

**MEETING****POLICY AND RESOURCES COMMITTEE****DATE AND TIME****TUESDAY 27TH JUNE, 2017****AT 7.00 PM****VENUE****HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BG**

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
8.	BUSINESS PLANNING 2017-20	3 - 32

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	<h2>Policy &amp; Resources Committee</h2> <h3>27<sup>th</sup> June 2017</h3>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Business Planning 2017-20</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Director of Resources (S151 officer) Chief Executive Deputy Chief Executive Assistant Chief Executive</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public with Exempt appendix</p>
<p style="text-align: right;"><b>Urgent</b></p>	<p>Yes</p>
<p style="text-align: right;"><b>Key</b></p>	<p>No</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Appendix A – Medium Term Financial Strategy (MTFS) to 2020 Appendix B – Capital additions and deletions Appendix C – Slippage from 2016/17 capital programme and other programme movements Appendix D – RE payment profile (exempt)</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Anisa Darr – Director of Resources <a href="mailto:anisa.darr@barnet.gov.uk">anisa.darr@barnet.gov.uk</a></p>

## Summary

This paper sets out the council’s Medium Term Financial Strategy (MTFS) to 2020, as agreed in February 2017. The paper sets out the proposed revenue and capital budget amendments for 2017-2020 as well as setting out the previously agreed savings requirements across Theme Committees for the period 2017-20.

As we head closer to 2020, the council needs to begin planning further ahead – to 2025 – to ensure that future challenges are managed and opportunities realised. As such the paper also outlines a process for longer term business and financial planning up to 2025; with updates coming to P&R in December 2017 ahead of being presented in full in summer 2018. It is intended that this longer-term planning will form the basis of a revised MTFS through to 2025 following approval by the administration next year.

This report seeks approval from Policy and Resources Committee on the following:

- a) Movements to the budget in 2017/18; and
- b) Amendments to the capital programme.

## **Recommendations**

The report recommends that the Committee:

- 1. Notes the Medium Term Financial Strategy (MTFS) to 2020, as approved in February 2017, set out at appendix A and the assumptions underpinning this in para 1.3.3;**
- 2. Notes the distribution of savings across Theme Committees for the period 2017-20, which have previously been agreed, and the process to confirm delivery and achievement of these savings during the autumn, ahead of a draft budget report being presented to Policy and Resources Committee in December 2017, as set out in section 1.4;**
- 3. Notes the process to begin to plan further ahead, through to 2025, with further reports to Committee in December 2017 and June 2018, as shown in section 1.5;**
- 4. Approves the budget amendments in respect of 2017/18 as shown in section 1.6;**
- 5. Approves the amendments to the current capital programme as shown in section 1.7;**
- 6. Consider whether or not to accept the Re management fee prepayment proposal as set out in sections 1.6.11-16.**

### **1. WHY THIS REPORT IS NEEDED**

#### **1.1 Executive Summary**

1.1.1 In March 2017, the council set a Medium Term Financial Strategy (MTFS) covering the period 2017 – 2020. The MTFS for this period identified a total budget gap of £53.9 million with savings identified from theme committees to meet this gap. To put this in context, the net annual expenditure requirement, before government grant and council tax, is £291 million.

1.1.2 The business planning process works on an annual cycle to confirm the council's budget each year. The council typically re-assesses the assumptions underpinning the MTFS once a year through a report to Policy and Resources Committee (P&R) during the summer, ahead of the draft budget for the year ahead being presented in the autumn. The final budget is presented to P&R and Full Council for agreement in the spring.

1.1.3 This report sets the national and local context in which Local Government and the council is operating and updates Members on changes to the council's future budget assumptions. It also sets out amendments to the current year's

budget and the process for confirming the achievement of savings for 2018/19.

- 1.1.4 This report recognises that the current MTFs runs until 2020 and beyond that there is still a great deal of uncertainty around the local government funding, any Local Government finance system will no doubt place increasing emphasis on the council being more self-sufficient. This will be compounded by the increasing complexity of cases in demand led services, changes in demographics and increases in the cost of services. The current MTFs also relies on one-off funding from reserves to balance the budget until 2020; which will need to be met from more sustainable funding. It is therefore anticipated that the challenges to balance the MTFs will continue into the long term future and is anticipated to be of a similar scale as the previous decade.
- 1.1.5 Along with the factors set out above there is a need to understand the landscape of Barnet and local government beyond that in order to better plan our corporate priorities and financial plans. This report sets out the process by which officers will begin to take forward so that the council continues to effectively plan ahead to understand the challenges and opportunities facing the organisation and the borough through to 2025.

## **1.2 Strategic Context**

- 1.2.1 Barnet has adopted a long term view of finance and over the past six years has been able to rise to the significant challenge of reduced funding from central government coupled with an increase in demographic pressures, saving over £112 million between 2011 and 2016 whilst maintaining high levels of resident satisfaction – 89% of residents were satisfied with their local area as a place to live according to the Autumn 2016 Residents' Perception Survey. With demand on local services continuing to increase and many local authorities having to generate more income locally, the next few years will present further financial challenges, alongside the savings of £53.9m to be achieved by 2020. However, this is also an opportunity for Barnet to do things differently, and better.

### **Barnet's priorities to 2020**

- 1.2.2 Barnet's five strategic priorities that are set out in the council's Corporate Plan. These are; delivering quality services; responsible growth, regeneration and investment; building resilience in residents and managing demand; transforming local services; and promoting community engagement, facilitating independence and building community capacity.
- 1.2.3 The new priority of delivering quality services was introduced this year. The council has ambitious plans for the next financial year and this priority is around ensuring that despite the challenges faced, the quality of the local services is not compromised. This means getting the basics right and focussing on the services that matter most to our residents, such as keeping our neighbourhoods clean and safe and ensuring our roads and pavements are well looked after. We will also provide additional support to our most

vulnerable residents to ensure that all of our residents are able to stay happy, healthy and independent, and enjoy a good quality of life.

- 1.2.4 The council continues to use the proceeds of growth to invest in the borough's critical infrastructure. The capital investment programme totals £658 million to 2020 and examples of where this will be spent are highways improvements, community hubs, and early education and childcare places to ensure that Barnet remains a great place to live, work, and study. Local regeneration schemes will also bring new jobs to the borough, and the council is working with partners to ensure the right support is in place to allow our residents to access these opportunities.
- 1.2.5 With London and Barnet set to continue growing, the increasing population and changing demographics will place more and more pressure on local services. A key part of our strategy is to redesign our services to reduce demand so that our resources can be targeted at those most in need. Early intervention and prevention involves treating the cause rather than the symptom of an issue and stepping in before a critical stage is reached. We are also working to promote independence in the community to avoid reliance on statutory services, and to ensure that our processes are optimised so our services are as efficient and effective as possible.
- 1.2.6 In order to meet our priority outcomes we are considering the case for delivering differently in all of our services. This involves working effectively with partners and co-locating services to allow targeted support. An example of this is the Burnt Oak Opportunity Support Team (BOOST) which provides a range of services from the council and partners under one roof to help those in one of the most deprived wards develop new skills and overcome barriers to employment. Transforming the way we work also includes how we work internally, and a core part of this is the office move to Colindale which will make the council more accessible by bringing us closer to the community, support the regeneration in the west of the borough, and reduce the amount spent on accommodation.
- 1.2.7 We are actively working with communities to help them take more responsibility for their local areas and to empower and equip residents to do more for themselves as our funding decreases, thereby reducing dependence on our services. This also includes working with the community to tailor services to their needs and where appropriate engaging the community in the design and delivery of services to ensure they are matched to local need and are more successful in reaching outcomes. The council has a Community Participation Strategy in place to support this priority.

