

Report for: Cabinet Meeting 13th February 2018

Item number:

Title: 2018/19 Budget/Medium Term Financial Strategy (MTFS) 2018/19-2022/23

Report

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Ward(s) affected: All

Report for Key/

Non/Key Decision: Key decision

1 Describe the issue under consideration

1.1 In February 2015, Haringey Council agreed five priorities as part of a strategy that set out our ambitions for the borough and our citizens. They are:

- **Priority 1** – Enable every child and young person to have the best start in life, with high quality education
- **Priority 2** – Enable all adults to live healthy, long and fulfilling lives
- **Priority 3** – Create a clean and safe borough where people are proud to live, with stronger communities and partnerships
- **Priority 4** – Drive growth and employment from which everyone can benefit
- **Priority 5** – Create homes and communities where people choose to live and are able to thrive

1.2 Spending priorities for the current year were set, and have been monitored against these priorities within an environment where local government and the wider public sector have been faced with continual funding reductions since 2010 along with a real terms reduction in Revenue Support Grant funding of 63%. When combined with significant economic and legislative uncertainty and changes to the way in which councils are funded, it is clear that we are operating in an increasingly uncertain and changing environment.

1.3 The Medium Term Financial Strategy (MTFS) for 2018/19-2022/23 now seeks to reflect and refine these priorities for the challenges that the Council and its residents and businesses face, based on projected further reductions in central government funding.

1.4 In order to deal with increasing pressure in certain services, the Council, in setting the 2017/18 budget, realigned resource allocation to frontline service areas that resulted in significant increases in budget allocated to Adults, Children's and Temporary Accommodation services. As a result of additional budget allocation,

overspends in these areas have dropped significantly despite continuous growth in demand and market pressures.

- 1.5 The current year (Month 9) budget was projected to overspend by £5.4m as at December 2017 in addition to the Council's planned use of £8.8m General Fund balance as part of the budget that was approved by the Council in February 2017. However, corporate in-year solutions have been identified to bring the in-year budget overspend forecast to nil and achieving a year end (2017/18) non-earmarked General Fund balances of £15m. This involves releasing corporate reserves, council tax collection fund surpluses, and government grants that were announced by the government after the budget was set in 2017.
- 1.6 The 2018/19 budget that is proposed for approval maintains the non earmarked General Fund balances at the £15m level at the end of the 2018/19 financial year. This is one of the mechanisms in place for managing the risk of uncertainty and it is also one of the figures used by other organisations to test how resilient the Council's financial position is.
- 1.7 Although, the Council has delivered very significant levels of savings over the past years to mitigate government funding reductions. The level achieved to date has not kept up with the pace of cuts in central government funding. Over time, this has created an underlying gap between what the Council spends and its total annual recurring revenue. In addition to planned savings of £16m in 2018/19, further efficiency savings will be required over the MTFS period in order to get to a balanced budget position. The options for delivering savings will always need to be balanced against the Council's strategic priorities and the need to continue to provide quality services to our residents.
- 1.8 Given the level of savings that the Council is planning to deliver during this MTFS period, a specific reserve has been established to provide further financial resilience for the Council. The Budget Resilience Reserve is separate from the non-earmarked General Fund balance (ref para 1.6 above) and will be released to offset non-delivery/delay of planned MTFS savings. This reserve is a 'port of last resort' and does not diminish the requirement for services to deliver savings as planned.
- 1.9 This report finalises the Council's General Fund and HRA 2018/19 Budgets and the Medium Term Financial Strategy (MTFS) for the period 2018/19 to 2022/23, and proposes approval of the following constituent elements of the strategy to Full Council on 26th February 2018, together with the Council's capital budgets for 2018/19:
 - Proposed summary General Fund revenue budget and MTFS 2018/2023 (Appendix 1);
 - Proposed HRA revenue budget for 2018/19 (Appendix 2);
 - Proposed General Fund Capital Programme 2018/23 (Appendix 3);
 - Proposed HRA Capital Programme 2018/19 (Appendix 4);
 - Proposed Dedicated Schools Budget 2018/19 (Appendix 5);
 - Proposed General Fund Budget 2018/19 (Appendix 6);
 - Overview and Scrutiny Committee Recommendations and Cabinet Responses (Appendix 7);
 - Outcome of Budget Consultation (Appendix 8);
 - MTFS savings proposal summary (Appendix 9);
 - Annex 1 – P1 savings

- Annex 2 – P2 savings
- Annex 3 – P3 savings
- Annex 4 – P4 savings
- Annex 5 – P5 savings
- Annex 6 – PX savings
- Calculation of 2018/19 Council Tax Base (Appendix 10);
- Policy on flexible use of capital receipts (Appendix 11);

- 1.10 In accordance with the Local Government Finance Act (LGFA) 1992, Full Council must approve the budget for the forthcoming year and agree the Council tax for that year, by the statutory deadline of 11th March.
- 1.11 The government published the Provisional Local Government Finance Settlement on 19th December 2017 and the final settlement is expected in February, but not yet received at the time of preparing this report.
- 1.12 The report incorporates the views of the Overview and Scrutiny Committee and the results from the Council's budget consultation with residents, the business community and the voluntary and community sector. It reflects the latest financial information available and it reflects the detailed work undertaken by the Haringey Schools Forum who have considered and proposed the formula to be used for schools funding for 2018/19.

2 Cabinet Member Introduction

- 2.1 This council is committed to supporting all our residents to live healthy, fulfilling lives. The proposals set out in this report are to deliver a five-year Medium Term Financial Strategy for 2018 – 2023 that will give financial certainty and deliver ambitious outcomes for our borough. However, as austerity continues unabated, Haringey faces an unprecedented period of uncertainty due to growing demand, reduced resources and national legislative changes.
- 2.2 On housing, the Government has already implemented a number of legislative changes that have had a major impact on the finances of our Council. Right-to-Buy legislation means that we continue to reduce our stock of homes but do not receive sufficient money back to replace these units of accommodation.
- 2.3 The Council continues to experience an increase in numbers of people presenting themselves to the Council as homeless, which is now more of a reflection of the housing crisis in London where rents in the private sector have increased beyond people's ability to pay for them. On top of these issues, reductions to the welfare benefit system means that more of our residents have even less money with which to pay for the basics including rent.
- 2.4 We also know that more of our residents are living longer and often have more complex needs, so the Council plays a role in supporting those in real needs of our Adult Social Care Service (ASC). The rise in the number of people who are in need of these services has gone up considerably and although the government has provided some additional one-off funding, it is not at the level required to deal with the problem and this additional funding is scaled down over the years and ends altogether in 2019/20.

- 2.5 To help address the funding issue for ASC the government has allowed councils to charge an ASC precept, which transfers more of the cost burden to our residents. It is clear that significantly more funding is required in order for local authorities to continue to provide quality social care services for our most vulnerable residents. It is incredibly disappointing that the government has again deferred a decision on the long term funding of adult social care by the announcement by government that a green paper on care and support for older people will be published in summer 2018.
- 2.6 The budget monitoring report I have presented to Cabinet over this last year will show the significant pressures we face to provide adult social care services in Haringey. As a result, I am proposing to use the mechanisms given to us by the Government to raise a separate precept for Adult Social Care, which will be 3% on the council tax bill. This will raise an additional £2.9m in 2018/19 and add around £37 annually to a Band D council tax bill in 2018/19.
- 2.7 Like in Adult Social Care, the complexity and number of children that need care is increasing. This is a national issue but is particularly acute in Haringey. Unlike adult social care, the government has not provided any additional funding for children social care and the acute national underfunding of this sector is becoming increasingly apparent. The Council will continue to make a case to central government to adequately fund social care services in order that all our residents can have access to essential services that they need. In the meantime, demand for children's service remains a pressure on our finances.
- 2.8 Changes to the model of delivering education with some schools transferring to direct Government control and changes to the funding formula has meant that there are significant pressures occurring on budgets previously paid for through the Education Services Grant which was reduced in 2017/18, but has been discontinued in 2018/19.
- 2.9 The introduction of the London Business Rates pilot is a welcome change in that it will allow the Council to keep more of the growth in business rates in the borough and London as a whole. Current estimates built into the MTFS is that the Council will benefit by £3m annually by 2020/21, although this may be achieved sooner.
- 2.10 These major uncertainties make providing the range and quality of services needed to meet local demands, challenging. However, this administration is determined to do everything within our power to set a realistic and robust budget for 2018/19 and realistic financial plans for the following four years. We know that this is an essential component to managing the risks facing the Council in light of continued funding reductions and I believe that the position set out in this report represents appropriate proposals for consideration at Full Council later on this month.
- 2.11 The Council will continue to make strategic use of its reserves as it works to develop long-term solutions and invest in the transformative activity required to improve efficiency and make our money go further. The delivery of agreed savings set out in this budget will be critical to the Council building financial resilience. Recognising the challenge presented by the level of savings the Council is now required to make, we are putting in place a Budget Resilience Reserve in order to help manage the delivery risks.

- 2.12 This report outlines in-year solutions to fund the overspend currently projected by services in 2017/18, maintaining the General Fund balances at £15m at 2017/18 year end, after a lower than planned use of this reserve. I am pleased to propose a balanced budget (nil funding from non-earmarked General Fund balances) for 2018/19. Despite these improvements, the Council needs to work on long term viable solutions to the underlying budget gap that it faces and this will be a key focus for the Council during 2018/19, as well as the delivery of the 2018/19 budget.
- 2.13 The budget consultation period has now ended and I would like to thank our residents, local businesses and voluntary and community sector partners that engaged in the process. We will continue to listen to the views of all stakeholders in Haringey, which is why I am proposing the ninth consecutive freeze of the Haringey element of council tax whilst continuing to significant investment in Adult Social Care. This financial strategy will also see us protect and invest in our libraries, including major upgrades to Hornsey library; invest in aids and adaptations to people's homes so that they can live more independently for longer; spend millions upgrading our highways infrastructure to enable residents and businesses to move quickly and safely around the borough; enable the creation of a housing company that will better enable the Council to acquire properties for temporary accommodation; and support critical regeneration in the centre and east of Haringey.
- 2.14 It is clear that the Council and our Borough will continue to face challenging times. However, despite the failure of the Government to recognise the important role local authorities play in building strong communities, in Haringey, we will continue to use the resources at our disposal to support economic growth and tackle inequality.

3 Recommendations

3.1 Cabinet is asked to:

- 3.1.1 Consider the outcome of the budget consultation as set out in Appendix 8, to be included in the report to Council. Having taken this into account, this report does not propose any amendments to the budget proposed for 2018/19 nor to the Medium Term Financial Strategy (MTFS) 2018-2023.
- 3.1.2 Approve the responses made to the Overview and Scrutiny Committee recommendations following their consideration of the draft budget proposals as set out in Appendix 7.
- 3.1.3 Note the mitigations identified to deal with projected service budget overspend in 2017/18 set out in table 6.7.
- 3.1.4 Propose approval to the Council of the 2018/19 Budget and MTFS 2018/23 Savings Proposals as set out in Appendix 9
- 3.1.5 Propose approval to the Council of the 2018/19 General Fund Revenue Budget as set out in Appendix 1, including specifically a General Fund budget requirement of £249.228m, but subject to final decisions of the levying and precepting bodies and the final local government finance settlement.

