2012 and that means having excellent services, particularly in this area. Both parties' objectives are the same.

3.

**Questioner:** Joan Penrose

**Asked of:** Councillor Barry Macleod-Cullinane, Portfolio Holder for Adults and Housing

**Question:** In his e-mail of 5th February regarding the new Section 75 Agreement on mental health services between Harrow Council and Central and Northwest

London NHS Foundation Trust (CNWL), the Divisional Director, Commissioning & Partnerships, Adults and Housing, has written that "Commissioning decisions about individual providers must be made by CNWL."

Why is Harrow Council granting CNWL the right to commission services on behalf of Harrow residents, when it is the legal responsibility of Harrow Council to commission services?

**Answer:** The Section 75 arrangement is an agreement that pools financial resources. The Central and Northwest London NHS Foundation Trust (CNWL) are accountable for spending this money in line with the financial regulations and procedures, but it is the revised agreement the Council is looking to renegotiate that will specify how CNWL should be spending the money.

CNWL would be expected to provide the services down to the individual level. The Council specifies the types of services that CNWL should provide in the context of broader policy initiatives, such as those the Council have discussed with carers and users at recent meetings.

CNWL would then purchase the services on behalf of the Council. As mentioned by the Leader of the Council earlier, the Council will ensure that specification of the Section 75 Agreement is right for those concerned. This will help ensure that the services commissioned by CNWL on behalf of the Council, it does so in the way that meet the Council's requirements and those of the users, particularly the mental health community in Harrow.

**Supplemental Question:** What barriers stand in the way of Harrow Commissioners insisting that CNWL, within the new Section 75 Agreement, headhunt the creator of "Confidence for Life" to work with them in Harrow's mental health services?

**Supplemental Answer:** The Council will ensure that a wide spectrum of services is available so that the needs of users are met at different points and intensities, and that the service is directed. The evidence, ideas and approach that have been coming out of the "Confidence for Life" courses ought to be reflected in the specification.

In terms of the commissioning process, the Council cannot approach one company only and it would not want to depend entirely on one organisation. It is important that the service is centred upon a person's

individual mental health needs, getting them back to recovery and providing continued support, as their health improves. The Council, the users and their carers need to work together in order to ensure that the best outcomes are achieved for the users.

**757. Councillor Questions**

**RESOLVED:** To note that no Councillor Questions had been received.

**758. Forward Plan 1 February 2010 - 31 May 2010**

The Leader of the Council advised that a report on the Housing Capital Programme 2010/14 appeared as an appendix to the main Capital Programme report at item 12 on the agenda (Minutes 762 refers).

**RESOLVED:** To note the contents of the Forward Plan for the period 1 February – 31 May 2010.

**RECOMMENDED ITEMS**

**759. Key Decision - Corporate Plan and Budget 2010/11 - 2012/13**

Cabinet received a joint report of the Corporate Director Finance and the Assistant Chief Executive, which provided a summary of the Council's Corporate Plan and Budget for 2010/11 - 2012/13.

The Corporate Director of Finance introduced a key aspect of this joint report, the Council's Corporate Plan for 2010/13, which set out the Council's vision and its three corporate priorities. She added that the Council intended to retain its vision 'to be recognised as one of the best London Council by 2012 in a borough that was cosmopolitan, confident and cohesive', including the following existing corporate priorities:

- deliver cleaner and safer streets;
- improve support for vulnerable people;
- build stronger communities.

As a result, the Plan was both forward and backward looking, and identified past achievements and plans for the future.

It was noted that the Plan included a number of flagship actions, which were practical examples of what the vision and the corporate priorities meant, and against which the Council was happy to be judged.

The Leader of the Council commended officers for their work. He moved that minor changes to the Plan, following its approval by Council, be delegated to Cabinet.

**Resolved to RECOMMEND: (to Council) That**

- (1) the Corporate Plan 2010/11 – 2012/13 be approved;
- (2) Cabinet be authorised to make any subsequent minor changes required to the Corporate Plan.

**RESOLVED:** That

- (1) the report be noted;
- (2) the Leader of the Council be authorised to approve final changes to the Corporate Plan 2010/11 – 2012/13, prior to its submission to Council.