#### **UK economy to 2020**

- 1.2.8 There is a huge amount of uncertainty facing the UK economy over the next few years as a result of Brexit and on the back of the recent General Election.
- 1.2.9 The Treasury's forecast for the deficit in 2018/19 is expected to be £58.3bn (2.6% of GDP), falling to £21.4bn (1% of GDP) in 2019/20.

1.2.10 Debt as a share of GDP is still expected to peak at 88.8% (£1.83tr) in 2017/18 and to fall each year thereafter, reaching 79.8% (1.90tr) in 2021/22.

### **Service specific context**

#### **Adult health and social care**

1.2.11 It is estimated that the budget gap for social care in the UK to 2020 is estimated to be £5.8 billion. For local government, the most significant announcement in the Budget was therefore the additional money for adult social care – £2 billion over the next two years, £1 billion of which is to be made available this financial year. The majority of this funding will go to local authorities and build on the Better Care Fund, and can be spent on meeting social care need, reducing pressure on the NHS and stabilising the social care provider market. This money comes on top of the £2.4 billion announced as part of an improved Better Care Fund in the 2015 Spending Review.

1.2.12 There has been recognition from local government and health and social care commentators that although welcomed, the funding announced in the Budget is far from enough. It was acknowledged in the Budget that in the long term “a fair and more sustainable basis for adult social care, in the face of the future demographic challenges” is needed. Barnet’s allocation of the additional funding for social care is £5,372,890 in 2017/18, £4,092,872 in 2018/19, and 2,039,280 in 2019/20. 90% of the new funding was allocated using the improved Better Care Fund methodology, and the remaining 10% using the relative needs formula for adult social care. This is in addition to the core BCF allocation for adult social care and the Care Act 2015 social care new burdens funding included within the BCF.

1.2.13 On 15 December 2016 a new flexibility relating to the social care precept was announced as part of the Local Government Finance Settlement. This allowed councils to raise additional income to be spent exclusively on adult social care through applying an increase of up to 3% to council tax bills in 2017/18 and 2018/19. This was consulted on as part of Barnet’s annual budget consultation and it was agreed at Budget Council on 7 March 2017 that the council would not be increasing general council tax but would be applying the full 3% social care precept which will generate £4.7 million to be spent exclusively on adult social care.

1.2.14 Alongside the social care funding, the Government also announced £325 million to be invested in the first local sustainability and transformation plans (STPs), although the majority of this is being used to cover existing NHS deficits. Barnet is part of the North Central footprint, alongside Camden, Enfield, Haringey, and Islington. However, the Chancellor announced that there will be a further round of local proposals in autumn this year. This focus on closing the budget gap in secondary care leaves a lack of investment in prevention measures which are needed to reduce reliance on expensive hospital and residential care.

1.2.15 The Chancellor also announced £100 million to go towards placing more GPs in A&E facilities to help manage demand by allowing better assessment of patients upon arrival to A&E.

## **Businesses**

- 1.2.16 £435 million of further support has been announced for businesses who will be facing significant increases in business rates due to the revaluation, on top of the £3.6 billion transitional relief which was announced in the Autumn Statement last year. Barnet's share of this is £2.37 million with a set amount designated to each of the years 2017/18 – 2020/21. As it stands, un-awarded monies will be paid back to the Government although local authorities have petitioned for greater flexibilities to move money between the years, because under the rules of discretionary rate relief the council needs to give 12 months' notice of the removal of any relief. DCLG have said that this will be reviewed in the summer, however, this will have practical implications for the allocation of the relief. The Government are yet to issue formal guidance on the operation of the scheme. Councils are expected to design their own schemes to award relief, and this will need the approval of the Policy and Resources Committee. In the Autumn Budget 2017 the Government will set out its preferred approach for more frequent revaluations, and will consult on this ahead of the next revaluation in 2022.
- 1.2.17 The Government also announced that it will be providing £300 million of discretionary rate relief to English local authorities over the next four years to support small businesses losing Small Business Rate Relief. There are 215 cases in Barnet that will be due to receive this support. This is a cash discount, equivalent to a maximum of £600, or a 5% increase in bills plus inflation. The council will undertake consultation on the design of the scheme.
- 1.2.18 Pubs with a rateable value of up to £100,000 will also get a £1,000 business rate discount for one year from April 2017. Government still needs to issue formal guidance setting out the definition of 'pub' and whether this extends to some bars and clubs. Based on the obvious criteria for a pub, there are 90 establishments in Barnet that stand to be eligible, but it is likely that many of them will be unable to claim the support due to the EU state aid rules which limits state aid to 200,000 euros (£174,000) per businesses per year – meaning that pubs that are part of chains are likely to miss out.
- 1.2.19 The council will not lose any income due to these measures as the Government will reimburse any loss incurred through a grant.

## **Education and skills**

- 1.2.20 From 2019/20, new 'T-Levels' will be rolled out at colleges delivering technical training; qualifications for 16-19 technical education to give parity to between technical and academic education. Once fully implemented, there will be £500 million of additional funding invested per year. T-Levels will increase the number of hours of training for technical students by 50%, including a three month work placement. To support students on these courses, Further Education maintenance loans, similar to those available to university students, will be introduced from 2019/20 to support students on technical education courses at levels 4-6 in National Colleges and Institutes of Technology, and to support adults to retrain at these institutions. There are not currently any technical colleges in Barnet and of the schools and colleges we have it is not

yet known how many will operate the new T-Levels as curriculum choice is down to the individual institute.

- 1.2.21 In the Spring Budget 2017, the Chancellor confirmed the announcement made at the Autumn Statement 2016 to commit £50 million per year of new funding to expand existing grammar schools, and the manifesto commitment to open 500 new free schools by 2020. The free schools programme will be extended through a £320 million investment to help fund new schools including independent-led, faith, selective, university-led, and specialist maths schools. Free school transport will be extended to all children on free school meals who attend a selective school.
- 1.2.22 Barnet currently has plans to rebuild and relocate the Blessed Dominic Primary School on the St. James Catholic High School site, and to expand the St. James Catholic High School as part of this project. The Blessed Dominic Primary School site will be released to the new Saracens free school, which will also occupy the old Orion School and Barnet College sites. The Saracens free school is scheduled to open in September 2018. Two further applications for free schools were approved by Government on 16 September 2016; the Windmill Free School and Compton Free School, although sites for these schools have not yet been identified.
- 1.2.23 The Spring Budget also announced a further £216 million for school maintenance – this takes total investment in school conditions to over £10 billion in this Parliament.
- 1.2.24 £300 million is being invested to support 1,000 new PhD places and fellowships in science, technology, engineering and maths (STEM) subjects; this funding is part of the Nation Productivity Investment Fund ((NPIF) see 1.2.36). Barnet is home to Middlesex University, which has one of the largest science and technology schools in the UK with a large community of PhD students leading research in areas such as natural science, computer science, and psychology.
- 1.2.25 The Government has also committed £40 million in 2018/19 to support lifelong learning through Lifelong Learning Pilots to test different approaches to help people retrain and up-skill throughout their working lives. £5 million will also be committed to supporting people to return to work after extended career breaks. Based on these measures being taken to ensure a skilled working population, it is estimated that a further 650,000 people will be in employment by 2020/21.