- 3.1.6 Propose approval to the Council of the General Fund Medium Term Financial Strategy (MTFS) 2018-2023 as set out in Appendix 1.
- 3.1.7 Propose approval to the Council of the creation and maintenance of a Budget Resilience Reserve.
- 3.1.8 Propose approval to the Council, subject to any agreed amendments, of the budget proposals for 2018/19 as set out in this report at Appendix 6, including the 3% precept on Council Tax towards funding Adult Social Care pressures.
- 3.1.9 Propose approval to the Council that the overall council tax to be set by London Borough of Haringey for 2018/19 will be £1,281.57 per Band D property, which represents a freezing of the 2017/18 rate but with an additional 3% for the Adult Social Care precept.
- 3.1.10 Note the council tax base of the London Borough of Haringey, as agreed by the Section 151 Officer under delegated authority (Article 4.01(b), Part 2, of the Constitution), as 77,093 for the year 2018/19.
- 3.1.11 Propose approval to the Council of the 2018/19 Housing Revenue Account budget as set out in Appendix 2.
- 3.1.12 Approve the changes to the rent levels for General Needs Homes for Council tenants reflecting the regulations requiring a 1% rent reduction in 2018/19. This will reduce the average weekly rent from £103.89 to £102.85 as set out in Table 14.1.
- 3.1.13 Approve the changes to service charges for leaseholders set out in Table 14.3.
- 3.1.14 Approve the introduction of new service charges as set out in Table 14.3
- 3.1.15 Propose approval to the Council of the 2018/19 – 2022/23 General Fund capital programme detailed in Appendix 3.
- 3.1.16 Propose approval to the Council of the 2018/19 Housing Revenue Account (HRA) capital programme detailed in Appendix 4.
- 3.1.17 Propose approval to Council of the policy on the use of flexible capital receipts to facilitate the delivery of efficiency savings including capitalisation of redundancy costs (Appendix 11).
- 3.1.18 Note that Fees and Charges in respect of executive functions will be considered under a separate agenda item, and that Fees and Charges in respect of non-executive functions will be considered by the Regulatory Committee in due course but that any impact on the 2018/19 budget proposals is outlined within this report.
- 3.1.19 Propose to the Council the Dedicated Schools Budget (DSB) allocations for 2018/19 of £255.177m as set out in Appendix 5;
- 3.1.20 Agree the funding to be distributed to primary and secondary schools for 2018/19 based on the figures advised to Schools Forum and submitted to the Education Funding Agency in January 2018 set out in section 15.
- 3.1.21 Agree the central budgets (including the use of brought forward DSG) for the Schools Block, High Needs Block and Early Years Block as per Appendix 5.

- 3.1.22 Delegate to the Director of Children Services, in consultation with the Cabinet Member for Children and Families, the power to amend the Delegated Schools Budget to take account of any changes to Haringey's total schools funding allocation by the Education and Skills Funding Agency.
- 3.1.23 Delegate to the Section 151 officer, in consultation with the Cabinet Member for Health and Finance, the power to make further changes to the 2018/19 budget proposals consequent on the publication of the final local government finance settlement or other subsequent changes up to a maximum limit of £1.0m.

4 Reasons for Decision

- 4.1 In February 2015, and following extensive consultation, the Council approved its Corporate Plan and Medium Term Financial Strategy (MTFS) covering the three-year period 2015-18. The Council approved the 2017/18 budget in February 2017 and approved a new five year MTFS to 2021/22.
- 4.2 The Council continues to operate under a level of uncertainty in the medium term related to central government financing of local government services. Haringey along with 97% of local authorities accepted the Government's multi-year settlement offer, which will end in 2019-20. However, planned changes on funding baseline revaluation, 100% business rates retention pilot, outcome of Brexit negotiations and the next spending review means that local authorities will continue to operate in an uncertain and changing funding environment in the medium term.
- 4.3 Given the level of uncertainty it is necessary to continue to review the Council's five year MTFS in order to ensure financial plans support and will aid delivery of priorities. Therefore, a refreshed MTFS that runs from 2018/19 to 2022/23 is presented for agreement.
- 4.4 The Strategy considers the estimated revenue funding, from all sources, and estimated expenditure budgets for each of the five years to 2022/23 together with any net funding shortfall and savings proposals that have been developed by officers taking account of the Council priorities.
- 4.5 The report also considers the Council's capital budget, refreshing capital funding and prioritised projects as approved by Council in July 2016 for both the General Fund and the HRA. The report is based on the best available information but is subject to significant uncertainty.
- 4.6 On 12th December 2017, Cabinet considered a revised MTFS, which demonstrated a cumulative funding shortfall of £54.4m over the five years to 2022/23 – the latest position being £30.12m. The decrease in shortfall is due to improved baseline funding announced in the provisional finance settlement in December, the full impact of MRP savings from previous Council decision and the reduction in the estimated cost of levies.

- 4.7 Cabinet also agreed to consult with residents, businesses, partners, staff and other groups as necessary on the draft budget proposals. This report outlines the outcome of that consultation and sets out the Cabinet's responses to this.
- 4.8 The Council's Overview and Scrutiny Committee has already scrutinised budget/savings proposals and this report highlights the recommendations made by the Committee and the Cabinet's responses to it.
- 4.9 On 19th December, the Provisional Local Government Finance settlement was announced which introduced a number of changes to the funding assumptions. These have now been incorporated into the revised MTFS and proposed budget for 2018/19. The final settlement is expected in February 2018.
- 4.10 The level of reserves available in 2018/19 will be dependent on the extent to which the Council utilises its existing reserves to fund its deficit at 2017/18 year-end. This report describes the improved position in 2017/18. As part of the Chief Finance Officer's consideration of the adequacy of reserves and balances, which will be presented to Council on 26th February 2018, the utilisation of reserves and balances will be set out in greater detail.
- 4.11 The Council will look to maintain reserves and balances to support the financial strategy including the creation and maintenance of a Budget Resilience Reserve to offset any potential non-delivery of planned savings. This establishment of a Budget Resilience Reserve will help ensure that the 2018/19 budget / 2018/23 MTFS is able to withstand unforeseen changes.
- 4.12 Taking all relevant factors into account including, in particular, the outcomes from statutory consultation with business rate payers and residents, the recommendations from the Overview and Scrutiny Committee and any other subsequent changes, this report sets out Cabinet's final budget proposals which, if approved, will be sent for consideration at the Full Council budget setting meeting scheduled for 26th February 2018.

4.13 The final budget report to the Council on 26th February will additionally include a number of requirements consequent on the proposals set out in this report and in particular:

- The formal Budget Resolution required in accordance with the Local Government Finance Act (LGFA) 1992 as amended by the Localism Act 2011, which sets the council tax for the forthcoming financial year;
- The Precept of the Greater London Authority (GLA) for 2018/19 in accordance with section 40 of the LGFA 1992 which must be added to the Haringey Council element of the Council tax to give a total Council tax for each category (band) of dwelling in the Council's area;
- The formal assessment of the relevant basic amount of council tax against the principles established by the Secretary of State for the purpose of determining whether any Council tax increase is 'excessive' and therefore is subject to referendum.
- Approval of the Cash Limits for priority areas in 2018/19;
- The Section 151 Officers evaluation of the adequacy of the council's reserves and the robustness of the estimates including the council's reserves policy;
- Approval of the Treasury Management Strategy Statement (TMSS), which has been formulated by the Corporate Committee and subject to the scrutiny review process.

4.14 The Council has a statutory requirement to set a balanced budget for 2018/19 and this report forms a key part of the budget setting process by setting out the likely funding and expenditure for that year. Additionally, in order to ensure the Council's finances for the medium term are put on a sound basis, this report also sets out the funding and expenditure assumptions for the following four years in the form of a Medium Term Financial Strategy.

5 Alternative options considered

5.1 Clearly there are a number of options available to set the budget for 2018/19 and officers have developed the proposals for determining levels of both income and service provision in this report taking account of the Council's priorities and the Council's overall financial position.

5.2 The report also describes the assumptions and proposals incorporated into the MTFS update to 2022/23.

Background information and the national context

6 Funding

6.1 There are 6 main sources of funding for the Council:

- Core Grants
- Council Tax
- Business Rates
- Fees and Charges
- Use of Reserves
- Service Specific Grants

(NB. Service grants are included within service budgets; this report details the core grants only)

Local Government Finance Settlement 2016/17 to 2019/20

6.2 The report presented to Cabinet on 12th December 2017 gave detailed information in relation to the Local Government Settlement and this report provides updates where appropriate.

6.3 Following a statement in Parliament by the Secretary of State for Housing, Communities and Local Government, the 2018/19 Provisional Local Government Finance Settlement was published on 19th December 2017. The settlement provided provisional allocations for 2018/19 and indicative figures for 2019/20.

Provisional Local Government Settlement Finance Settlement

6.4 Following provisional funding announcements in December, funding assumptions have been adjusted to reflect the latest funding position for the MTFS. There has been a total increase in external funding assumptions of approximately £0.76m for 2018/19 from those presented to Cabinet in December 2017 as follows:

- New Homes Bonus has increased by £36k
- 2018/19 business rates funding baseline has increased by £0.56m
- Housing Benefit & Council Tax Administration Grant has increased by £0.14m
- Local lead flood authority grant has increased by £20k
- S31 Grant (business rates threshold) has increased by £3m
- S31 Grant (multiplier cap) has increased by £0.2m
- Others £11k

6.5 Alongside the funding announcement which was broadly in line with original 2016/17 allocations, the following national changes were also announced:

- 10 new business rates pilots and the London pilot were confirmed.
- Business rates retention reset to take place in 2020/21 along with the introduction of new funding formulae.
- A new funding formula to be introduced from 2020/21.
- Fair funding paper and technical consultation on the new funding formulae released which will feed into the design of the new formulae.
- The allowed council tax referendum limit increased from 1.99% to 2.99% for both 2018/19 and 2019/20.
- No further changes to New Homes Bonus (NHB) and the baseline for NHB growth will be maintained at 0.4% growth.

Core Spending Power

6.6 At a national level the Core Spending Power¹ (CSP) figures (which includes NNDR, Revenue Support Grant & Business Rates Top Up, Council Tax and un-ring fenced grants) is expected to increase due to projected increase in council tax income, although direct central government funding to local authorities is expected to fall. The Council's assumptions on future government funding are that:

- i. The Council's future funding level (which beyond 2018/19 is assumed to have 100% Retained Business Rates replacing Revenue Support Grant and Business Rates Top Up Grant) will not be adversely affected by the government spending review;
- ii. Funding for NHB and improved better care fund remain at current levels nationally.

6.7 Core Spending Power for Haringey is projected to increase by 3.1% since 2016/17 whereas CSP nationally is expect to increase by 6.6% over the same period. It is also important to note that:

- i. Excluding council tax, government corporate funding (excluding business rates) to the Council actually falls by 84% from £57.9m in 2016/17 to £9.5m in 2022/23, offset over the period by increase in local funding.
- ii. The Haringey council tax figures assume increases to the tax base and a 3% increase per annum for the ASC precept for 2018/19; nil increase in Haringey Council's element of council tax.
- iii. a 2.99% modelled increase in 2019/20 and modelled 1.99% thereafter on the Haringey element of the council tax. A nil increase in ASC precept is assumed for 2019/20.

¹ Core Spending Power describes the expected available revenue to fund expenditure. From 2016/17 onwards Core Spending Power is defined as the sum of the Settlement Funding Assessment (comprising NNDR Baseline Funding Level and Revenue Support Grant), estimated Council Tax income, additional Council Tax income from the Adult Social Care flexibility, Better Care Fund, and the New Homes Bonus.

- iv. The New Homes Bonus Funding is subject to building new homes and therefore more residents to provide services to residents.