**Reason for Decision:** Approval of the Corporate Plan was reserved to Council. To allow minor changes to be made by Cabinet without referral to Council.

*[Call-In does not apply to the Recommendation]* .

**760. Key Decision - Revenue Budget 2010/11 - 2012/13**

The Corporate Director of Finance introduced a report, which set out the Revenue Budget for 2010/11 and the Medium Term Financial Strategy (MTFS) for 2010/11 to 2012/13.

The Corporate Director stated that the position on the Revenue Budget had not altered significantly since it was reported to Cabinet in December 2009, but she was pleased to report that the funding gap of £1m, to ensure a balanced budget, had been closed as a result of some technical changes. A zero Council Tax increase for 2010/11 was being recommended. An increase of 2.5% was expected thereafter. The additional information in her report related to the budget book; specific grants and levies; and risk assessment on the budget which she proposed be referred to the Governance, Audit and Risk Management Committee for consideration.

Cabinet was informed that efficiency savings of £7.3m had been made but that the Children's Services continued to face budget pressures. The funding for schools was up 4.1% and this would be ring-fenced. The Corporate Director was confident that the budget proposed was robust and that the Council's reserves were adequate. She confirmed that the Greater London Authority (GLA) had announced a nil increase in its precept. As a result the Council Tax for 2010/11 for Harrow residents would remain the same as in 2009/10.

The Corporate Director reported that consultation on the budget had taken place at various stakeholder meetings, the minutes of which had been circulated on a supplemental agenda. Matters raised at some of the meetings would be addressed separately together with the recommendations from the Standing Scrutiny Review on the Budget. The Council had also engaged with the voluntary sector through the Harrow Strategic Partnership (HSP) Summit meeting.

The Corporate Director drew attention to the challenges for the future, which would impact on the budget, including the adverse economic climate, the growing demand on Council services and the expected decline in funding from the government. The outlook on the budget for future years was set out at appendix 13 of her report and a funding gap of up to £15m beyond 2011 was forecast.

The Chief Executive stated that local authorities faced challenging years ahead, and that, looking forward, Harrow Council's journey would be better placed as a result of its Better Deal for Residents' Programme which would meet the needs of residents.

**Resolved to RECOMMEND: (to Council) That**

- (1) the revenue budget 2010/11 to 2012/13 be approved to enable the Council Tax for 2010/11 to be set;
- (2) the model Council Tax resolution attached at appendix 1 to the minutes be approved;
- (3) the current approved Members' Allowances Scheme be adopted for 2010/11.

**RESOLVED:** That

- (1) the Medium Term Financial Strategy at appendix 2 to the report of the Corporate Director Finance be approved;
- (2) the planned investment in services and efficiency programme be noted;
- (3) in relation to schools, the budget and the proposed changes to the formula at appendix 8 to the report of the Corporate Director Finance be approved;
- (4) the risk assessment at appendix 9 to the report of the Corporate Director Finance be referred to the Governance, Audit and Risk Management Committee for consideration;
- (5) the reserves policy at appendix 10 to the report of the Corporate Director Finance be noted;
- (6) the feedback received from various stakeholders be noted.

**Reason for Decision:** To ensure that the Council sets a balanced budget together with the Council Tax for 2010/11.

*[Call-In does not apply to the Recommendation].*



## 761. Key Decision - Housing Revenue Account 2010/11 - 2012/13

Cabinet received a joint report of the Corporate Director Finance and the Interim Divisional Director Housing, which set out the Housing Revenue Account (HRA) Budget for 2010/11 and the Medium Term Financial Strategy 2010/11 to 2012/13.

The Corporate Director Finance stated that the report had altered since its Cabinet considered the draft HRA report in December 2009. The position on the annual HRA subsidy had been determined and the Council was expected to pay back approximately £6.2m in negative subsidy to the government. The Corporate Director outlined the areas where charges were expected to rise and those areas where they would be frozen, such as in service charges to leaseholders where a detailed review would be undertaken. She drew attention to the comments received from the Tenants' and Leaseholders' Consultative Forum and clarified that Tenants' Associations in Harrow were allowed to hire of community halls on Mondays to Fridays free of charge.