### **Growth and infrastructure**

- 1.2.26 In the Spring Budget the Chancellor re-affirmed the commitment made in the Autumn Statement 2016 to spend £23 billion through the National Productivity Investment Fund (NPIF). This Fund will focus on economic infrastructure, housing, and research and development. Transport and broadband also fall under these headings. Included in this investment is a £690 million competition fund for English councils to tackle urban congestion was announced, as well as £16 million for 5G mobile technology and £200 million

for local broadband and networks. The 'Industrial Strategy Challenge Fund' will provide an initial investment of £270 million in 2017/18 to support collaborations between businesses and the UK's science base to stimulate the development of new technologies such as robots and driverless vehicles.

1.2.27 The Spring Budget 2017 reiterates the commitment made in the Industrial Strategy Green Paper to support growth in all areas of the UK. This green paper was issued in January and the feedback is still currently being analysed by Government.

1.2.28 The Government has agreed a Memorandum of Understanding on further devolution in London. The agreement with the GLA and London Councils includes working together to explore piloting a new approach to funding infrastructure. Also included in the agreement is a commitment to explore options for devolving greater powers and flexibilities over the administration of business rates and greater local influence over careers services and employment support services, as well as working with the GLA and London Councils to ensure that employers are able to benefit from the opportunities offered by the apprenticeship levy.

### 1.3 Medium Term Financial Strategy

1.3.1 The MTFS to 2020, set out at Appendix A, takes into account national economic factors such as forecasts to Government spending and inflation, along with local factors which will have an impact on the council's budget such as population change, housing and development and other demand pressures on services.

1.3.2 Given the uncertainty with local government funding beyond 2020 due to the changes in Revenue Support Grant and Business Rates, the current MTFS is not extended beyond this period. However the council has started reviewing the process by which it will undertake longer term business planning and this is set out in para 1.5.

1.3.3 The main assumptions within the MTFS are:

- **Pressures:** an assumption has been made in the MTFS for future demographic pressures specifically for Adults and Children's Social Care costs. This is based on the latest demographic projections from the GLA and specific data from the Projecting Older People Population Information System (POPPI) and the Projecting Adult Needs and Service Information System (PANSI). Based on existing budget monitoring, underlying budget pressures have also been factored into the budget;
- **Inflation (pay):** the local government pay award has been confirmed as 1% increase for 2017/18;
- **Inflation (non-pay):** contractual inflationary amounts have been included, but general inflation has to be met from existing budgets;
- **North London Waste Authority (NLWA) levy:** figures for the NLWA levy are based on the latest information from the NLWA but levy information for 2017/18 will be finalised in February 2017;

- **Capital financing costs:** the council's borrowing requirement has been reviewed, taking into account the latest projections on the current capital programme spend;
- **Concessionary fares:** increases have been projected in line with demographic changes of the 60+ population in Barnet;
- **Business rates:** the business rates revaluation, which will come into effect on 1 April 2017, has increased the value of the property base by 11.91%. Due to the nature of the national rating scheme the multiplier will also be adjusted to take into account the national growth. Accordingly, this has been reduced to 46.6p. The income for Barnet for 2017/18 is forecast at £35.091m with an additional grant for government incentivised schemes such as small business rates relief, of £1.383m;
- **Revenue Support Grant:** this reflects the multi-year funding settlement to 2020 following the councils successful submission to the Department for Communities and Local Government of its 'Efficiency Plan';
- **Social Care Precept:** the MTFS assumes 3% for 2017/18 and 1.5% for 2018/19 and 2019/20;
- **General Council tax:** no increase assumed in the MTFS to 2020;
- **Individual Electoral Registration:** government grant funding towards this has ended and to continue the work £190k will be allocated towards this from contingency in 2017/18.

1.3.4 There are known risks which have not been factored into the current MTFS, these are:

- **Impact of not achieving 50% recycling rates:** the estimated impact of the new facility on the borough levy is an increase of £6m from 2021 onwards. However this is predicated on achieving 50% recycling rate. Our current rate is c39% and whilst there are initiatives planned to achieve behaviour change through education and information, achievement of this will still require a change in current practices;
- **Demographic increases and increases in complexity of social care packages:** the MTFS factors in an increase in demographic pressures, however if the increase that services experience are more than this, then this could result in an overspend across those services impacted, as seen in 2016/17 in Adults services;
- **Business rates:** on the current business rates retention scheme, there is a risk that the current deficit will continue to grow. The increase in permitted development schemes will add to this pressure;
- **Non-pay inflation:** the current MTFS assumes an average 2% increase in contract spend, however inflation on some of the contracts is being assessed at 4%, if this is the case on most of the contracts, then this could result in an overspend across services.

## 1.4 Savings proposals 2017-20

1.4.1 The budget to 2020 included savings proposals to reach a balanced position. The combined Theme Committee savings targets from 2017 through to 2020 are set out below:

<b>Theme Committee</b>	<b>2017-18 £000</b>	<b>2018-19 £000</b>	<b>2019-20 £000</b>	<b>Total £000</b>
Adults & Safeguarding	4,867	4,854	5,348	<b>15,069</b>
Assets, Regeneration & Growth	4,976	4,995	2,088	<b>12,059</b>
Children, Education, Libraries & Safeguarding	3,656	2,624	5,679	<b>11,959</b>
Community Leadership	-	-	243	<b>243</b>
Environment	3,965	1,915	680	<b>6,560</b>
Policy & Resources	2,361	2,289	3,323	<b>7,973</b>
<b>Total</b>	<b>19,825</b>	<b>16,677</b>	<b>17,361</b>	<b>53,863</b>

1.4.2 Officers will undertake due diligence of planned future year savings over the summer to ensure they are deliverable. The overall targets for Theme Committees remain the same and any proposals that are found to be either: not achievable or not deliverable to their original estimate will need to be supplemented by bringing forward new proposals to meet the gap.

1.4.3 Theme Committee meetings are intended to take place over the autumn in order for Theme Committees to confirm savings delivery, with a draft budget for 2018/19 being presented to P&R in December 2017 and the final budget being brought back to P&R in February 2018 and Full Council in March 2018 with a full Equality Impact Assessment.

## **1.5 Longer term business planning to 2025**

1.5.1 The current Corporate Plan and MTFs runs to 31 March 2020. Over the past decade, the council's approach to longer term financial planning has helped us manage the reduction in central government support and increasing pressures on local services in a planned way which has avoided the need for drastic in-year cuts. As such, it is important to reset our planning horizon and begin to plan further ahead – through to 2025 – so that the council continues to be on the front foot and is better able to absorb the likely continued pressure on resources.

1.5.2 Over the coming months, officers will begin the process of longer-term financial planning through to 2025 to identify the challenges and opportunities ahead.

1.5.4 This will involve a process of financial analysis in order to better understand the potential various financial scenarios facing the council through to 2025, based on different assumptions of income and spending over the period as well as potential developments in areas such as devolution, council tax and business rates policy, and the continuation of social care precept. This

financial analysis and forward planning is intended to lay the basis for the development of a new MTFS for the council through to 2025.