6.8 Core Spending Power figures for Haringey is set out in below table.

Table 6.1: Core Spending Power totals for Haringey

Haringey							
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m	£m	£m
Revenue Support Grant	51.0	38.6	-	-	-	-	-
Improved Better Care Fund		0.4	3.8	6.7	6.7	6.7	6.7
New Homes Bonus -CSP	6.9	5.7	2.7	2.7	2.7	2.7	2.7
Adult Social Care Grant	-	1.2	-	-	-	-	-
Adult Social Care Funding	-	5.0	3.6	1.6	-	-	-
Government Funding	57.9	50.9	10.2	11.1	9.5	9.5	9.5
Council Tax - CSP	87.2	93.8	101.9	107.6	110.2	114.6	119.1
Business Rates - CSP	75.0	76.6	107.5	101.9	102.3	102.7	104.7
Local Funding	162.2	170.3	209.4	209.4	212.6	217.3	223.9
Core Spending Power	220.1	221.3	219.6	220.5	222.0	226.8	233.3
In year change in funding %	-2.8%	0.5%	-0.8%	0.4%	0.7%	2.2%	2.9%
Cumulative change in funding %	-2.8%	-2.3%	-3.0%	-2.6%	-1.9%	0.2%	3.1%
National Figures							
In year change in funding %	-2.3%	-1.3%	0.8%	2.6%	2.2%	2.3%	2.3%
Cumulative change in funding %	-2.3%	-3.6%	-2.8%	-0.2%	2.1%	4.3%	6.6%

- 6.9 The Spending Review (December 2015) forecast funding pegged the level of residual RSG for Haringey at £21.6m for 2019/20 (£30.2m in 2018/19). The MTFS recognises that RSG will cease from 2018/19 as part of the pooling scheme for London authorities after the introduction of 100% business rates retention pilot.
- 6.10 The Council will also receive a number of specific or special grants in addition to its main funding allocation. The Council is mostly allowed to use these grants to fund any council services but some are ring-fenced, which means they can only be spent on specific services and these are included in service's net position.
- 6.11 It has been confirmed that the New Homes Bonus (NHB) scheme will now continue indefinitely. However, the government changed the process for awarding NHB from 2017/18 onwards. In addition, in 2017/18, the government top sliced NHB to provide one off funding for Adult Social Care (ASC) grant further reducing NHB funding to local authorities. Although, ASC grant was provided for one year on a one off basis, the top slicing of NHB is a permanent reduction in funding to local authorities and consequently the Council.
- 6.12 The government has confirmed the following on the NHB Scheme:
- Funding for 2018/19 and 2019/20 remain at pre-announced levels subject to any reduction in national NHB total funding;
 - Funding will be reduced from 5 years' worth of growth in 2017/18 to 4 years' worth of growth from 2018/19 onwards – this and overall reduction at national level means that NHB funding for Haringey has reduced to £2.7m (2018/19) from £5.7m (2017/18) – a reduction of £3m;
- 6.13 A national baseline of growth was adopted below which no payment is made for the year in which growth was below the baseline. This was set at 0.4% for 2017/18. Although government reserves the right to change the threshold, the Secretary of

State for Communities & Local Government has confirmed that the baseline growth threshold will be maintained at the current level.

Fair Funding Review

- 6.14 The main corporate grant amounts (RSG and Business Rates Top Up) are based on historic needs assessment and the last time this assessment was undertaken was for the 2013/14 settlement. Since then it has been updated by inflation. In addition, given Haringey's status as a top up authority for business rates (the Council receives a top up grant to reflect the fact that the level of retained local business rates is less than assumed as being needed by the government based on the Council's needs),
- 6.15 A technical consultation was launched by MHCLG on 19th December 2017 on relative needs. At the same time, the government's thinking on updating the current needs/resources assessment formulae, 'Fair Funding Review: A Review of Relative Needs and Relative Resources' was also published.
- 6.16 The terms of reference for the review are that the new formulae will:
- Set new baseline funding allocations;
 - Deliver an up to date assessment of the relative needs of local authorities;
 - Examine the relative resources of local authorities (i.e. how council tax income should be taken into account and consider other potential income sources)
 - Focus initially on services funded through the local government finance settlement;
 - Be developed through close collaboration with local government
- 6.17 A set of guiding principles for the fair funding review was also published. These are based on a previous "Call for Evidence" publication by government – the principles are:
- **Simplicity** – be based on the most important factors that drive the need to spend;
 - **Transparency** – should be understood by those affected;
 - **Sustainability** – to be based on current and future cost drivers
 - **Stability** – should be predictable, in order to support longer term planning
- 6.18 The outcome of the consultation and government response is expected in 2018 and the new formulae are expected to come into effect for the 2020/21 financial year. It is possible that authorities could gain or lose from this re-assessment of need. In particular, for high population growth areas, such as Haringey and the majority of authorities in London, how population figures are determined and updated will be crucial in determining future funding allocations.
- 6.19 The MTFS currently assumes that the review will be revenue neutral, as the work is at a very early stage. It is also likely that even where changes do occur, there will be transitional arrangements that will delay/dampen impact and any such impact may be mitigated nationally by the introduction of 75% business rates retention (the latest national target). Officers will monitor developments of this review and update forecasts accordingly. It is yet to be clarified as to how the rebasing

following this review will be put into effect when Revenue Support Grant will be replaced by Business Rates Retentions

Council Tax Base

- 6.20 Setting the council tax base is a statutory requirement and a fundamental part of the revenue budget and council tax setting process. It represents a measure of the taxable capacity of the area and when multiplied by the Band D council tax rate indicates the Council's tax generating potential for that year.
- 6.21 The Council as Billing Authority is required to calculate the tax base for the Borough in order for it to calculate its own council tax. The Council is also required to notify this figure to any major precepting authority (the Greater London Authority) as well as any levying body (Environment Agency, Lee Valley Regional Park Authority, North London Waste Authority, London Pension Fund Authority, and Financial Reporting Council) in order for them to calculate and set their own budgets and determine the level of precept / levy to be made to Haringey.
- 6.22 The calculation of the council tax base is prescribed by regulations. Put simply, it is the aggregate of estimated number of dwelling in each valuation band each year, subsequently adjusted to take account of the estimated number of discounts, disregards and exemptions that are likely to apply and any estimated increase / decrease in the list in the forthcoming year.
- 6.23 The Council levies a Council Tax based on dwellings in band D and thus the numbers for each valuation band are adjusted to the proportion, which their number is to band D; these proportions are set out in statute. Finally, the council must estimate its rate of council tax collection for the year and apply this figure to arrive at the council tax base figure.
- 6.24 The calculation above sets the tax base and not the council tax rate itself, which is due to be set on 26th February 2018 at Full Council.
- 6.25 The calculation of the tax base recommended in this report takes into account the agreement by Full Council on 4th December 2017 to continue with the Council Tax Reduction Scheme (CTRS), agreed in January 2013, for 2018/19.
- 6.26 The calculation is in two parts; 'A' (the Relevant Amount), which is the calculation of the estimated adjusted band D dwellings, and 'B', the estimated level of collection.

- 6.27 The calculation of 'A' – the relevant amounts for each band is complex and includes a number of calculations, which are shown in detail in Appendix 10. The resultant relevant amount per band is summarised in the table below:

Table 6.2- Number of dwellings by Band

Band	Relevant Amount (i.e. number of dwellings)
A	2,891
B	9,117
C	21,692
D	19,992
E	10,848
F	6,854
G	7,341
H	1,362
TOTAL	80,096

- 6.28 The relevant amount has increased by 1,180 over the original 2017/18 council tax base. This is predominately due to the combined effect of an increase in dwellings achieved during 2017/18 and a reduction in estimated numbers to be applied under the CTRS (the latter which increases the base), reduction in the number of residents claiming single person and other discounts and an assumed further increase in dwellings in 2018/19 from planned new homes.
- 6.29 The collection rate (B) is the council's estimate of the proportion of the overall council tax collectable for the year that will ultimately be collected. This is expressed as a percentage.
- 6.30 In arriving at a decision on the collection rate a number of factors need to be taken into account which includes:
- Appeals against valuation
 - The mobility of the local population, particularly in the private rented sector
 - The level and timeliness of information available when properties are sold, or let *and*
 - The customers' ability to pay
- 6.31 2018/19 collection rates are forecast to be to 96.25% (95.5%, 2017/18). The tax base (T) is calculated by applying the following formula:
- $$A \times B = T$$
- Where:
- A is the total amount of the relevant amounts for that year
- B is the authority's estimate of its collection rate for that year.
- T is the calculated tax base for that year
- 6.32 In accordance with the requirements of the regulations, the calculation of the Council Tax Base for the London Borough of Haringey in 2018/19 is as follows:

Table 6.3 – Collection Rate

	2018/19
Total of relevant amounts (A)	80,096
Multiplied by	x
Collection Rate (B)	96.25%
Council Tax Base (T)	77,093

Council Tax

6.33 The 2018/19 budget includes the proposal that:

- The Council will continue the policy of freezing council tax up until 2018/19, in line with this administration's manifesto commitment;
- The 3% adult social care precept will be applied in 2018/19;
- The tax base is assumed to grow in line with GLA housing projections;
- The collection rate will be 96.25%.

6.34 For financial modelling purposes only, the MTFS assumes that:

- Council tax will increase by 2.99% in 2019/20 and 1.99% thereafter. Decisions on council tax for each financial year are taken by Full Council
- Nil Adult Social Care precept in 2019/20.

Adults Social Care (ASC) Precept

6.35 As set out in the 2017/18 approved MTFS, the Council proposes to raise the ASC precept by 3% in 2018/19. By raising the ASC precept by 3% in 2018/19, the limit of 6% allowed by government between 2017/18 – 2019/20 would have been reached, so the Council will not, under current legislation, be raising further ASC precept in 2019/20.

Council Tax Amount

6.36 The Band D council tax amount is £1,281.57. This represents a 3% (ASC precept) increase on the 2017/18 Band D council tax amount of £1,244.25. The Band D amount multiplied by the council tax base (77,093) gives a council tax requirement of £98,800,076.01.

6.37 The below table sets out the council tax amount for all bands.

Table 6.4 – Council Tax (excluding Precept) by Band

Band	Ratio	Ratio as %	Amount £
Band A	6/9	67%	854.40
Band B	7/9	78%	996.78
Band C	8/9	89%	1,139.18
Band D	9/9	100%	1,281.57
Band E	11/9	122%	1,566.25
Band F	13/9	144%	1,851.18
Band G	15/9	167%	2,135.96
Band H	18/9	200%	2,563.16

6.38 The GLA is proposing a precept of £294.23 in 2018/19 – an increase of 5.1% on the amount of £280.02 in 2017/18. The increase in GLA precept comprises of a £12 and £2.21 increase in policing and non-policing elements respectively. The Band D council tax amount including GLA precept is £1,575.80. The below table sets out the council tax amount including precept for all bands.