Members noted the feedback received from the Tenants' and Leaseholders' Consultative Forum, which had approved the draft HRA.

**Resolved to RECOMMEND: (to Council)** That the Housing Revenue Account for 2010/11 at appendix 2 to the minutes be approved together with the following:

- (a) increase rents by 2.85% on average from 1 April 2010;
- (b) increase service charges for tenants by 2.85% and freeze charges for leaseholders pending a review of the service and charging methodology from 1 April 2010;
- (c) increase garage and car parking rents by 2% from 1 April 2010;
- (d) increase energy (heating) charges by 2% from 1 April 2010;
- (e) increase Community Centre charges by 2% from 1 April 2010.

**RESOLVED:** That the Medium Term Budget Strategy for the Housing revenue Account (HRA) at Appendix 1 to the report be approved.

**Reason for Decision:** To publish the final HRA budget proposals and set Council rents and other charges for 2010/11.

*[Call-In does not apply to the Recommendation].*

## 762. Key Decision - Capital Programme 2010/11 - 2012/13

Cabinet considered a report of the Corporate Director Finance, which set out the proposed Capital Programme for 2010/11 - 2012/13 that formed part of the annual budget review process. The Corporate Director stated that the Programme was almost identical to that presented to Cabinet in December 2009 except for two minor changes:

- the capitalisation figure had been increased by £10k in 2010/11;
- the Housing Revenue Account (HRA) provision had been increased by £1m to reflect slippage.

The Corporate Director explained how the Capital Programme aligned with the Council's Corporate Priorities, and outlined the planned investments of approximately £7m and £6m in Children's Services and Community and Environment Services respectively. An investment for £8m was planned for the housing investment programme. It was noted that the Capital Programme was funded by capital receipts received, prudent borrowing, external funding and major repairs allowance.

**Resolved to RECOMMEND: (to Council)** That the Capital Programme for 2010/11 - 2012/13 be agreed.

**Reason for Decision:** To ensure an approved Capital Programme for 2010/11 - 2012/13.

*[Call-in does not apply to the Recommendation].*

**763. Key Decision - Treasury Management Strategy, Prudential Indicators and Minimum Revenue Provision (MRP) Policy and Strategy 2010/11**

The Corporate Director Finance introduced a report, which set out the Council's Treasury Management Strategy and the Minimum Revenue Provision (MRP) Policy and Strategy for 2010/11.

The Corporate Director highlighted the importance of risk minimisation, as the Council was funded by public money. She referred to the requirement to adopt the revised CIPFA Treasury Management Code of Practice 2009 and was pleased to report that the Council demonstrated best practice in many key areas of the revised Code. In addition, the revised Code needed scrutinising and proposals to alter the existing terms of reference of the Governance, Audit and Risk Management Committee would be submitted to the full Council meeting in April 2010 with a view to fulfilling this function.

**Resolved to RECOMMEND: (to Council)** That

- (1) the Treasury Management Strategy and prudential Indicators be approved;
- (2) the Minimum Revenue Provision Policy and Strategy for 2010/11 be approved;
- (3) the proposal to allocate the responsibility for the scrutiny of the Treasury Management Strategy, Policy and Activity, to the Governance, Audit and Risk Management Committee (as set out in paragraph 7 to the report of the Corporate Director of Finance) be noted.

**Reason for Decision:** To promote effective financial management and comply with the Local Authorities (Capital Finance and Accounting) Regulations 2003 and other relevant guidance.

*[Call-In does not apply to the Recommendation].*

## **RESOLVED ITEMS**

### **764. Standing Scrutiny Review of the Budget - Final Report**

Cabinet received a report, which set out the findings of the Standing Scrutiny Review of the Budget with a number of suggested recommendations for adoption. In noting the reference from the Overview and Scrutiny Committee meeting held on 28 January 2010, Cabinet complimented the work carried out by scrutiny. The Leader of the Council stated that the recommendations from the Scrutiny Review Group were for consideration in the longer term and did not affect the decision on the Revenue Budget report, item 9 on the agenda.

**RESOLVED:** That

- (1) the report of the Standing Scrutiny Review be submitted to Council;
- (2) the Corporate Director of Finance submit a report responding to the recommendations of the Scrutiny Review Group to a future meeting of Cabinet.