- 1.5.5 As part of this process, work will also be taken forward to better understand the drivers for demand on local services as well as a detailed review of relevant budgets and spending to identify where further efficiency savings can be made.
- 1.5.9 The process will also begin to look at potential solutions for the longer-term challenges facing the council – as well as options for realising the opportunities ahead – through service transformation, growth and income generation for agreement by Theme Committees next year.

## 1.6 Budget Management 2017/18

### Transfers from contingency

- 1.6.1 Each year the council sets aside an amount of money in the central expenses budget as a contingency to cover costs of pay awards, inflation and pressures. In accordance with the council's financial regulations, budget virements over £250,000 have to be approved by the P&R and are presented below.
- 1.6.2 As Adults were funded for additional pressures at the beginning of the year, at the time of setting the budget, there are no further allocations set out below.
- 1.6.3 On-going allocations from contingency for pay inflation:

Delivery Unit	£'000
Assurance	22
Family Services	195
Commissioning Group	96
Parking & Infrastructure	12
Street Scene	130
Contingency	(455)
Total	0

- 1.6.4 On-going allocations from contingency for contract inflation, including pension adjustments:

Delivery Unit	£'000
Cambridge Education	190
CSG	175
Family Services	400
HB Public Law	25
Parking & Infrastructure	225
Re	400
Street Scene	(1,415)
Total	0

- 1.6.5 On-going allocations from contingency for pressures within services:

Delivery Unit	£'000	Reason
Assurance	190	Pressure in relation to cessation of Individual Electoral Registration (IER) grant.
CSG managed budgets	500	Increase in security costs and civic estate.
Family Services	3,850	Funding associated with increased cost of packages due to complexity of cases, increases in numbers of children in care and investment associated with Tranche 1 and 2 of 0-25 service.
Family Services	1,580	Investment associated with improvement in practice, includes funding to reduce case loads, funding for identifying missing and youth homelessness and attracting and retaining staff.
Re managed budgets	750	Pressures associated with inability to recharge some costs to external funding.
Street Scene	360	Correction of a previous budget re-alignment.
Contingency	(7,230)	
Total	0	

### **Additional funding**

- 1.6.6 Improved Better Care Fund (iBCF) – the Better Care Fund (BCF) is the national programme, through which local areas agree how to spend a local pooled budget in accordance with the programme’s national requirements. The pooled budget is made up of Clinical Commissioning Group (CCG) funding as well as local government grants, of which one is the iBCF. The iBCF was first announced in the 2015 Spending Review, and was increased in the 2017 Spring Budget.
- 1.6.7 At the Spring Budget 2017, the government announced that an additional £2 billion would be given to councils in England over the next 3 years for adult social care.
- 1.6.8 The grant that is paid to a local authority under this determination may be used only for the purposes of meeting adult social care needs; reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready; and ensuring that the local social care provider market is supported.
- 1.6.9 The additional grant allocation for Barnet is shown below and this will be added to the existing iBCF of £7.771 m for 2017/18 which is claimed from the CCG.

2017/18	2018/19	2019/20	Total
5,372,890	4,092,872	2,039,280	11,505,042

1.6.10 The council's plans to spend this specific funding were agreed by Adults and Safeguarding Committee at their meeting of 12 June 2017.

### **Pre-payment proposal**

1.6.11 Members will be aware that, as part of the CSG contract review, a direct cost saving in the order of £500k was achieved by amending the payment arrangements for CSG, so that the 2017 annual contract management fee of £25m was paid in December 2016, rather than being paid in four instalments due in March, June, September and December.

1.6.12 The council is currently carrying out a similar review of the RE contract, which will be concluded later in the year. As part of the ongoing discussions with RE, a similar offer has been made, in respect of the payment profile for the annual contract management fee. In this case, the fee of approximately £16m, which the council is contractually required to pay each year, would be paid in June 2017, rather than in the four instalments due in September 2017, December 2017, March 2018 and June 2018. This would generate a financial benefit to the council of approximately £500k.

1.6.13 This would represent a cashable saving, without any impact on the scope or quality of services, and significantly in excess of the opportunity cost to the council. This saving will then be able to be re-invested in initiatives in line with commissioning priorities. The prepayment relates to that element of the contract that the council is obliged to pay in any event and does not create additional risk in that regard. The key additional risk associated with this proposal would arise in the event of Capita ceasing to trade during the period to which the payment relates. This has been reviewed by the council's financial officers and is considered to be highly unlikely. Contract withdrawal is a lengthy process and the contract would ensure that any surplus monies would be returned to the authority. Paying the management fee up front does not impinge on the council's ability to issue service improvement notices or apply service credits in year, if services do not meet agreed performance levels.

1.6.14 As part of the discussions on this proposal, the benefits of paying more than 12 months in advance were explored. Whilst the financial benefits of doing this would be increased, it was considered to be a higher risk option and it is therefore considered that the 12 month payment option is acceptable.

1.6.15 This decision is urgent, as the saving is only available if payment is made on or before 30 June 2017, in line with Capita's half-year accounting period.

1.6.16 Details of officers' risk assessment are set out in Appendix D, which is exempt due to commercial confidentiality.

## **1.7 Capital Programme**

1.7.1 Investing in the future is a key strand of the council's response to the scale of the challenge facing Local Government from funding reductions and increasing demand. Barnet will not be able to support the growth needed to ensure the council's financial independence without investment for the future.

As well as ensuring the borough's local infrastructure remains fit for purpose and supporting the growth agenda, the capital programme also includes a number of additions that enable the achievement of the revenue savings proposals.

1.7.2 The current approved capital programme totals £834m up to 2020, funded from a combination of capital receipts, borrowing, revenue and external grant contributions. funded from a combination of capital receipts, borrowing, revenue and external grant contributions. The MTFs includes provisions for future capital expenditure on council priorities through 2020.

1.7.3 Additions and deletions to the capital programme are required to be approved by Policy and Resources Committee, the following have been identified for approval, with detail on funding included in Appendix B.

<b>Project</b>	<b>Cost £'000</b>	<b>New / Addition</b>	<b>Reason</b>	<b>Funding</b>
Investing in Adults IT	1,961	Addition	To ensure stabilisation and development of the system and interfaces with existing payment and billing systems.	Grant
Tarling Road Community hub	2,250	Addition	Increased in construction forecast cost from RIBA Stage 3 due to market intelligence and initial pricing from LBB's Strategic Construction Partner (SCP). Final prices will need to be subject to 3 competitive quotations as part of the agreed framework of the SCP	Borrowing
Upper & Lower Fosters	0	-	Change in funding stream due to award of grant.	Grant
Stag House	1,616	New	Identified as a site that could be developed as an extra care scheme.	HRA
Street Scene Data Works Management	432	New	Implementation of system will aid automated planning of operations and integration into customer transformation project.	Capital Receipts
Micro Sites	2,820	New	Development of nine 2-bed houses across 5 'micro sites' for affordable rent.	HRA