Table 6.5 – Council Tax (including precept) by Band

Band	Ratio	Ratio as %	Council Amount £	GLA Precept £	Total Council Tax
Band A	6/9	67%	854.40	196.15	1,050.55
Band B	7/9	78%	996.78	228.84	1,225.62
Band C	8/9	89%	1,139.18	261.54	1,400.72
Band D	9/9	100%	1,281.57	294.23	1,575.80
Band E	11/9	122%	1,566.25	359.61	1,925.86
Band F	13/9	144%	1,851.18	425.00	2,276.18
Band G	15/9	167%	2,135.96	490.38	2,626.34
Band H	18/9	200%	2,563.16	588.46	3,151.62

6.39 The resulting projections for council tax income are set out in the below table.

Table 6.6 – Council Tax Modelling Assumptions 2018/19-2022/23

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Taxbase	77,605	78,916	80,096	82,576	83,431	85,101
Taxbase change	1.69%	1.50%	3.10%	1.04%	2.00%	2.00%
Taxbase for year	78,916	80,096	82,576	83,431	85,101	86,803
Collection Rate	95.50%	96.25%	96.25%	96.25%	96.25%	96.25%
Taxbase after collection rate	75,365	77,093	79,479	80,302	81,910	83,548
Council Tax increase	0%	0%	2.99%	1.99%	1.99%	1.99%
Social Care precept	3%	3%	0%	0%	0%	0%
Band D rate	£1,244.25	£1,281.57	£1,319.89	£1,346.15	£1,372.94	£1,400.26
Council Tax Before Surplus (£000)	£93,773	£98,800	£104,904	£108,099	£112,458	£116,990
Previous Year (Estimated) Surplus	£0	£3,118	£2,650	£2,150	£2,150	£2,150
Council Tax Yield (£000)	£93,773	£101,917	£107,554	£110,249	£114,607	£119,139

Business Rates

- 6.40 As described above, the MTFS recognises that RSG will cease from 2018/19 as part of the pooling scheme for London authorities after the introduction of 100% business rates retention pilot.
- 6.41 The London pilot scheme that has been agreed by all participants (32 London boroughs, Corporation of City of London and the GLA) is based on the principle that no authority will be worse off than they are under the current 50% retention model and that any net gain in the region as a whole will be distributed in such a way that all partners receive some share of the benefits directly by allocating some of the additional benefits on a per capita basis.
- 6.42 The impact of business rate revaluation and other proposed changes to the business rates system had previously been reported to members. Although, the Council continues to enjoy growth in its business rates income, it remains a grant 'top up' authority as the Council's baseline business rates level is lower than its business rates funding level.
- 6.43 The MTFS assumes that the London 100% business rates pooling scheme will result in additional revenue income of £1.5m in 2019/20 rising to £3m per annum from 2020/21 based on modelling work undertaken by London Councils.
- 6.44 The figures in the MTFS are based on the latest available information which has been submitted to government. However, there remains risk around the revaluation changes mostly from appeals lodged by businesses.
- 6.45 Realisation of business rates income is dependent on collection performance, prevailing economic conditions and decisions on appeal by the Valuation Agency Office, although some risk around bad debt and appeals have already been built into the target.
- 6.46 The government has made clear that, nationally, it intends to get to 75% retention of local business rates income. As well as extending the duration of existing 100% business rates retention schemes, the Secretary of State has approved additional pilots (including the London scheme) – another strong indication that a higher level retention rate model will be in place in the long term. Therefore, the MTFS assumes, for now, that the 100% business rates retention model will be in place for the duration of the MTFS period. If it is not, it is assumed that any new arrangement will provide equivalent funding.
- 6.47 The business rates base was revalued in April 2017 and although, the revaluation was revenue neutral nationally, some businesses in Haringey were set to experience an increase in business rates charges. The impact of the changes on the Council is difficult to estimate due to the number of unknowns, especially in relation to the extent to which local appeals are above or below estimated national average.
- 6.48 Transitional relief (£1.2m in 2017/18) is provided to businesses through the Discretionary Business Rates Relief Revaluation Support Policy . Cabinet agreed its policy for the distribution of the grant on 20th June 2017. The distribution of the remaining surplus grant for 2017/18 is being distributed in accordance with the Policy update approved by the Cabinet member for Economic Development, Social Inclusion and Sustainability on 2nd February 2018.

- 6.49 It has been assumed the Council will not be worse off and that revaluation will be revenue neutral for Haringey under the new system. Officers will continue to monitor developments around the updated rateable values and the MHCLG's approach to appeals with a view to adjusting the medium term resources projection, where needed.
- 6.50 As part of the autumn budget announcement, the uprating of business rates was switched from RPI to CPI. Although, the switch is expected to result in less business rates being collected than originally assumed in the 2015 spending review, the government has assured local authorities that it will not affect current funding level commitment and that any shortfall arising from the switch to CPI will be mitigated by additional funding from government. However, the impact of the switch will likely mean less funding for local authorities beyond 2019/20.

Fees and Charges

- 6.51 The Council's policy in relation to varying external income rates requires service managers to review the level of fees and charges annually as part of budget setting and that charges should generally increase by the rate of inflation to maximise allowable income.
- 6.52 The setting of fees and charges, along with raising essential financial resources, can contribute to meeting the Council's objectives. Through the pricing mechanism and wider market forces, outcomes can be achieved and services can be promoted through variable charging policies and proactive use of fees to promote or dissuade certain behaviours.
- 6.53 In the main, fees and charges are set at a level where the full cost of provision is recovered through the price structure. However, in many circumstances those charges are reduced through subsidy to meet broader Council priorities.
- 6.54 Each year the Council reviews the level of its fees and charges through consideration of a report by the Cabinet and its Regulatory Committee where it is a requirement that they are considered and approved outside of the Executive.
- 6.55 The impact of fees and charges increases have been included in the revenue income projections in the MTFS. The Council will undertake a wider review of fees and charges as part of the 2019/20 MTFS work.

Use of Reserves

- 6.56 The Council's (Non-Earmarked) General Fund balance is held to potentially cover the net impact of risks and opportunities and other unforeseen emergencies. This balance is not an annual recurring balance and can only be used once to mitigate any underlying budget gap, although it can be replenished by spending below total funding levels.
- 6.57 The Council agreed in February 2017 to set the non-earmarked General Fund balance at £15m. This is the level that was deemed appropriate given the Council's overall budget. Full Council also agreed to use of £8.8m from General Fund balances in 2017/18. Further, as at quarter 3 (December 2017), the 2017/18 budget was projected to overspend by £5.4m and Corporate measures have been identified to offset the projected this.

- 6.58 Following a review of the risks around delivery of 100% of planned savings in the MTFS, it is proposed that a Budget Resilience Reserve be established which can be used as a one off measure to offset non-delivery/delay of planned savings. This reserve should provide additional robustness and financial resilience for the Council.

Table 6.7: Movement in General Fund Balance (2017/18)

	Current (2017/18) Funding Gap £'000
Opening General Fund Balance at 1st April 2017	14,907
Council Tax Surplus (2016/17)	6,600
General Fund Balance	21,507
Planned Use of General Fund Reserve	(8,782)
Projected General Fund Balance before in year mitigations	12,725
Latest (2017/18) Budget Gap	(5,433)
Expenditure Changes (positive is better)	
MRP Expenditure Update	558
MRP PFI Related	2,100
Use of Flexible Capital Receipts	750
Total Expenditure Changes (positive is better)	3,408
Funding Changes (positive is better)	
Housing Benefit & Council Tax Subsidy Administration Grant	300
Adult Social Care Grant	2,900
Use of earmarked corporate reserves (No longer Required)	975
Increased Capitalisation	200
Total Funding Changes (positive is better)	4,375
Revised (In Year) Budget Gap	2,350
General Fund at Year End (2017/18)	15,075

- 6.59 The table below outlines the net projected service overspend and General Fund balance in 2017/18 and mitigations that the Council has identified to offset the overspend and maintain non-General Fund balances at £15m.

Summary of Funding Assumptions

- 6.60 A summary of the funding assumptions and breakdown of funding sources is set out in the table.

Table 6.8 Summary of Funding Assumptions 2018/19 -2022/23

	2017/18 Forecast	2018/19 Budget	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected
	£'000	£'000	£'000	£'000	£'000	£'000
Main Funding						
New Homes Bonus	5,712	2,736	2,700	2,700	2,700	2,700
Adult Social Care Grant	1,195	0	0	0	0	0
Revenue Support Grant	38,590	0	0	0	0	0
Council Tax	93,773	102,317	107,554	110,249	114,607	119,139
Retained Business Rates	22,084	107,469	101,882	102,303	102,742	104,742
Top up Business Rates	54,232	0	0	0	0	0
Total Main Funding	215,585	212,522	212,135	215,252	220,049	226,581
Core Grants						
Public Health	20,742	20,209	19,677	19,677	19,677	19,677
Other core grants	10,653	16,497	20,290	17,683	17,698	17,698
TOTAL (External) Funding	246,980	249,228	252,102	252,612	257,424	263,956
Planned Use of General Fund Balance	8,782					
TOTAL FUNDING	255,762	249,228	252,102	252,612	257,424	263,956

7 Expenditure Assumptions

2017/18 Financial Performance – Operating

- 7.1 At December 2017, Services are projecting an overspend of £5.4m. Of the service overspend currently being reported, a significant proportion resides in the areas which continue to face increasing demand pressures: Adults (£2.9m) and Children's (£3.75m) mitigated by reductions elsewhere in the corporate revenue budgets. The corporate measures identified to mitigate the £5.4m projected service budget overspend in 2017/18 are set out in table 6.7 above. Current year savings which are not delivered in 2017/18 are carried forward into 2018/19 to form part of next year's savings programme.
- 7.2 The use of corporate reserves/balances to mitigate in-year budget overspends in demand led services cannot be sustained indefinitely. Therefore, it is critical that Adults and Children's services deliver planned transformation programmes that will allow more effective management of demand pressures and enable them to deliver their savings targets.
- Budget (Growth) Pressures**
- 7.3 The MTFs allows for unavoidable budget growth. These relate to non-controllable costs such as pay/non-pay inflation costs, pensions costs relating to retired/deferred members of the pension fund and payments due to levying bodies. Growth proposals for 2018/19 that currently add up to £9.0m are set out in below table.

Table 7.1 New Growth Proposals

£'000	2018/19
Pensions Cost	1,200
Pay Inflation	3,750
Non Pay Inflation	3,700
Local Elections (One-Off)	325
Total Growth	8,975

- 7.4 The pensions cost pressure is estimated at £2.8m (£1.2m each in 2018/19 and £1.6m in 2019/20) over the next two years and it relates to additional employer's contribution to the pension fund arising from the triennial revaluation of the Fund undertaken in March 2017. The working assumption is that a further £1.5m contribution to the Pension Fund will be required following the next revaluation in 2020/21.

Pay Inflation

- 7.5 Pay inflation increases have been restricted in recent years by government to 1% annually. However, a relaxation of public sector pay increment is expected to result in estimated average pay bill rise of 2% in 2018/19. It is noted that at the time of this report, national pay negotiations are still ongoing. A similar level of increase is assumed in 2019/20.

- 7.6 An allowance of £3.75m has been made in the budget to meet the cost of pay inflation and London Living Wage rise demands. However, the Council is planning to offset this cost through workforce review which should lead to a reduction in staff headcount and realignment of management layers and spans of control across the Council. It is recognised, however, that undertaking this review and implementing its findings will take time. The 2018/19 additional cost can be met from the revenue savings achieved by meeting more of the Council's transformation costs from the flexible use of the capital receipts. However, if any findings from this review work are implementable during the course of 2018/19, then they will be put into effect.

Non-Pay inflation

- 7.7 For 2018/19 and future years, it has been assumed that services will broadly have to manage within existing budgets, thus absorbing any inflationary pressures. However, non-pay inflation growth has been assumed in the budget for a number of contracts and to mitigate the increased cost of service provision due to change in legislation.

Local Elections

- 7.8 Local elections are set to take place across the borough in May 2018/19. The Council has to cover the cost of local elections whereas the Electoral Commission pays for national elections. Therefore, a one-off provision of £0.33m has been made in the 2018/19 budget to cover the cost of local election in May 2018.

Levies

- 7.9 A levy is an amount of money that the Council has to collect (and included in its annual budget) on behalf of another organisation. The levying body may be a Government agency (such as the Environment Agency), a regional body (such as the Lee Valley Regional Park) or a local body (such as the North London Waste Authority). The main difference between a levy and a precept is that a precept (such as the GLA precept) will be stated as a separate item on the council tax bill.

- 7.10 The budget for 2018/19 includes £9.0m to meet the required contribution to levying bodies. Charges from levying bodies are yet to be finalised, but early estimates indicate that any increase in levy costs in 2018/19 will be modest and as such the £9.0m only represents a £0.2m increase on 2017/18 budget figure.
- 7.11 For information, a breakdown of levying bodies to the council and charges for 2017/18 are set out in the table below.