**Reason for Decision:** To ensure that the recommendations of the Standing Scrutiny Review were addressed.

### **765. Progress on Scrutiny Projects**

**RESOLVED:** To receive and note the current progress of the scrutiny reports.

**Reason for Decision:** To note the progress being made on the various scrutiny reviews.

### **766. Fees and Charges for Council Services**

The Corporate Director Finance introduced the report, which set out proposals for fees and charges to be made by the Council for 2010/2011. She outlined some of the areas where no increases had been proposed, such as for car parking and home care. This course of action would help boost the economic activity locally and minimise the financial burden on the vulnerable.

The Corporate Director stated that where charges were being altered, these would be in the region of a 2% increase. She added that the framework that the Council applied for fees and charges would be reviewed and developed during 2010/11.

**RESOLVED:** That the proposed fees and charges at appendix 1 to the report of the Corporate Director Finance be approved.

**Reason for Decision:** To enable the effect of changes in fees and charges to be factored into the Council's Revenue Budget for 2010/11.

#### **767. Key Decision - Revenue and Capital Monitoring to 31 December 2009**

The Corporate Director Finance introduced a report, which set out the Council's revenue and capital forecast position for 2009/10 at the end of December 2009, as at quarter 3.

The Corporate Director stated that, overall, an underspend of £0.5m had been forecast, which was considered to be both favourable and positive. However, significant cost pressures in the Children's Services Directorate were being offset by savings elsewhere, including from the pay award which was under budget. A small overspend was forecast in the Housing Revenue Account (HRA), and the consolidated general balance position was forecast as £6.4m. An underspend was forecasted for the Council's Capital Programme.

It was indicated that the Council should achieve an overall underspend in order to meet the challenges ahead.

**RESOLVED:** That

- (1) the revenue and capital forecast outturn position for 2009/10 be noted;
- (2) the amendments to the Capital Programme at appendix 3 to the report be approved.

**Reason for Decision:** To present the forecast financial position as at December 2009 and the actions required to be taken.

#### **768. Roxbourne First School Nursery Class**

Cabinet received a report of the Director of Schools and Children's Development, which sought approval to establish Roxbourne First School Nursery Class with effect from 1 September 2010. The Portfolio Holder for Schools and Children's Development reported that no objections had been received to the proposal and commended the report to Cabinet.

**RESOLVED:** That the statutory proposals to extend the age range of Roxbourne First School to establish a school with an age range of four years (Reception) to seven years (Year 2), with attached nursery class from 1 September 2010, the effect of which was to lower the age to three years, be agreed.

**Reason for Decision:** A nursery class would establish the full Early Years Foundation Stage Profile at Roxbourne First School. This would provide continuity and secure higher attainment for those children entering the nursery and then being admitted to the Roxbourne First School reception classes and,

in particular, continuity would be provided and be of significant benefit to the majority of children who have English as an additional language.

#### **769. School Place Planning Strategy 2010/2013**

The Portfolio Holder for Schools and Children's Development introduced the report, which proposed an approach that would ensure that sufficient school places were available in Harrow and over provision was avoided. The School Place Planning Strategy 2010/13 outlined the areas of action for the Council, as commissioner of school places, over the next three years, which were as follows:

- monitor and develop proposals to increase primary sector provision in line with projected and actual growth;
- implement the school reorganisation to change the ages of transfer and monitor its impact;
- increase the provision for pupils with special educational needs (SEN) including the bases for pupils with autistic spectrum disorder (ASD) and social emotional behavioural difficulties.

It was noted that the Education Consultative Forum had supported the Strategy. The Director of Schools and Children's Development stated that the Council had a statutory responsibility to ensure that sufficient school places were available. The Children's Services and the Place Shaping Directorates worked closely to ensure that new developments in the borough were factored in the planning process. An annual update of the Strategy would be presented to the Education Consultative Forum.

**RESOLVED:** That the School Place Planning Strategy 2010/13 be agreed.

**Reason for Decision:** To establish a framework for officers to develop and bring forward options to ensure there were sufficient school places. To promote high standards and fulfil the Council's statutory responsibilities.