West Hendon Playing fields sports hub	325	New	Feasibility study and options appraisal for development of sports hub and concurrent improvement to community facilities at the site.	S106
Victoria Park – Master Planning	623	New	Feasibility study and options appraisal for the creation of a master plan for improvements to the park.	Capital Receipt
North West Green Belt Land	55	New	Feasibility study and options appraisal for improvements to Barnet Gate Wood, Moat Mount OS, Scratchwood OS and Stoneyfields Park (collectively known as North West Green Belt land).	S106
Barnet Playing Fields	85	New	Feasibility study and options appraisal for the development of a Sports Hub and the concurrent replacement of and improvements to community facilities at the site.	S106
Customer Transformation Programme	3,913	Addition	Phase 2 onwards of the programme.	Capital Receipt
Highways	2,000	New	Capitalisation of proactive maintenance to enhance life of asset	Borrowing
Out of boroughs acquisition	400	Addition	Expansion of current programme to meet housing need and mitigate pressure on homelessness budget.	HRA
Depot	4,280	Addition	Increase in budget to account for additional costs incurred due to ground contamination at Oakleigh Road site, providing additional Waste & Recycling and Street Cleansing sites in Harrow to improve service efficiency and	Capital Receipt

			the full re-provision of Parks team bases at Copthall and Oakhill.	
Meadow Close Children's Home	800	Addition	Increased costs due to the inclusion and development of the on-site intervention centre that has necessitated further design work, as well allowances for highways and planning consultations relating to the road closures required for site access during the centre's construction.	Borrowing
Thameslink Station	24,707	Addition	Revised forecast including GRIP 4 & 5	Grant
Social care placements – residential and fostering expansions	(200)	-	No longer required and factored into future years	Borrowing

1.7.4 Appendix C shows the additions, deletions, slippage, accelerated spend in relation to the 2016/17 capital programme and associated changes to funding.

## 2. REASONS FOR RECOMMENDATIONS

2.1 Local Government as a whole continues to face significant reductions in funding and increased demand for services, as set out in the strategic context. These require continual longer term robust financial planning and the recommendations in this report support the plan to ensure that adequate budget provision is allocated to the council's service areas.

## 3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None.

## 4. POST DECISION IMPLEMENTATION

4.1 Following approval of these recommendations, the budget changes will be processed in the financial accounting system.

## 5. IMPLICATIONS OF DECISION

### 5.1 Corporate Priorities and Performance

- 5.1.1 This supports the Council's corporate priorities as expressed through the Corporate Plan for 2015-20 which sets out the vision and strategy for the next five years based on the core principles of fairness, responsibility and opportunity, to make sure Barnet is a place:
- Of opportunity, where people can further their quality of life;
  - Where people are helped to help themselves, recognising that prevention is better than cure;
  - Where responsibility is shared, fairly;
  - Where services are delivered efficiently to get value for money for the taxpayer.

## **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 The revenue budget proposals will enable the council to meet its savings target as set out in the MTFS. These budgets will be formally agreed each year, after appropriate consultation and equality impact assessments, as part of the council budget setting process. For this reason, the proposals are subject to change annually.

- 5.2.2 The council's financial regulations require that virements for allocation from contingency for amounts over £250,000 and capital programme additions must be approved by Policy and Resources Committee.

## **5.3 Social Value**

- 5.3.1 None applicable to this report, however the council has to take into account the requirements of the Public Services (Social Value) Act 2012 to try to maximise the social and local economic value it derives from its procurement spend. The Barnet living wage is an example of where the council has considered its social value powers.

## **5.4 Legal and Constitutional References**

- 5.4.1 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 111 of the Local Government Act 1972, relates to the subsidiary powers of local authorities.

- 5.4.2 Council Constitution Responsibilities for Functions Annex A sets out the terms of reference of the Policy and Resources Committee which include:

- To be the principal means by which advice on strategic policy and plans is given and co-ordinated on strategic issues such as the Council's Capital and Revenue Budget setting, Medium Term Financial Strategy and ensuring effective Use of Resources and Value for Money.
- To be responsible for the overall strategic direction of the Council including strategic partnerships, Treasury Management Strategy and internal transformation programmes.
- To consider and take any necessary action on proposals for new legislation, Bills before Parliament, Acts of Parliament and other proceedings before Parliament affecting or likely to affect the interests of

the Borough or its inhabitants generally, where not the specific concern of any other committee(s). The promotion of Bills and Provisional and Statutory Orders in parliament shall be dealt with by the Council.

5.4.3 The council's financial regulations state that amendments to the revenue budget can only be made with approval as per the scheme of virement table below:

**Revenue Virements**

Virements for allocation from contingency for amounts up to £250,000 must be approved by the Section 151 Officer in consultation with appropriate Chief Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the bottom line are approved by Service Director
Virements between services (excluding contingency allocations) up to a value of £50,000 must be approved by the relevant Chief Officer
Virements between services (excluding contingency allocations) over £50,000 and up to £250,000 must be approved by Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee

**Capital Virements**

Performance and Contract Management approval is required for all capital budget and funding virements and yearly profile changes (slippage or accelerated spend) between approved capital programmes i.e. as per the budget book. The report must show the proposed: i) Budget transfers between projects and by year; ii) Funding transfers between projects and by year; and iii) A summary based on a template approved by the Section 151 Officer
Policy and Resources Committee approval is required for all capital additions to the capital programme. Capital additions should also be included in the quarterly budget monitoring report to Performance and Contracts Committee for noting.
Funding substitutions at year end in order to maximise funding are the responsibility of the Section 151 Officer.

**6. RISK MANAGEMENT**

6.1 The Council has taken steps to improve its risk management processes by integrating the management of financial and other risks facing the organisation. The allocation of an amount to contingency is a step to mitigate the pressures that had yet to be quantified during the budget setting process.

6.2 The future savings proposals are significantly challenging and dependent on a range of factors often outside of the control of the service and with longer lead

in times. The achievement of savings predicated on reducing demand through improved preventative work and social work practice should lead to better outcomes. However the relationship between early intervention/prevention and reduced demand on social care is not always linear and is subject to a range of both controllable and uncontrollable variables. There is therefore a risk that the savings set out may not be deliverable as the Council must always ensure that safeguarding of adults, children and young people remains paramount.

## **7. EQUALITIES AND DIVERSITY**

**7.1** The Equality Act 2010 and The Public Sector Equality Duty outlined in statute, require elected Members to satisfy themselves that equality impact considerations have been fully taken into account in developing all the proposals which emerge from the finance and business planning process, and considered together with any mitigating factors. As part of the council's approach to strengthening how due regard is paid to equalities in decision making, the council will analyse the equality impact of each of those proposals in the budget year in question and will also develop a cumulative impact assessment of all the proposals. The council's Annual Equalities Report for 2016/17 reports on how this process was carried out in 2016/17.

**7.2** Similarly, all human resources implications will be managed in accordance with the council's Managing Organisational Change policy that supports the council's Human Resources Strategy and meets statutory equalities duties and current employment legislation.

## **8. CONSULTATION AND ENGAGEMENT**

**8.1** A range of resident insight, consultation and engagement is used to inform and develop the council's budget proposals.

**8.2** As part of the council's statutory duty to consult with National Non Domestic Rate Payers (NNDRs), letters will be sent out to all the council's NNDRs inviting them to comment on the 2018/19 budget.

**8.3** In terms of service specific consultations the Council has a duty to consult on proposals to vary, reduce or withdraw services in the following circumstances:

- where there is a statutory requirement in the relevant legislative framework;
- where the practice has been to consult or where a policy document states the council will consult then the council must comply with its own practice or policy;
- exceptionally, where the matter is so important that there is a legitimate expectation of consultation.