Table 7.1: Contributions to Levying Bodies

Levying Bodies	Amount Due 2017/18
	£'000
Environment Agency	171
Lee Valley Regional Park Authority	198
London Borough Grants Scheme	241
London Pensions Fund Authority	270
North London Waste Authority (NLWA)	7,875
Total Paid/ Due	8,755

8 Flexible Use of Capital Receipts

- 8.1 The flexible use of capital receipts was first allowed by government for the three years 2016/17 – 2018/19. This programme has now been extended for a further 3 years, so the Council can continue to use capital receipts to fund revenue costs that facilitate delivery of efficiency savings.
- 8.2 In February 2017, Full Council approved the use of capital receipts to fund the cost of redundancy, including pension strain costs, in 2016/17 and 2017/18 associated with generating savings. Full Council's approval is required for the policy on and flexible use of capital receipts in 2018/19; an addition to the 2017/18 use of £0.75m flexible capital receipts. For 2018/19, it is proposed that £8.4m of capital receipts is set aside to fund transformative activity that will generate recurring efficiency savings in the future. Also, in addition to the approved 2017/18 position, approval is sought to utilise a further £0.4m from the original approved £8m.
- 8.3 The planned application of the Council's flexible use of capital receipts strategy along with the anticipated benefits is attached at Appendix 11.

9 Budget (2018/19) / MTFS (2018/23) Summary

- 9.1 The Council has a well-established approach to strategy and resource planning based around the key priorities agreed as part of the Corporate Plan 2015.
- 9.2 Haringey along with other local authorities have to manage within a tight funding envelope due to significant reduced government funding support. Nevertheless, the Council focussed on delivering its key priorities despite financial challenges. As part of this process, the Council established a Transformation Reserve, which will be used to pump prime projects that will help reshape how services are delivered and also deliver recurring efficiency savings.

- 9.3 It is clear that as well as managing its expenditure, the Council must also have a strong focus on the key major local income sources that increasingly comprise its corporate funding, namely council tax and 100% retained business rates. Therefore, there is a need for increased concentration on growing businesses and homes in the borough to make the most of the opportunities provided by devolution.
- 9.4 The Council's Strategy has been to utilise reserves and balances to smooth the impact of funding reduction in the short to medium term however, the proposed budget for 2018/19 is not dependent on General Fund balances being utilised. Further cost reduction/resource prioritisation will need to be identified for 2019/20 by the Council as part of future refresh of the MTFS in order to close the future budget gap.
- 9.5 The Chief Finance Officer is working with colleagues to develop options that will allow the Council to balance the budget by 2020/21. The below table details the current projected gap in each year of the MTFS period.

Table 9.1: Summary (Draft) Budget 2018/19 and MTFS

	2017/18 Budget	2018/19 Budget	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected
	£'000	£'000	£'000	£'000	£'000	£'000
Main Funding						
New Homes Bonus	5,712	2,736	2,700	2,700	2,700	2,700
Adult Social Care Grant	1,195	0	0	0	0	0
Revenue Support Grant	38,590	0	0	0	0	0
Council Tax	93,773	102,317	107,554	110,249	114,607	119,139
Retained Business Rates	22,084	107,469	101,882	102,303	102,742	104,742
Top up Business Rates	54,232	0	0	0	0	0
Total Main Funding	215,585	212,522	212,135	215,252	220,049	226,581
Core Grants						
Public Health	20,742	20,209	19,677	19,677	19,677	19,677
Other core grants	10,653	16,497	20,290	17,683	17,698	17,698
TOTAL (External) Funding	246,980	249,228	252,102	252,612	257,424	263,956
Planned Use of General Fund Balance	8,782					
TOTAL FUNDING	255,762	249,228	252,102	252,612	257,424	263,956
Net Service & Corporate Expenditure	255,762	249,118	259,274	259,987	265,302	271,179
Further Savings to be identified	0	0	-6,987	-7,374	-7,878	-7,878
Planned Contribution to/(from) Reserves & Balances	0	110	(185)	0	0	655
Total Expenditure	255,762	249,228	252,102	252,613	257,424	263,956
Opening General Fund Balance	14,907	15,075	15,185	15,000	15,000	15,000
Closing General Fund Balance	15,075	15,185	15,000	15,000	15,000	15,655

NB. The 2017/18 closing General Fund balance reflects the in-year changes reported at Month 9.

- 9.6 The MTFS assumes that savings of £16m will be delivered in 2018/19. Therefore, future years projected budget gaps stated above are predicated on the full delivery of 2018/19 savings. This is important to note as approximately 34% of current savings are rated as 'Red' (i.e. there are currently no definitive plans in place to deliver or they will be extremely difficult to implement) in 2017/18. Any shortfall in 2018/19 delivery of planned savings will increase the future deficit projection.

- 9.7 The level of reserves available at the start of 2018/19 will be dependent on the extent to which we utilise our existing reserves to fund our deficit at 2017/18 year-end, but also maximise any available opportunities to top up reserves. A projection of General Fund balances is set out in table 9.1 above. The Section 151 Officer will continue to review the reserve balances to ensure that the Council maintains adequate levels for financial resilience and will be included his report on the adequacy of reserve and balances as part of his report to Full Council on 26th February 2018.

10 Savings proposals 2018/19-2022/23

- 10.1 The Council must continue to develop and implement efficient ways to deliver services in order that the underlying gap between annual revenue and expenditure is bridged.
- 10.2 Additional efficiency savings developed by officers were submitted to Cabinet in December 2017 with each proposal supported by a pro-forma that detailed; the action/outcome of the proposal, the value of the savings, the impact on workforce and any risks/assumptions associated with the proposal.
- 10.3 The proposed new savings set out in Appendix 9 have been subject to public consultation and scrutiny by the Overview and Scrutiny Committee and recommendations have been proposed which are outlined in Sections 16 and 17 in this report. Cabinet have considered these recommendations as part of their deliberations leading to this report.
- 10.4 In addition to the pre-agreed and new savings proposals, services are also carrying forward prior year (2017/18) non-delivered savings of £9.6m. Therefore, the budget assumes that £16m of savings will be delivered in 2018/19 and a total of £33m have been identified for delivery over the MTFS period. Table below analysis the 2018/19 savings expectation and total savings expectation for the MTFS.

Table 10.1: Overall MTFS Savings (2018/19 – 2022/23)

£'000	2018/19 (bfwd)	2018/19 (Pre-Agreed)	2018/19 (New)	2018/19 (Total)	2019/20	2020/21	2021/22	2022/23	Total
Priority 1	3,173	1,748		4,921	310	0	0	0	5,231
Priority 2	2,900		2390	5,290	2,474	2,990	2,990	2,990	16,734
Priority 3	75	1,660		1,735	150	0	0	0	1,885
Priority 4	250		50	300	0	0	0	0	300
Priority 5	0		50	50	120	0	0	0	170
Priority X	217	301		518	2,650	1,500	20	0	4,688
Council Wide Savings	2,967	250		3,217	750	0	0	0	3,967
Total	9,582	3,959	2,490	16,031	6,454	4,490	3,010	2,990	32,975

- 10.5 Given the scale of the budgeted savings for 2018/19, the Council must maintain a constant focus on their implementation and look to respond during the course of the year to any delivery shortfalls, potentially necessitating other solutions.

11 Summary Priority Revenue Budgets 2018/19-2022/23

- 11.1 The summary revenue budget position by priority area over the five-year period is shown in the table below. This position is subject to approval of proposed savings or the addition/deletion of submitted or previously approved proposals.

Table 11.1: Summary of Proposed Budgets

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Priority 1	56,273	54,525	54,215	54,215	54,215	54,215
Priority 2	91,130	91,809	91,820	91,885	92,073	92,393
Priority 3	29,580	27,920	27,770	27,770	27,770	27,770
Priority 4	4,766	4,716	4,716	4,716	4,716	4,716
Priority 5	19,883	19,833	19,713	19,713	19,713	19,713
Priority X	38,507	38,281	34,556	33,056	33,036	33,036
Priority Cash Limit	240,138	237,084	232,789	231,355	231,523	231,842
Council Wide	15,624	12,034	26,485	28,632	33,779	39,337
Savings to be identified	0	0	(6,987)	(7,374)	(7,878)	(7,878)
Contributions to/(from) Balances	0	110	(185)	0	0	655
Council Cash Limit	255,762	249,228	252,102	252,613	257,424	263,956

- 11.2 Given the continued reduction in funding for the Council, the overall cash limit for the Council in 2018/19 is projected to fall. Despite this fall in overall cash limit for the Council, the cash limit for Priority 2 and especially adult social care will increase.
- 11.3 After the decrease in the cash limit in 2018/19, the MTFS assumes that an increase in the annual cash limit thereafter. From 2019/20, planned cash limits for each priority area are constant or decreasing other than for Priority 2 and 'council wide'. Priority 2 budget continues to rise to reflect expected ongoing pressures in this area.
- 11.4 The growth in 'council wide' is due to planned inflationary increases (pay and non-pay), pension related growth, increase in levies charged to the Council and other central service charges that are not specific to any one service. Budget provisions for inflation will be allocated to services in year to reflect the impact of inflationary pressures on services. This will in turn further increase each service's share of overall council spend.

12 Review of assumptions and risks 2018/19-2022/23

- 12.1 The Council's Section 151 Officer has a statutory responsibility to assess the robustness of the Council's budget – and to ensure that the Council has sufficient contingency/reserves to provide against known risks in respect of both expenditure and income. This formal assessment will be made as part of the final report on the Council's budget in February 2018.
- 12.2 The main uncertainties and risks identified to date which will impact on the Council's budget are:
- Ability to implement and capture planned efficiency savings.
 - Funding assumptions are subject to the final local government settlement (February), and therefore there may be changes to the

Council's 2018/19 and 2019/20 Settlement Funding Assessment allocations.

- Move to Council Tax and Business Rates as the main funding driver exposes the Council to greater risks around collection rates, adverse changes in the size of the tax base, appeals and negative cash flows. The pilot by London Councils helps influence scheme's implementation and hence it helps manage the risks.
- The Council's Transformational Programmes do not deliver the required savings, do not deliver savings quickly enough, or are counteracted by demographic trends particularly in critical areas such as Children's and Adults Social Care and Temporary Accommodation.
- Further significant increases in national minimum wage (NMW) and London living allowance (LLA) which will particularly affect care providers and Direct Payment rates and may drive up prices even further than planned.
- Any further deterioration in the forecast 2017/18 position, including the risk that the measures put in place to reduce spending do not deliver as expected.
- The impact of inflation pressures above current assumptions (e.g. energy costs which are currently estimated at well above the rate of inflation for 2018/19).
- Changes in Non Service Resources budgets over the next few months – for example the amounts provided for levies are currently based on estimates and levying bodies are yet to confirm their 2018/19 charges.
- General population increases that are expected over the next 5 years and any associated growth in demand - other than specifically allowed for – may lead to financial pressure.
- The need to balance revenue and capital priorities to ensure the most appropriate use of available resources.

12.3 Other risks which we are aware of that may impact on the Council's budgets:

- National economic uncertainty, including economic stability, inflationary pressures, etc., including any factors relating to Brexit.
- Housing Benefit admin fee may end during the period of the MTFS.
- The impact of changes in legislation – for example the Homelessness Reduction Act and whether the funding provided to undertake the new responsibilities under the Act will be sufficient.
- Ability to work collaboratively with a number of partner organisations – for example on shared services and for such collaborations to deliver much needed efficiency gains.
- Impact of NHS Sustainable Transformation Plans (STPs) may result in a transfer of costs.

13 Council's Capital Strategy and Capital Programme 2018/19-2022/23

- 13.1 The MTFS capital programme represents years two to six of the ten-year council Capital Strategy, introduced to the Cabinet in December 2015 and approved in June 2016. This Strategy has been developed to ensure that the Council takes a longer-term view of the assets required to deliver its Corporate Plan priorities.