#### **770. Safer Harrow - Borough-wide Anti Burglary Project Award**

In accordance with the Local Government (Access to Information) Act 1985, Cabinet received a report of the Corporate Director Community and Environment, which was admitted late to the agenda, as the proposed initiative would provide valuable assistance to support the police in combating burglary. Burglaries were a significant problem in the West London area and were being addressed by a range of initiatives. The report was not available at the time the agenda was being circulated, as it was being consulted on.

Cabinet considered the report together with a confidential appendix, which sought authority to enter into a contract with Smartwater for the supply of traceable property marking projects. The Portfolio Holder for Environment Services and Community Safety stated that the proposal would help make the borough safer for its citizens and combat fear of crime. She commended the initiative to Cabinet.

The Divisional Director Community and Environment outlined how the tender process had been co-ordinated, and the crime reduction work that would be carried out by the Council in partnership with the Metropolitan Police Service

The Leader of the Council welcomed this positive initiative.

**RESOLVED:** That

- (1) the tender from Smartwater be accepted;
- (2) the Corporate Director Community and Environment be authorised to agree terms for entry into a contract with Smartwater.

**Reason for Decision:** To support the reduction and deduction of crime, particularly burglary, and provide the assurance of community safety through the Safer Harrow Partnership. The tender submitted by Smartwater was the best value under the defined evaluation criteria of price, compliance with specification, deliverability and risk management.

#### **771. Exclusion of the Press and Public**

**RESOLVED:** That the press and public be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of confidential information in breach of an obligation of confidence, or of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 for the reasons set out below:

| <u>Item</u> | <u>Title</u>   | <u>Reason</u>   |
|-------------|--|---|
| 19          | Safer Harrow – Borough-wide Anti Burglary Project Award – Appendix | Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person (including the authority holding that information)). |

#### **772. Safer Harrow - Borough-wide Anti Burglary Project Award**

**RESOLVED:** That the confidential appendix, which was considered in conjunction with the main report at Minute 770, be noted.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.23 pm).

(Signed) COUNCILLOR DAVID ASHTON  
Chairman

**Harrow Council Tax Resolution**

**Council Tax Resolution 2010-2011**

Cabinet to approve as part of the Summons for Council, the model budget and Council Tax resolutions reflecting the recommendations of Cabinet and the GLA precept.

Council is requested to determine the level of the Council Tax for 2010-2011 in the light of the information on the precept and make the calculations set out in the resolution shown below.

- (1) To note that at its meeting on 17 December 2009 the Council calculated the amount of 86,362 as its Council Tax Base for the year 2010-2011 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33 (5) of the Local Government Finance Act 1992.
  
- (2) That the following amounts be now calculated by the Council for the year 2010-2011, in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
  - (i) Being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act. **(Gross expenditure)** £551,155,712
  
  - (ii) Being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3)(a) to (c) of the Act. **(Gross income including use of reserves)** £379,471,174
  
  - (iii) Being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated by the Council, in accordance with Section 32(4) of the Act, **as its budget requirement for the year.** £171,684,538
  
  - (iv) Being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed non-domestic rates, revenue support grant, increased by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund its Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 (Collection Fund Surplus) £69,211,707
  
  - (v) Being **the amount to be raised from Council Taxes** Calculated as the amount at 2 (iii) above less the amount at 2 (iv.) above. £102,472,831

- (vi) Being the amount at (v) divided by the Council Tax Base, calculated by the Council at its meeting on 17 December 2009 in accordance with Section 33 (1) of the Act, as the basic amount of its council tax for the year. **(The average Band D Council Tax )** £1,186.55

(vii) Valuation Bands

|   | A      | B      | C        | D        | E        | F        | G        | H        |
|---|--------|--------|----------|----------|----------|----------|----------|----------|
| £ | 791.03 | 922.87 | 1,054.71 | 1,186.55 | 1,450.23 | 1,713.90 | 1,977.58 | 2,373.10 |

Being the amounts given by multiplying the amount at (vi.) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (3) That it be noted that for 2010-2011 the Greater London Authority stated the following amount in precept issued to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below