**8.4** Consultation is also recommended in other circumstances, for example to identify the impact of proposals or to assist with complying with the council's equalities duties. Consultation will take place on individual proposals linked to projects as they are developed, and the outcome of the consultation will need to feed into Committees as decision are taken.

## **9. INSIGHT**

**9.1** Information regarding population projections are sourced from the Greater

London Authority and service specific demographic change information is sourced from specialist organisations.

## **10. BACKGROUND PAPERS**

- 10.1** Policy and Resources Committee 23 February 2017, agenda item 10  
Business Planning 2017 - 2020.  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8733&Ver=4>
- 10.2** Full Council, 7 March 2017, agenda item 11 Report of Policy & Resources Committee - Business Planning 2017 – 2020  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8819&Ver=4>

Medium Term Financial Strategy	2017/18	2018/19	2019/20
	£000	£000	£000
<b>Budget brought forward</b>	<b>283,451</b>	<b>271,567</b>	<b>259,817</b>
<b>Statutory/cost drivers</b>			
Inflation (pay)	1,108	1,119	1,130
Inflation (non-pay)	3,376	3,443	3,512
Capital financing costs	0	1,000	2,500
Public Health	(445)	(874)	(837)
<b>Statutory/cost drivers sub-total</b>	<b>4,039</b>	<b>4,688</b>	<b>6,305</b>
Contingency - general risks	(746)	(725)	3,844
North London Waste Authority (NLWA) levy	0	758	1,035
Proposed Pressures (as per para 1.4.10 of main report)	8,564	472	3,686
Care for the elderly funded by specific grant	1,453		
Care for the elderly funded by social care precept	4,676	2,187	2,640
Education services funded by DSG (delegated by Schools Forum)	(798)		
Concessionary Fares	255	292	346
<b>Central Expenses sub-total</b>	<b>13,404</b>	<b>2,984</b>	<b>11,551</b>
<b>Balances to/(from) reserves</b>			
Specific reserves contribution 2015/16 NHB			
Specific reserves contribution 2016/17 NHB	(10,735)		
Specific reserves contribution 2017/18 NHB	8,903	(8,903)	
Specific reserves contribution 2018/19 NHB		6,233	(6,233)
Specific reserves contribution 2019/20 NHB			5,900
Specific reserves contribution 2017/18	(7,669)	7,669	
Specific reserves contribution 2018/19		(7,745)	7,745
Specific reserves contribution 2019/20			(9,950)
<b>Reserves sub-total</b>	<b>(9,501)</b>	<b>(2,746)</b>	<b>(2,538)</b>
<b>Total expenditure</b>	<b>291,392</b>	<b>276,493</b>	<b>275,134</b>
<b>New Formula Grant Funding</b>			
Business Rates	36,484	37,658	38,999
Business Rates - Top up	18,362	18,953	19,627
Revenue Support Grant (RSG)	23,413	14,865	6,182
<b>New Formula grant sub-total</b>	<b>78,259</b>	<b>71,476</b>	<b>64,808</b>
<b>Council Tax</b>			
Council Tax Income (excluding ARG savings)	146,450	148,450	150,637
Social Care precept 2016-17	2,571	2,571	2,571
Social Care precept 2017-18	4,676	4,676	4,676
Social Care precept 2018-19		2,187	2,187
Social Care precept 2019-20			2,640
Collection Fund contribution (CT)	3,000	-	-
Private Finance Initiative (PFI) credit	2,235	2,235	2,235
Education Services Transitional Grant	985	0	0
New Homes Bonus (NHB)	10,903	8,233	7,900
Housing and Council Tax Benefit Administration Grant	2,001	1,801	1,621
Public Health	17,609	16,735	15,898
Transitional Grant	1,426		
Adults Social Care Grant / iBCF	1,453	1,453	2,600
<b>Other funding sub-total</b>	<b>193,309</b>	<b>188,341</b>	<b>192,965</b>
<b>Total Income from Grant and Council Tax</b>	<b>271,567</b>	<b>259,817</b>	<b>257,773</b>
<b>Budget Gap before savings &amp; pressures</b>	<b>19,825</b>	<b>16,677</b>	<b>17,361</b>
<b>Proposed Savings</b>	<b>(19,825)</b>	<b>(16,677)</b>	<b>(17,361)</b>
<b>Budget Gap after savings</b>	<b>0</b>	<b>0</b>	<b>0</b>

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Project	Total Expenditure				Funding						
	2017-18	2018-19	2019-20	Total	Grants	Other (Incl. S106)	Capital Receipts	RCCO/ MRA	Capital Reserve	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Investing in IT - Mosaic	1,961			1,961			1,961				1,961
Tarling Road Community Hub	548	1,582	120	2,250						2,250	2,250
Development Pipeline - Stag House	1,206	410		1,616			484		1,132		1,616
Street Scene Data and Works Management System Procurement and Implementation	326	106		432			432				432
Micro Sites	1,628	1,192		2,820		1,974	846				2,820
West Hendon Playing Fields Sports Hub	92	233		325		325					325
Victoria Park Finchley - Master planning	183	330	110	623			623				623
North West Green Belt Land	39	16		55		55					55

Project	Total Expenditure				Funding						
	2017-18	2018-19	2019-20	Total	Grants	Other (incl. S106)	Capital Receipts	RCCO/ MRA	Capital Reserve	Borrowing	Total
Barnet Playing Fields	63	22		85		85					85
Customer Transformation Programme	1,971	1,942		3,913			3,913				3,913
Depot relocation	4,280			4,280			4,280				4,280
Highways DLO	2,000			2,000						2,000	2,000
Meadow Close Children's Home	800			800						800	800
Out of boroughs acquisitions	400			400			180	220			400
Thames Link Station	24,707			24,707	24,707						24,707
Social care placements – residential and fostering expansions		(100)	(100)	(200)						(200)	(200)
<b>TOTAL</b>	<b>40,204</b>	<b>5,733</b>	<b>130</b>	<b>46,067</b>	<b>24,707</b>	<b>2,439</b>	<b>12,719</b>	<b>220</b>	<b>1,132</b>	<b>4,850</b>	<b>46,067</b>