- 13.2 The Council's Capital Strategy is an ambitious mix of regeneration growth and asset availability that will ensure delivery of a range of improved outcomes for its residents. The long term view also aims to secure stability for financial planning purposes as Government support reduces and the Council becomes more reliant on locally determined sources of funding such as Council Tax and Business Rates.
- 13.3 The MTFs capital programme funding assumes a mix of central government grant funding, funding from other public bodies (such as the GLA and TfL), developer contributions, and prudential borrowing. Borrowing has an on-going impact on the Council's revenue budget and must be affordable. Such borrowing is closely controlled by legislation defined under the Prudential Code for capital expenditure and is monitored through the Council's treasury management strategy statement and quarterly performance reports. To the extent that grant and other sources of capital financing do not meet the cost of the capital programme, there are two main options for borrowing:
- Temporary borrowing, pending the realisation of future capital receipts, providing that there is certainty over the amount and timing of the receipt;
 - Prudential borrowing on an on-going basis to finance that capital expenditure that cannot be met from capital receipts.
- 13.4 The table below reflects the revised delivery assumptions of the capital over the Council's 5-year MTFs period (including the estimated 2017/18 capital outturn) and net borrowing requirement.

Table 13.1: Summary of Revised Capital Programme (2017/18-2022/23)

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)
Priority One	8,646	8,393	13,622	7,028	3,001	2,166	42,857
Priority Two	3,078	4,123	2,203	2,003	2,003	2,003	15,413
Priority Three	14,332	16,193	16,707	11,409	10,979	11,109	80,729
Priority Four	24,000	67,037	57,336	85,599	50,966	52,861	337,797
Priority Five	3,522	25,525	25,525	4,934	525	525	60,556
Priority Six	6,735	15,416	5,605	975	1,035	950	30,716
Total	60,312	136,687	120,998	111,948	68,509	69,614	568,067
Borrowing	36,458	61,596	45,341	46,473	28,529	16,657	235,054

- 13.5 Throughout 2017/18 there have been changes to the core programme approved by Cabinet in June 2016 and a re-profiling of expenditure. These changes have been reported through to Cabinet as part of the budget monitoring report and have been incorporated into the table above. The table above also includes substantial slippage from 2017/18 into future year's budgets.
- 13.6 As part of the budget setting process, service areas were invited to submit bids for capital resources. These have been assessed by Capital Board and a number of schemes are recommended for inclusion within the programme. These schemes are outlined below:
- Priority 1**
- 13.7 There no new schemes proposed for the P1 capital programme. Officers are working on a detailed, evidenced based, programme of works to enhance the

condition and suitability of the Council's schools. At this stage there are no detailed additional proposals for this priority's capital programme.

Priority 2

- 13.8 Within the draft capital programme there is an allowance of £1.5m for the conversion and adaptation of properties to enable supported living. This will support independence and reduce the need for more costly forms of support.

Priority 3

- 13.9 The current capital programme has a budget for Parkland Walk Bridges of £1.1m (£0.5m 2017/18, £0.3m 2018/19 and £0.3m 2019/20). Initial surveys have indicated that the budget allocated is insufficient to effect the repairs required. The draft capital programme increases the budget to £1m per annum in 2018/19-2021.
- 13.10 There are two separate proposed multi use games areas (MUGA) within the draft capital programme. The first is at Down Lane and is to convert an unused car park area and provide a 3G MUGA. This is to be funded via SECTION 106 contributions. The second is at Bull Lane Playing Fields (BLPF).
- 13.11 The Council has been successful in getting to the second round of bidding to the Football Foundation for funding to provide a two 3G pitch facility at BLPF, with ancillary infrastructure. The overall cost of the project is £3.6m with the Council providing the site and £1.4m, should the Council be successful. There will be revenue savings of £27k on the maintenance and rates on the BLPF, as well as other savings across the parks service. These other savings are being worked through so as to contribute to the achievement of the MTFS.

Priority 4

- 13.12 There are a number of changes proposed in the draft capital programme. Elsewhere on the agenda there is a report seeking authority to enter into a funding agreement with Argent Related Ltd to undertake works on the bus station in Tottenham Hale as part of the regeneration strategy for the area. The draft capital programme assumes that the recommendation to enter the funding agreement is accepted. The effect of these changes is to increase the overall cost of the scheme by £5.965m, with £1.3m being met by additional GLA grant. The residual funding requirement of £4.665m is to be met through allocating additional capital receipts from the overall development of £2.665m and to increase the overall level of Section 106 funds allocated to the project. Both these funding sources are as a result of increased housing density levels within the current masterplan for the regeneration of the area.
- 13.13 Within the current programme, there is a scheme, White Hart Lane Public Realm (LIP) that has been included in the understanding that there would be LIP funding made available from TfL in 2018/19. In late December 2017, TfL informed the Council that they would not be funding this project in 2018/19 but deferring it until 2019/20. The timing of the works for 2018/19 was to coincide with THFC not being in residence, thus minimising the disruption in the area. The draft capital programme includes this scheme in anticipation of the LIP funding being received from TfL in 2019/20. The overall scheme cost is £4.3m and the TfL funding when received will cover the cost 100%.
- 13.14 The Jackson Lane Arts Centre has bid for funding from the Arts Council and requires match funding from the Council. The draft capital programme includes £1m as match funding to the Arts Council bid.

- 13.15 Bruce Grove Public Realm. The proposed budget for this scheme is £3.3m with approximately 50% contribution from the GLA. It is a programme including decluttering of the pedestrian environment, upgrades to materials use on the carriageway and footway, new crossings, cycle provision, widening of the footway and new lighting, greening and street furniture as appropriate.
- 13.16 Tottenham High Road Strategy. The proposed budget for this scheme is £0.8m. Following the successful completion of the Growth on the High Road programme for Tottenham work is underway to prepare a new strategy and 10-year delivery plan for Tottenham High Road. The strategy will be finalised in early 2018/19 and funding for design development will be required to progress projects and grant funding bids.
- 13.17 There is also a Strategic Regeneration Initiative budget to support new strategic regeneration initiatives in the borough

Priority 5

- 13.18 A provision is made to cover the potential costs of putting in place a temporary accommodation acquisition programme subject to further reports.

Priority X

- 13.19 This priority now contains a Responsiveness Fund of £3.5m per annum for two years. The fund is there to allow timely responses to made to in year requests and new initiatives. It is primarily there to support in-year bids for match funding requests. The allocation of funds from the Responsiveness Fund will be undertaken by Capital Board (in line with the current authority levels contained within Standing Orders).

- 13.20 The main capital financing elements of the £507.8m 5-year programme are Grants at £99.4m (19.6%), Developer contributions at £193.2m (38.1%), and Retained Capital Receipts £16.3m (3.2%), use of reserves £0.3m (0.1%). The balance of £198.6m (39.1%) will need to be borrowed.

Table 13.2: Capital Programme Funding Analysis (2018/19 – 2022/23)

Capital Programme, 5 Year MTFS Overview	2018/19 Budget	2019/20 Plan	2020/21 Plan	2021/22 Plan	2022/23 Plan	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Reprofiled Expenditure	136,687	120,998	111,948	68,509	69,614	507,755
Funding						
Grants	33,056	25,274	18,153	13,346	9,568	99,397
Use of Reserves	0	100	0	0	124	224
Developer Contributions	34,535	42,783	45,998	26,634	43,265	193,215
Retained Receipts	7,500	7,500	1,323	0	0	16,323
Borrowing	61,596	45,341	46,473	28,529	16,657	198,596
Total	136,687	120,998	111,948	68,509	69,614	507,755

- 13.21 The proposed capital programme is set out at appendix 3 of this report.

MTFS Affordability and Governance

- 13.22 Members consider annually, as part of the Treasury Management Strategy Statement (TMSS), a number of prudential indicators which are largely concerned with ensuring the affordability of capital expenditure decisions. The TMSS also includes the Council's MRP policy statement.
- 13.23 Any proposed revisions to the current policy statement arising from the Section 151 Officer's review will be presented to the Council's appropriate Committees for scrutiny/agreement prior to submission to Full Council for approval.

Other Considerations

- 13.24 As with any longer term strategy, there is a need to undertake regular reviews of detailed action plans to take account of changing circumstances.
- 13.25 As stated above, there is likely to be a need to revise the capital programme, subject to appropriate approvals, to take account of changes to existing schemes or to fund new schemes and in particular to take advantage of additional external funding or capital receipts.
- 13.26 The Council's regeneration projects are likely to have further impacts on the Council's capital programme, which will need to be taken into account in future updates
- 13.27 The current capital programme contains provision for funding certain elements of the proposed schemes but these may need to be revised as the regeneration projections progress.

14 Housing Revenue Account (HRA)

Housing Rents

- 14.1 The HRA is the Council's record of the income and revenue expenditure relating to council housing and related services. Under the Local Government and Housing Act 1989, the HRA is ring-fenced and cannot be subsidised by increases in council tax. Equally, any surplus in the HRA or balances held in reserves cannot be transferred to the General Fund. Since April 2012, the HRA has been self-financing. Under self-financing Councils retain all the money they receive from rent and use it to manage and maintain their homes.

Housing Rents

- 14.2 The Council is required to comply with section 23 of the Welfare Reform and Work Act 2016 by reducing tenants' rents (excluding service charges) by 1% each year for four years starting from 1 April 2016.
- 14.3 From 2 April 2018, all rents including sheltered housing and affordable rents will be reduced by 1%. However, shared ownership rents will increase by 2% (CPI rate at September 2017 plus 1%) as the Act exempts these properties from the rent reductions.

General needs and sheltered / supported housing

- 14.4 This is the third financial year that rents in general needs properties are to be reduced by 1% but the first rent reduction for tenants living in sheltered/supported housing. Under the original rent restructuring regime, these rents would have increased by 4% (CPI at September 2017 of 3% plus 1%) from next April.
- 14.5 Provisional rents for general needs and sheltered/supported housing for 2018/19 have been calculated so that the rent paid by existing tenants is reduced by 1% from the 2017/18 levels. On this basis, the current average weekly dwelling rent will reduce by £1.04 from £103.89 to £102.85. The potential rental income budget for 2018/19 will reduce by £767k against the budget for 2017/18. Table 14.1 below sets out the average weekly dwelling rents for 2018/19 by property size.
- 14.6 The government announced in October 2017 that annual increases in social housing rents will return to CPI plus 1% for the next five years after the statutory rent reduction ends in March 2020. This provides certainty regarding rental income in the short to medium term.
- 14.7 The current policy of increasing rents to the 2015/16 formula rent (adjusted for 1% reduction each year thereafter) on new secure tenancies will continue.

Table 14.1: Proposed rents for general needs and sheltered / supported housing

Number of Bedrooms	Number of Properties	Current average weekly dwelling rent 2017/18	Provisional average weekly dwelling rent 2018/19	Proposed average rent decrease	Percentage decrease
Bedsit	135	£84.16	£83.31	-£0.84	-1%
1	5,432	£89.19	£88.30	-£0.89	-1%
2	5,190	£103.95	£102.91	-£1.04	-1%
3	3,751	£119.08	£117.89	-£1.19	-1%
4	591	£135.45	£134.10	-£1.35	-1%
5	104	£158.77	£157.18	-£1.59	-1%
6	14	£164.88	£163.23	-£1.65	-1%
7	2	£156.01	£154.45	-£1.56	-1%
8	1	£176.62	£174.85	-£1.77	-1%
All dwellings	15,220	£103.89	£102.85	-£1.04	-1%

New build

- 14.8 On 12 July 2016, the Cabinet approved the rent levels for new homes built under the Council's New Build Infill Programme. Rents in new build homes are set in accordance with the affordable rents guidance set out in the draft Housing Strategy. Phase 1 of the programme has delivered fifteen new homes which are let at affordable rents. A further four shared ownership homes have also been delivered. Affordable rents will reduce by 1% from their current levels with effect from 2 April 2018. These rents will also be further reduced over the next year.
- 14.9 The current average weekly rent of £248.14 will reduce by £2.48 to £245.66 per week. There is a range of affordable rents across different sizes of properties. Table 14.2 sets out the provisional average weekly affordable rents for 2018/19 by property size.