Valuation Bands

|   | A      | B      | C      | D      | E      | F      | G      | H      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| £ | 206.55 | 240.97 | 275.40 | 309.82 | 378.67 | 447.52 | 516.37 | 619.64 |

- (4) That, having calculated the aggregate in each case of the amounts at (2)(vii) and (3) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2010-2011 for each of the categories of dwellings shown below

Valuation Bands

|   | A      | B        | C        | D        | E        | F        | G        | H        |
|---|--------|----------|----------|----------|----------|----------|----------|----------|
| £ | 997.58 | 1,163.84 | 1,330.11 | 1,496.37 | 1,828.90 | 2,161.42 | 2,493.95 | 2,992.74 |



**HARROW COUNCIL  
REVENUE BUDGET SUMMARY 2010-2011**

|  | 2009-<br>2010<br>Original<br>Budget<br>£000 | 2010-<br>2011<br>Original<br>Budget<br>£000 |
|--|---|---|
| <b>Local Demand - Borough Services</b>   |   |   |
| Adults and Housing                       | 65,192                                      | 69,934                                      |
| Children's                               | 38,835                                      | 40,629                                      |
| Community and Environment                | 46,917                                      | 46,245                                      |
| Place Shaping                            | 4,364                                       | 4,199                                       |
| Legal and Governance                     | 943   | 876   |
| Assistant Chief Executive                | 2,508                                       | 3,300                                       |
| Corporate Finance                        | 22,483                                      | 24,388                                      |
| <b>Total Directorate Budgets</b>         | <b>181,242</b>                              | <b>189,571</b>                              |
| Inflation and Corporate items            | 3,669                                       | 1,964                                       |
| Capital Financing adjustments            | -6,917                                      | -6148                                       |
| Area Based Grant                         | -9,020                                      | -12922                                      |
| Interest on Balances                     | -245  | -690  |
| <b>Total – Baseline</b>                  | <b>168,729</b>                              | <b>171,775</b>                              |
| Capitalisation                           | -390  | -90   |
| Contribution to Balances                 | 500   | 0   |
| <b>Total Net Expenditure</b>             | <b>168,839</b>                              | <b>171,685</b>                              |
| Collection Fund Surplus b/f              | -300  | -1448                                       |
| Formula Grant                            | -66,786                                     | -67,764                                     |
| <b>Local Demand on Collection Fund</b>   | <b>101,753</b>                              | <b>102,473</b>                              |
| <b>Funds / Balances</b>                  |   |   |
| Balances Brought Forward                 | 4,031                                       | 5,716                                       |
| Adjustment to Balances                   | 500   | 0   |
| Balances Carried Forward                 | <b>4,531</b>                                | <b>5,716</b>                                |
| <b>Council Tax for Band D Equivalent</b> |   |   |
| Harrow (£)                               | <b>1,186.55</b>                             | <b>1,186.55</b>                             |
| <u>Increase</u><br>Harrow (%)            | <b>2.95%</b>                                | <b>0.00%</b>                                |
| <b>Taxbase</b>                           | <b>85,755</b>                               | <b>86,362</b>                               |