**Funding Template: Additions & Deletions, Slippage & Accelerated Spend Template**

Directorate	Year	Capital Programme	Funding Type	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Explanation for request
				£'000	£'000	
Adults and Communities	2016/17	Investing in IT	Grants	4		
Adults and Communities	2016/17	Investing in IT	Capital Receipts	514		Transfer of funding from the ICT project and accelerated from future years
Adults and Communities	2016/17	Investing in IT	RCCO	143		Revenue contribution to the overspend
Adults and Communities	2016/17	CCTV Installation	RCCO		(71)	
Adults and Communities	2016/17	Transformation Care Grant	Borrowing		(3)	
Commissioning Group	2016/17	Depot relocation	Capital Receipts		4,168	Construction further along than expected
Commissioning Group	2016/17	Community Centre	Capital Receipts		(174)	Delays to start of the project
Commissioning Group	2016/17	Asset Management	Borrowing		(835)	Delays to works
Commissioning Group	2016/17	Information Management	Borrowing		(353)	Reprofile of budget
Commissioning Group	2016/17	Libraries Strategy	Capital Receipts		194	Reprofile of budget
Commissioning Group	2016/17	Centre for Independent Living & Libraries	Reserve		(307)	Reprofile of budget
Commissioning Group	2016/17	Centre for Independent Living & Libraries	Grants		(7)	Reprofile of budget
Commissioning Group	2016/17	Daws Lane Community Centre	Grants		(143)	Reprofile of budget
Commissioning Group	2016/17	Daws Lane Community Centre	Capital Receipts		122	Reprofile of budget
Commissioning Group	2016/17	Investment in Community Hub & Child Hill L	Capital Receipts		(520)	Reprofile of budget
Commissioning Group	2016/17	Customer Services Transformation Program	Reserve		(901)	Reprofile of budget
Commissioning Group	2016/17	ICT strategy	Capital Receipts		150	Reprofile of budget
Commissioning Group	2016/17	Sport and Physical Activities	Grants		(750)	Reprofile of budget
Commissioning Group	2016/17	Sport and Physical Activities	Reserve		1,388	Reprofile of budget
Education and Skills	2016/17	Modernisation Primary & Secondary	Grants		(2,742)	Projects now planned to start in 17/18
Education and Skills	2016/17	Modernisation Primary & Secondary	Capital Receipts		(192)	Projects now planned to start in 17/18
Education and Skills	2016/17	Modernisation Primary & Secondary	RCCO		(2)	Projects now planned to start in 17/18
Education and Skills	2016/17	Modernisation Primary & Secondary	Borrowing		(658)	Projects now planned to start in 17/18
Education and Skills	2016/17	Temporary Expansions - Allocated	Borrowing		(325)	Projects now planned to start in 17/18
Education and Skills	2016/17	Temporary Expansions - Allocated	Grants		(296)	Projects now planned to start in 17/18
Education and Skills	2016/17	Millbrook Park (MHE)	Capital Receipts		(139)	Released back into the primary programme
Education and Skills	2016/17	Orion Primary	Borrowing		(68)	Reprofile of budget
Education and Skills	2016/17	Blessed Dominic/St James	Borrowing		(252)	Reprofile of budget
Education and Skills	2016/17	Menorah Foundation	Borrowing		(210)	Reprofile of budget
Education and Skills	2016/17	St Mary's and St Johns	Borrowing		(158)	Reprofile of budget
Education and Skills	2016/17	Martin Primary	Borrowing		(9)	Reprofile of budget
Education and Skills	2016/17	Oakleigh School	Borrowing		(24)	Reprofile of budget
Education and Skills	2016/17	Beis Yakov	Borrowing		(18)	Reprofile of budget
Education and Skills	2016/17	St Joseph's RC Junior & St Joseph's RC Infants School	Borrowing		(27)	Reprofile of budget
Education and Skills	2016/17	Monkfrith	Borrowing		(284)	Defects stage continuing into 17/18
Education and Skills	2016/17	Wren Academy	Borrowing		(89)	Defects stage continuing into 17/18
Education and Skills	2016/17	London Academy	Borrowing		(217)	Retention payments delayed until 17/18
Education and Skills	2016/17	Child hill school	Grants		273	Transferred from the Primary programme
Education and Skills	2016/17	East Barnet & Project Faraday	Borrowing		(200)	Final works and retention slipped into 17/18
Education and Skills	2016/17	Christ's College	Borrowing		(6)	
Education and Skills	2016/17	Compton	Grants		5	
Education and Skills	2016/17	Oak Lodge Special School	Borrowing		(694)	Final works have slipped into 17/18
Education and Skills	2016/17	St Mary's & St John's	S106		(1,238)	Longer design phase has delayed project until 17/18
Education and Skills	2016/17	St Mary's & St John's	Grants		(1,446)	Longer design phase has delayed project until 17/18
Education and Skills	2016/17	Primary Programme	Grants		(1,096)	Reprofile of budget
Education and Skills	2016/17	Primary Programme	Grants		(11)	Reprofile of budget
Education and Skills	2016/17	Secondary Programme	Borrowing		(57)	Reprofile of budget
Education and Skills	2016/17	Secondary Programme	Grants		(68)	Reprofile of budget
Education and Skills	2016/17	SEN	Grants		(1,305)	Projects now planned to start in 17/18
Education and Skills	2016/17	SEN	Capital Receipts		(387)	Projects now planned to start in 17/18
Education and Skills	2016/17	Alternative provision	Grants		37	Reprofile of budget

Directorate	Year	Capital Programme	Funding Type	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Explanation for request
				£'000	£'000	
Education and Skills	2016/17	Primary Capital Programme	Borrowing		50	Reprofile of budget
Education and Skills	2016/17	Contingency	Borrowing		(777)	Reprofile of budget
Education and Skills	2016/17	School place planning	S106		(558)	Reprofile of budget
Education and Skills	2016/17	Capital Schemes Managed by Schools	Grants	1,205		Expenditure managed directly by schools
Family Services	2016/17	Implementation of libraries Strategy	Capital Receipts		(329)	Reprofile of budget
Family Services	2016/17	Early Education and childcare place sufficiency	Reserve		(81)	Reprofile of budget
Family Services	2016/17	Early Education and childcare place sufficiency	Grants		(454)	Reprofile of budget
Family Services	2016/17	Libraries Service Capital Works	Borrowing		(1,407)	Reprofile of budget
Family Services	2016/17	Libraries Service Capital Works	Capital Receipts		(1,005)	Reprofile of budget
Family Services	2016/17	Meadow Close Children's Homes	Borrowing		(215)	Reprofile of budget
Family Services	2016/17	Information Management ( Information Management - replacement youth offending system and single view of data for children's)	Borrowing		(245)	Reprofile of budget
Family Services	2016/17	Youth Zone	Reserve		1	Reprofile of budget
Family Services	2016/17	New Park House Children's home	Borrowing		(30)	Reprofile of budget
Family Services	2016/17	Loft conversion and extension policy for Foster Carers	Borrowing		(110)	Reprofile of budget
Housing Needs Resources	2016/17	Alexandra Road	Capital Receipts		(33)	Reprofile of budget
Housing Needs Resources	2016/17	Hostel Refurbishment Programme	Capital Receipts		(13)	Reprofile of budget
Housing Needs Resources	2016/17	Chilvins Court	MRA		(126)	Project delayed
Housing Needs Resources	2016/17	Out of borough acquisition	Capital Receipts	1,096		Right to buy receipts utilised
Housing Needs Resources	2016/17	Out of borough acquisition	Borrowing	(1,096)		Borrowing reduced by right to buy substitution.
Housing Needs Resources	2016/17	Modular Homes	Borrowing		(20)	
Housing Needs Resources	2016/17	Open Door	Capital Receipts		(616)	Open door start up later than planned
Housing Needs Resources	2016/17	Open Door	Borrowing		(3,032)	Open door start up later than planned
Parking and Infrastructure	2016/17	Lines and Signs	Reserve		(115)	Reprofile of budget
Parking and Infrastructure	2016/17	CCTV	Capital Receipts	(84)		Reprofile of budget
Parking and Infrastructure	2016/17	CCTV	RCCO	84		40 Reprofile of budget
Regional Enterprise	2016/17	CORRIDORS, NEIGHBOURHOODS & SUPPORT MEASURES	Grants		(323)	Reprofile of budget
Regional Enterprise	2016/17	PRINCIPAL ROADS	Grants		74	Reprofile of budget
Regional Enterprise	2016/17	Local Transport Fund	Grants		(99)	Reprofile of budget
Regional Enterprise	2016/17	Bus stop Accessibility	Grants		92	Reprofile of budget
Regional Enterprise	2016/17	Borough Cycling Programme	Grants		(123)	Reprofile of budget
Regional Enterprise	2016/17	Bridge Assessment & Strengthening	Grants		(95)	Reprofile of budget
Regional Enterprise	2016/17	Carriageways	Borrowing		(129)	Reprofile of budget
Regional Enterprise	2016/17	Archer Academy	S106	55		Reprofile of budget
Regional Enterprise	2016/17	Footways Renewal	RCCO		(133)	Reprofile of budget
Regional Enterprise	2016/17	Investments in Roads & Pavements and footways	Borrowing		678	Reprofile of budget
Regional Enterprise	2016/17	General Fund Regeneration	Capital Receipts		(200)	Reprofile of budget
Regional Enterprise	2016/17	Mill Hill East	Borrowing		(19)	Reprofile of budget
Regional Enterprise	2016/17	Outer London Fund - Cricklewood	Grants		8	Reprofile of budget
Regional Enterprise	2016/17	BXC - Funding for land acquisition	Reserve		256	Reprofile of budget
Regional Enterprise	2016/17	Colindale – Highways and Transport	Grants		(890)	Reprofile of budget
Regional Enterprise	2016/17	Colindale – Parks, Open Spaces and Sports	Grants		(100)	Reprofile of budget
Regional Enterprise	2016/17	Colindale – Parks, Open Spaces and Sports	S106		(150)	Reprofile of budget
Regional Enterprise	2016/17	Grahame Park – Community Facilities and Non-Secure Decant	Reserve		(250)	Reprofile of budget
Regional Enterprise	2016/17	West Hendon Highway Improvement	Grants		(25)	Reprofile of budget
Regional Enterprise	2016/17	Town Centre	Grants		(298)	Reprofile of budget
Regional Enterprise	2016/17	Town Centre	S106		(240)	Reprofile of budget
Regional Enterprise	2016/17	Thames Link Station	Grants		(5,750)	Reprofile of budget
Regional Enterprise	2016/17	Thames Link Station	Reserve		(2,874)	Reprofile of budget
Regional Enterprise	2016/17	Disabled Facilities Grant	Borrowing		(507)	Reprofile of budget
Regional Enterprise	2016/17	Hendon Cemetery & Crematorium Enhancement	Capital Receipts		(198)	Reprofile of budget
Regional Enterprise	2016/17	Refurbish and regenerate Hendon Cemetery and Crematorium	RCCO		(120)	Reprofile of budget
Regional Enterprise	2016/17	Empty Properties	Borrowing		(1,359)	Reprofile of budget