Table 14.2: New build Average Weekly Affordable Rent (2018/19)

Number of Bedrooms	Number of Properties	Current average weekly rent 2017/18	Provisional average weekly rent 2018/19	Proposed average rent decrease	Percentage decrease
1	1	£209.41	£207.32	-£2.09	-1%
2	5	£232.77	£230.44	-£2.33	-1%
3	5	£223.37	£221.14	-£2.23	-1%
4	2	£294.06	£291.12	-£2.94	-1%
5	2	£321.92	£318.70	-£3.22	-1%
All dwellings	15	£248.14	£245.66	-£2.48	-1%

Service charges

- 14.10 In addition to rents, tenants pay service charges for services they receive which are not covered by their rent. Service charges must be set at a level that recovers the cost of the service. The Council's policy has been to set charges at the start of

each financial year to match budgeted expenditure. Therefore, the weekly amount is fixed and a flat rate is charged.

14.11 Charges are calculated by dividing the budgeted cost of providing the service to tenants by the number of tenants receiving the service. The amount tenants pay increases where the cost of providing the service is anticipated to increase. Equally, charges are reduced when the cost of providing the service reduces or where there has been an over-recovery in the previous year.

14.12 Tenants currently pay for the services listed below:

- Concierge
- Grounds maintenance
- Caretaking
- Street sweeping (Waste collection)
- Light and power (Communal lighting)
- Heating (including Gas or Oil/Electricity)
- Integrated reception service (Digital TV)
- Estates road maintenance
- Bin and chute cleaning

14.13 Tenants will no longer be charged for bin and chute cleaning as the service is being replaced by periodic cleaning of refuse chutes in blocks.

14.14 It is proposed to introduce new charges for services that are not covered by the rent but the residents are benefiting from but have not been previously charged for. The new service charges below will be paid by residents receiving the services;

- TV aerial maintenance
- Door entry systems maintenance
- Sheltered housing cleaning service
- Good neighbour cleaning service
- Window cleaning
- Converted properties cleaning

14.15 Table 14.3 below sets out the proposed changes in tenants' existing service charges and the proposed new service charges for 2018/19

Table 14.3 - Proposed Leaseholders' Service Charges (2018/19)

Tenants' service charges	Current Weekly Charge 2017/18 £	Proposed Weekly Charge 2018/19 £	Increase/ (decrease) £	Projected Annual Income £000
Concierge	£15.43	£15.64	£0.21	£1,562
Grounds maintenance	£2.77	£2.81	£0.04	£1,322
Caretaking	£4.02	£4.22	£0.20	£1,613
Street sweeping (Waste collection)	£3.62	£4.42	£0.80	£1,890
Light and power (Communal lighting)	£2.62	£2.39	-£0.23	£1,095
Gas (Elderly Person)	£11.16	£9.58	-£1.58	£188
Gas (Not Elderly Person)	£10.68	£9.16	-£1.51	£52
GLC Heating	£12.23	£10.49	-£1.74	£33
District Heating 6	£10.93	£9.38	-£1.55	£1
Oil/Electricity (Elderly Person)	£8.74	£7.50	-£1.24	£15
Integrated reception service (Digital TV)	£0.77	£0.77	£0.00	£349
Estates road maintenance	£0.57	£0.58	£0.01	£270
Bin and chute cleaning	£0.16	£0.00	-£0.16	£0
TV aerial maintenance	£0.00	£0.18	£0.18	£81
Door entry system maintenance	£0.00	£0.63	£0.63	£285
Sheltered housing cleaning service	£0.00	£2.06	£2.06	£91
Good neighbour cleaning service	£0.00	£1.00	£1.00	£28
Window cleaning	£0.00	£0.50	£0.50	£38
Converted properties cleaning	£0.00	£1.02	£1.02	£75
Proposed tenants' service charge income				£8,988

Water rates

- 14.16 The Council collects weekly water rates on behalf of Thames Water Utilities Ltd from tenants if the water supply to their home is unmetered. The amount is set by Thames Water based on the rateable value of each property.
- 14.17 The weekly water rates to be paid by each tenant in 2018/19 will be provided by Thames Water in March 2018. Tenants will be notified accordingly.

Commercial Rents

- 14.18 Following the Cabinet decision in July 2017, most of the commercial portfolio within the HRA have been transferred to the General Fund. Therefore, most of the income and expenditure relating to Commercial properties is now accounted for in the General Fund.

HRA Expenditure

- 14.19 The Council's Arm's Length Management Company (ALMO), Homes for Haringey manages the dwellings stock and garages on behalf of the Council. The management fee the council pays for these services is budgeted at £40.14m for 2018/19 compared to £40.03m budgeted in 2017/18. The increase in the main is due to 1% pay award increase in staffing salary budgets and a reduction in the Pension contribution costs.
- 14.20 Other significant items of expenditure include the capital financing charge and depreciation. The capital financing charge is the interest on HRA loans and internal funding and is budgeted at a lower level than 2017/18 due to reduced borrowing

rates. Depreciation charge from this year and going forward will be based on a weighted average life (based on components).

HRA Budget 2018/19

- 14.21 The 2018/19 HRA budget surplus remains at £16m for 2018/19. This surplus will be added to HRA reserves to fund future capital works.
- 14.22 In previous years, the HRA has held the budget for Community Alarms. This is an emergency service that is provided 24 hours/365 days a year by the Community Alarm Service team. Service users are mainly older and vulnerable people who live in and outside the borough who are provided with a personal security system to enable them live safely in their homes. A fee is charged for using the service where appropriate. All the applications and assessments for community alarms are processed by the teams in Adult services. Due to this, it is proposed from 1st April 2018 onwards, the budget for Community Alarms will sit with Adult Social Care, and hence the HRA will no longer need to make any budget provision for this service.
- 14.23 There are a number of new initiatives being developed which may impact on the overall HRA budget for 2018/19. Any impact on the HRA revenue budget position will be highlighted in any report to Cabinet or Council.

HRA Capital Programme 2018/19

- 14.24 In October 2016, Cabinet approved a new standard for investment in the Council's housing stock and delegated the authority to approve the detailed asset management plan and investment programme to the Director of Regeneration, Planning and Development after consultation with the Lead Member for Housing and the Chief Finance Officer. The proposed capital programme for all HRA schemes for 2018/19 is included at Appendix 4.
- 14.25 The new standard requires an investment of around £264.3m over the next five years. The Capital budget of £11.5m indicated for remedial works on Broadwater Farm is currently an estimate only based on initial desktop analysis of options. Officers are currently working on establishing a robust budget figure.

Development of HRA Business Plan

- 14.26 Production of an HRA Business Plan is not a statutory requirement, but is considered by the Chartered Institute of Housing (CIH) and Chartered Institute of Public Finance and Accountancy (CIPFA) to be good practice. It is particularly important for Haringey given the size of its housing stock and the scale of potential movements in stock numbers over the coming years. A good business plan provides a framework for future investment and other housing policy decisions.
- 14.27 This report outlines proposals for changes in rents and other charges for HRA properties in order to balance the Housing Revenue Account (HRA) for 2018/19 and the HRA business plan for five years from 2018/19 to 2022/23. This report sets out the proposed 2018/19- 2022/23 budget for the HRA.
- 14.28 The Business Plan for the next 10 years ensures a reserve balance of £10m. The capital borrowing headroom at the beginning of 2017/18 was £56.4m and this is forecast to increase to £73.5m at the beginning of 2018/19. This additional

borrowing headroom has allowed the HRA Capital Programme to be increased to around £264.3m over the next five years (as noted at 14.25 above), instead of £200m under the previous Business Plan. This will allow the Council to reach its Decent Homes target more quickly than under the previous Business Plan.

- 14.29 There is an ongoing inquiry into the Grenfell Fire tragedy and a review into Building Regulations. Once these reports are complete there may be additional requirements relating to fire safety in Council blocks. £16m has been set aside in the Business Plan to allow for any associated costs.
- 14.30 The Council's ongoing local initiatives include major estate regeneration programmes, at High Road West and Northumberland Park. There are several issues relating to these developments which may impact directly on the long-term position of the HRA, which will need to be reviewed and incorporated into the HRA Business Plan as an ongoing exercise including the valuation of the sites disposed of, the new dwellings acquired and the related impact on the housing stock and HRA debt.
- 14.31 In order to fund the 5 year capital programme it has become necessary to borrow funds over the next 5 years starting in 2018/19. It is estimated that the HRA will need new borrowing of £24m in 2018/19.

Government Policies

- 14.32 The Housing and Planning Act 2016 introduced the mechanism to enforce a levy on Councils' HRAs to government, which they expected would be funded through Councils selling their most valuable homes when they become vacant. The policy was intended to fund an extension of the Right to Buy to Housing Association tenants. However, this policy has yet to be implemented and the Secretary of State for Housing at the time stated in a letter to a London councillor that "local authorities will not be expected to make a payment in 2017/18 or in 2018/19".
- 14.33 In October, the government announced a return to Consumer Price Index (CPI) plus 1% rent rises for five years after 2020. This has been factored into the Business Plan.
- 14.34 The Chancellor announced in the Autumn Budget 2017 that the Government will lift Housing Revenue Account borrowing caps for councils in areas of high affordability pressure. Local authorities will be invited to bid for increases in their caps from 2019/20, up to a total of £1 billion by the end of 2021/22. Officers will assess the possibility for Haringey to obtain additional borrowing capacity to allow additional investment in its housing priorities.

15 Dedicated Schools Budget (DSB)

- 15.1 The Dedicated Schools Budget is substantially funded from the ring-fenced Dedicated Schools Grant and two other funding streams (Pupil Premium and Post 16 Grant) which are, in effect, passported to schools. Spending must be consistent with the requirements of the prevailing Schools and Early Years Funding Regulations and there are requirements about whether Schools Forum has a decision-making or a consultative role in determining budget levels for each year.
- 15.2 The financial position reported to Schools Forum in January 2018 set out the prevailing financial position. There are budget pressures within both the Early Years Block and High Needs Block and this will reduce available DSG reserves to a surplus of £0.72m (£2.8m surplus, 2016/17) by the end of 2017-18 financial year.
- 15.3 Table below sets out Haringey's Dedicated Schools Grant allocations for 2017-18, including the minimum rebased DSG baseline allocation for 2018-19, the provisional National Funding Formula DSG allocations for 2018-19 and the illustrative National Funding Formula for 2019-20.

Table 15.1: Haringey's Dedicated Schools Grant Allocation

Dedicated Schools Grant	2017-18 DSG allocations as at 10 Oct 2017	2018-19 Funding allocation as at 19 Dec 2017	2019-20 Illustrative NFF
	£'000	£'000	£'000
Schools Block	195,290	195,299	194,240
Central School Services Block	0	3,090	2,990
Early Years Block	18,670	20,264	18,670
High Needs Block	35,850	35,804	35,930
Total DSG	249,810	254,457	251,820

- 15.4 The items that were previously top sliced as Centrally Retained elements in Schools Block have been rebased into Central School Services Block (CSSB) in 2018-19 and 2019-20 under the National Funding Formula.
- 15.5 Overall, Haringey received a provisional increase of 1.9% in its DSG allocation which is equivalent to £4.65m. This is based on October 2017 census pupil numbers of 33,724.
- 15.6 The 2018/19 funding allocation to Haringey for CSSB and Early Years Block increased by £3.09m and £1.6m respectively. The Schools and High Needs Block element of the DSG remained relatively flat.

DSG Reserves

- 15.7 DSG Reserves is expected to close with a surplus of £0.72m at the end of 2017-18 – a significant decrease from the 2016/17 surplus balance of £2.8m. The below table sets out the projected closing position for the DSG in 2017/18.