## APPENDIX 2

### HOUSING REVENUE ACCOUNT 2010-11 TO 2012-13

|                                  | Budget<br>2010-11<br>£ | Budget<br>2011-12<br>£ | Budget<br>2012-13<br>£ | Comments  |
|----------------------------------|------------------------|------------------------|------------------------|---|
| <b>Operating Expenditure:</b>    |                        |                        |                        |   |
| Employee Costs                   | 1,165,490              | 1,187,720              | 1,210,390              | Pay inflation assumed at 0% 2010-11, then 2% ongoing. Includes 0.25% pension contributions. |
| Supplies & Services              | 439,360                | 439,360                | 439,360                |   |
| Utility cost (Water & Gas)       | 684,500                | 711,800                | 741,500                | Inflation assumed at 2.82% 2010-11 then 4.24% ongoing                                       |
| Estate & Sheltered Services      | 2,185,760              | 2,232,450              | 2,280,800              | Salaries inflated as above  |
| Central Recharges                | 2,892,500              | 2,947,950              | 3,004,500              | Inflation assumed at 1% 2010-11, then 2% ongoing. Includes Access Harrow at £120k per annum |
| <b>Operating Expenditure</b>     | <b>7,367,610</b>       | <b>7,519,280</b>       | <b>7,676,550</b>       |   |
| <b>Repairs Expenditure:</b>      |                        |                        |                        |   |
| Repairs – Voids                  | 554,150                | 620,310                | 631,670                | Assumed 318 voids per annum and £101k transfer to Capital                                   |
| Repairs - Responsive             | 2,634,850              | 2,829,220              | 2,867,590              | Assumes annual volume of 13,337 day to day repairs  |
| Repairs – Other                  | 1,596,570              | 1,613,850              | 1,631,430              | Includes external decoration, cyclical repairs and repairs salaries                         |
| <b>Total Repairs Expenditure</b> | <b>4,785,570</b>       | <b>5,063,380</b>       | <b>5,130,690</b>       |   |
| <b>Other Expenditure:</b>        |                        |                        |                        |   |
| Contingency - General            | 200,000                | 200,000                | 200,000                |   |
| Charges for Capital              | 6,915,910              | 6,969,320              | 6,987,050              | Consolidated Rate of Interest 4.72%   |

|  | <b>Budget<br/>2010-11<br/>£</b> | <b>Budget<br/>2011-12<br/>£</b> | <b>Budget<br/>2012-13<br/>£</b> | Comments   |
|--|---------------------------------|---------------------------------|---------------------------------|--|
| RCCO                                   | 500,000                         | 500,000                         | 500,000                         |  |
| Bad or Doubtful Debts                  | 250,000                         | 250,000                         | 250,000                         |  |
| HRA Subsidy                            | 6,178,250                       | 6,719,690                       | 6,995,040                       | Based on<br>Government Final<br>Determination  |
| <b>Total Other<br/>Expenditure</b>     | <b>14,044,160</b>               | <b>14,639,010</b>               | <b>14,932,090</b>               |  |
|  |                                 |                                 |                                 |  |
| <b>Total Expenditure</b>               | <b>26,197,340</b>               | <b>27,221,670</b>               | <b>27,739,330</b>               |  |
| <b>Income</b>                          |                                 |                                 |                                 |  |
| Rent Income –<br>Dwellings             | -22,424,930                     | -23,456,560                     | -24,568,180                     | Average rent<br>£86.60 2010-11<br>and void losses of<br>0.5%. Assumes<br>Mill Farm transfer<br>May 2010. |
| Rent Income – Non<br>Dwellings         | -840,900                        | -843,780                        | -851,940                        | Includes Garages<br>which will<br>increase at 2%<br>p.a.   |
| Service Charges -<br>Tenants           | -1,164,480                      | -1,237,020                      | -1,280,800                      |  |
| Service Charges –<br>Leaseholders      | -415,640                        | -421,560                        | -427,730                        |  |
| Facility Charges<br>(Water & Gas)      | -497,230                        | -502,200                        | -507,220                        | Fees & charges<br>increase 2%<br>annually  |
| Interest                               | -6,120                          | -6,120                          | -6,120                          | Mortgage interest<br>at 4.78%  |
| Other Income                           | -8,010                          | -8,010                          | -8,010                          |  |
| Transfer from General<br>Fund          | -163,000                        | -163,000                        | -163,000                        | Amenities shared<br>by the community   |
| <b>Total Income</b>                    | <b>-25,520,310</b>              | <b>-26,638,250</b>              | <b>-27,813,000</b>              |  |
|  |                                 |                                 |                                 |  |
| <b>In Year Deficit /<br/>(Surplus)</b> | <b>677,030</b>                  | <b>583,420</b>                  | <b>-73,670</b>                  |  |
|  |                                 |                                 |                                 |  |
| <b>BALANCE brought<br/>forward</b>     | <b>-3,947,416</b>               | <b>-3,270,386</b>               | <b>-2,686,966</b>               |  |
| <b>BALANCE carried<br/>forward</b>     | <b>-3,270,386</b>               | <b>-2,686,966</b>               | <b>-2,760,636</b>               |  |
| <b>BALANCE Business<br/>Plan</b>       | <b>-5,319,000</b>               | <b>-5,460,000</b>               | <b>-4,539,000</b>               |  |