Directorate	Year	Capital Programme	Funding Type	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Explanation for request
				£'000	£'000	
Regional Enterprise	2016/17	Development pipeline Tranche 1 (Pre-Construction)	Borrowing		(282)	Reprofile of budget
Regional Enterprise	2016/17	DECC - Fuel Provety	Grants		(33)	Reprofile of budget
Regional Enterprise	2016/17	Decent Homes Programme	Borrowing		(214)	Reprofile of budget
Regional Enterprise	2016/17	Office Build	Borrowing		(4,919)	Reprofile of budget
Street Scene	2016/17	Parks & Open Spaces and Tree Planting	S106		(74)	Released into Park infrastructure
Street Scene	2016/17	Park Infrastructure	Grants			
Street Scene	2016/17	Park Infrastructure	S106	3		
Street Scene	2016/17	Park Infrastructure	Borrowing	15	63	Transferred from from parks and open spaces
Street Scene	2016/17	Fleet	RCCO		(60)	Reprofile of budget
Street Scene	2016/17	Weekly Collection Support Scheme	Grants		(488)	Reprofile of budget
Street Scene	2016/17	Street litter bins	Capital Receipts		(30)	Reprofile of budget
Street Scene	2016/17	Bin replacement	Reserve		(236)	Reprofile of budget
Street Scene	2016/17	Vehicles	RCCO	(190)		
Street Scene	2016/17	Vehicles	Borrowing	190	1	
Housing - HRA	2016/17	Major Works (excl Granv Rd)	S106	(751)		Substituted for RCCO
Housing - HRA	2016/17	Major Works (excl Granv Rd)	RCCO	2,417		Substitution of s106 and MRA
Housing - HRA	2016/17	Major Works (excl Granv Rd)	MRA	(1,666)	(73)	Substituted for RCCO
Housing - HRA	2016/17	Regeneration	MRA		(52)	
Housing - HRA	2016/17	M&E/ GAS	S106	(1,309)		Substituted for MRA
Housing - HRA	2016/17	M&E/ GAS	MRA	1,309	13	Substitution of s106
Housing - HRA	2016/17	Voids and Lettings	S106	(660)	(7)	Substituted for MRA
Housing - HRA	2016/17	Voids and Lettings	MRA	660		Substitution of s106
Housing - HRA	2016/17	New Affordable Homes	Capital Receipts	258	18	Substitution of s106
Housing - HRA	2016/17	New Affordable Homes	S106	(258)		Substituted for capital receipts and MRA
Housing - HRA	2016/17	Dollis Valley	Capital Receipts		1,613	Project progressing quicker than planned
Housing - HRA	2016/17	Advanced Acquisitions (Regen Estates)	Borrowing	(1,780)		Substituted for MRA
Housing - HRA	2016/17	Advanced Acquisitions (Regen Estates)	Capital Receipts	(189)		Substituted for MRA
Housing - HRA	2016/17	Advanced Acquisitions (Regen Estates)	MRA	1,969	417	Substitution of borrowing and capital receipts
Housing - HRA	2016/17	Moreton Close	S106	1,199	95	Substitution of capital receipts
Housing - HRA	2016/17	Moreton Close	Capital Receipts	(1,199)		Substituted for S106
Housing - HRA	2016/17	Brent Cross Extra Care	Grants		(280)	
Housing - HRA	2016/17	Brent Cross Extra Care	Capital Receipts		(120)	
Housing - HRA	2016/17	Tranche 3 RP	Borrowing	(1,686)		Substituted for capital receipts and MRA
Housing - HRA	2016/17	Tranche 3 RP	Capital Receipts	763		Substitution of borrowing
Housing - HRA	2016/17	Tranche 3 RP	MRA	923	(42)	Substitution of borrowing
Housing - HRA	2016/17	Direct Acquisitions	Borrowing	(2,071)	(1,008)	Completion of purchases slipped into 17/18
Housing - HRA	2016/17	Direct Acquisitions	S106	777		Substitution of borrowing
Housing - HRA	2016/17	Direct Acquisitions	Capital Receipts		(264)	Completion of pruchases slipped into 17/18
Housing - HRA	2016/17	Direct Acquisitions	MRA	1,294		Substitution of borrowing
Housing - HRA	2016/17	Development Pipeline Tranche 3	Capital Receipts		(1,000)	Delays to the start of the project
Housing - HRA	2016/17	Upper & Lower Fosters Community Led Design	Grants		(600)	Delays to the start of the project
				<b>1,921</b>	<b>(40,313)</b>	

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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