Table 18.2: Projected DSG Reserves Position at 31 March 2018

DSG Reserves	Schools Block	Early Years Block	High Needs Block	DSG Reserve
2017-18 Opening Balance	£'000 (815)	£'000 (1,985)	£'000 0	£'000 (2,800)
2017/18 Movement	200	1,100	780	2,080
Projected 2017-18 Balance c/f	(615)	(885)	780	(720)
Projected 2018-19 Opening Balance	(615)	(885)	780	(720)

16 MTFS Consultations Outcomes and Findings

- 16.1 In December 2017, the Cabinet agreed to begin the necessary statutory consultation on the Medium Term Financial Strategy and proposals set out in that report, running from 19th December 2017 through to January 23rd 2018.
- 16.2 The Council undertook a pre-budget engagement exercise consisting of a series of events and activities during October and November 2017.
- 16.3 Detailed information was made available in the following ways:
- Dedicated pages on our website;
 - An on-line survey available on the Haringey Council;
 - Three drop-in sessions were held at our Hornsey, Marcus Garvey Wood Green libraries;
 - Hard copies of the budget proposals were available at all libraries in the borough Haringey People Online referred to budget proposals each week during the consultation people – this email is sent directly to residents who have signed up to My Account;
 - Regular social media promotion;
 - Engagement with local media;
 - Publicised through our partners and volunteer organisations;
- 16.4 A more detailed summary of the consultation process together with a breakdown of responses, is appended to the Cabinet report at Appendix 8. Having taken these into account, this report not propose any amendments to the proposals being put to Council.

17 Overview and Scrutiny

- 17.1 As part of the Council's governance arrangements for scrutiny of the Medium Term Financial Strategy, the Council's Overview and Scrutiny Committee and Panels have scrutinised all of the savings proposals presented to the December 12 Cabinet.
- 17.2 Following consideration by Cabinet, all four Scrutiny Panels met in December 2017 to scrutinise the draft budget proposals that fell within their portfolio areas:
- Children and Young People Scrutiny Panel (Priority 1)
 - Adults and Health Scrutiny Panel (Priority 2)
 - Environment and Community Safety Scrutiny Panel (Priority 3)
 - Housing and Regeneration Scrutiny Panel (Priority 4 and Priority 5)
- 17.3 In addition, the Overview and Scrutiny Committee met on 11th January to consider proposals relating to Priority X (Enabling).
- 17.4 Cabinet Members, senior officers and finance leads were in attendance at each meeting to present proposals and to respond to questions from members. For some of the proposals, additional information was requested. These were considered by the Overview and Scrutiny Committee on 29th January, along with emerging recommendations from each Panel, ahead of final recommendations being agreed and referred to Cabinet.
- 17.5 The key recommendations from the Overview and Scrutiny Committee and Cabinet Member responses are attached at Appendix 8.

18 Statutory Officers' comments

Chief Finance Officer Comments

- 18.1 Under Section 25 of the Local Government Act 2003, the Section 151 Officer is required to include in the Budget Report a statement of their view on the robustness of any estimates for 2018/19 and the MTFS period to 2022/23 and the adequacy of proposed earmarked reserves and balances included in the report.
- 18.2 This budget has been prepared in line with guidance from the Section 151 Officer. Cabinet has received quarterly budget monitoring reports identifying in-year spending pressures. Furthermore, continuing service and budget pressures have been identified through the development process of the MTFS.
- 18.3 The process of identifying and developing savings has been a continuous one. Additionally, service managers have been required to categorise the degree of risk in respect of proposed savings included in the 2018/19 budget and MTFS.
- 18.4 The revenue implications arising from the 10-year Capital Strategy have been incorporated within the proposed budget and MTFS period.

- 18.5 All of these measures are part of the assurance to the Section 151 Officer regarding the robustness of all estimates contained within this report based on financial information available at the time.
- 18.6 Given the current level of savings assumed in the MTFS, a Budget Resilience Reserve has been established to ensure that the Council is able to mitigate any delays in the savings delivery. This reserve is a 'port of last resort' and does not diminish the requirement for services to deliver savings as planned.

Comments of the Assistant Director of Corporate Governance Comments

- 18.7 The Local Authorities (Standing Orders) (England) (Regulations) 2001 and the Budget and Policy Framework Procedure Rules at Part 4 Section E of the Constitution, set out the process that must be followed when the Council sets its budget. It is for the Cabinet to approve the proposals and submit the same to the Full Council for adoption in order to set the budget. However, the setting of rents and service charges for Council properties is an executive function to be determined by the Cabinet.
- 18.8 Where detailed savings proposals are yet to be developed, the Cabinet will need to ensure that where necessary, consultation is carried out and equalities impact assessments are undertaken and the outcomes of these exercises inform any final decisions.

Equalities Comments

- 18.9 We are proud of our diversity and of the potential this offers:
- Around 270,000 people live in Haringey (an increase of 13,300 since the 2011 Census). By 2021, it is projected that the population will rise by a further 13,000.
 - Over 100 languages are spoken.
 - Haringey is the eighth most ethnically diverse in the country; over two thirds of residents are non-White British. English is an additional language for over half our children and young people.
 - Haringey is a "young" borough. Children and young people aged 0 to 19 comprise about a quarter of the population.
- 18.10 Achieving better outcomes and ensuring we have the capacity to deliver against a background of high levels of deprivation is a continuing challenge. Haringey is the sixth most deprived borough in London, mostly related to low incomes, poor housing conditions and high crime. Nearly one third of working-age residents in Haringey earns below the London Living Wage. One in three children live in poverty and one in six live in a household where no adult works. Over 3,000 households live in temporary accommodation.
- 18.11 There are wide differences in the levels of deprivation and health; the more deprived the area, the shorter the life expectancy, especially for men, and the shorter the healthy life expectancy. While levels of teenage pregnancy are reducing, the numbers are still high. We also have high levels of childhood obesity, mental illness and sexually transmitted infections.

18.12 Addressing the significant social, economic and health issues are made more difficult by the significant financial challenges the council and the public sector faces.

Our Equalities Duties:

18.13 The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation
 - Advancing equality of opportunity
 - Fostering good relations
- In addition, the Council complies with the Marriage (same sex couples) Act 2013.

18.14 The Act covers nine protected characteristics which are:

- age
- disability
- gender and gender reassignment
- pregnancy and maternity status
- marriage and civil partnership
- ethnicity
- religion or belief
- sexual orientation

18.15 The Public Sector Equality Duty came into force on 5 April 2011. The broad purpose of the equality duty is to integrate consideration of equality and good relations into the day-to-day business of public authorities - in shaping policy and delivering services.

18.16 Every person can identify with a combination of these characteristics; we all have an age, a disability status, a gender, our own beliefs and a sexual orientation. The purpose of the equalities monitoring process is to identify where proposals disproportionately impact on those characteristics and to mitigate the impact, ensuring that the council eliminates discrimination, harassment and victimisation; advances equality of opportunity; fosters good relations.

18.17 Haringey Council believes the Equality Impact Assessment process is an important way of informing our decision making process.

18.18 The Corporate Plan 2015-18, sets out how we plan to support Haringey's residents to build a stronger future through 5 priorities:

- Outstanding for all: Enable every child and young person to have the best start in life, with high quality education;
- Empower all adults to live healthy, long and fulfilling lives;
- A clean and safe borough where people are proud to live, with stronger partnerships and communities;
- Drive growth and employment from which everyone can benefit;
- Create homes and communities where people chose to live and are able to thrive.

Haringey's Priorities:

18.19 These are underpinned by 6 cross-cutting principles:

- Prevention and early intervention – preventing poor outcomes for children, young people and adults and intervening early when help and support is needed;
- Tackling inequality – tackling the barriers facing the most disadvantaged and enabling them to reach their potential;
- Working together with communities – building resilient communities where people are able to help themselves and support each other;
- Value for money – achieving the best outcome from the investment made;
- Customer focus – placing our customers' needs at the centre of what we do;
- Working in partnership – delivering with and through others.

18.20 The Council's 2018/19 budget and its Medium Term Financial Strategy (MTFS) 2018/19 – 2022/23 are aligned with the 5 corporate plan priorities. All priorities have delivery plans including a clear vision, objectives and performance indicators that are publicly available so our progress against those targets is transparent.

18.21 The council has ambitious plans for the borough and it is committed to achieving the best outcomes for residents, rather than just managing decline. In the context of delivering millions of pounds of savings, the council will need to make changes to the way it delivers its services. Where budget reductions have adverse impacts on service users, detailed analyses will be conducted to identify and mitigate impact.

18.22 At this stage, the assessment of the potential impact of decisions is high level and has not been subjected to a detailed quantitative and qualitative analysis. This is a live process and, as proposals are developed, full impact assessments will be completed and consulted on to mitigate the impact on groups who share protected characteristics and to ensure that equality considerations are embedded in the decision-making process.

18.23 We have a legal responsibility to ensure that our impact assessments, where needed are an integral part of the formulation of a proposal policy and not justification for its adoption. If a risk of adverse impact is identified, consideration will be given to measures that would mitigate that impact before fixing on a particular solution.

Next steps:

18.24 Tackling inequality is a priority for the council and this is reflected in the objectives and performance targets we have set out in the corporate plan 2015-18, as well as the ambition for the council's borough plan, which will set the vision for Haringey from 2018 to 2022. We have a legal responsibility to ensure that equality objectives are embedded in the plan.

18.25 The new savings proposals in this report are currently at a high level and will be developed further as new operating models, service changes and policy changes are progressed and implemented. Equalities impact assessments will be developed as part of this process.

19 Use of Appendices

Appendix 1 – General Fund Revenue MTFS 2018/19-2022/23

Appendix 2 – HRA Revenue Budget 2018/19

Appendix 3 – General Fund MTFS Capital Programme 2018/19-2022/23

Appendix 4 – HRA Capital Programme 2018/19

Appendix 5 – Dedicated Schools Budget 2018/19

Appendix 6 – General Revenue Budget 2018/19

Appendix 7 – Overview and Scrutiny Committee Recommendations and Proposed Response (To Follow)

Appendix 8 – Summary of Consultation Responses (To Follow)

Appendix 9 – MTFS Savings Proposal Summary

Annex 1 – P1 Savings

Annex 2 – P2 Savings

Annex 3 – P3 Savings

Annex 4 – P4 Savings

Annex 5 – P5 Savings

Annex 6 – PX Savings

Appendix 10 – Calculation of 2018/19 Council Tax Base

Appendix 11 – Flexible Use of Capital Receipts Policy

20 Local Government (Access to Information) Act 1985

- 20.1 For access to the background papers or any further information, please contact Oladapo Shonola, Lead Officer – Budget and MTFS.

HARINGEY GENERAL FUND BUDGET 2018/19 AND MEDIUM TERM FINANCIAL PLAN 2018/23
Appendix I

	2017/18 Budget	Movement	2018/19 Budget	Movement	2019/20 Projected	Movement	2020/21 Projected	Movement	2021/22 Projected	Movement	2022/23 Projected
Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Priority 1	56,273	(1,748)	54,525	(310)	54,215	0	54,215	0	54,215	0	54,215
Priority 2	91,130	680	91,809	10	91,820	65	91,885	189	92,073	319	92,393
Priority 3	29,580	(1,660)	27,920	(150)	27,770	0	27,770	0	27,770	0	27,770
Priority 4	4,766	(50)	4,716	0	4,716	0	4,716	0	4,716	0	4,716
Priority 5	19,883	(50)	19,833	(120)	19,713	0	19,713	(0)	19,713	0	19,713
Priority X	38,507	(226)	38,281	(3,725)	34,556	(1,500)	33,056	(20)	33,036	0	33,036
Non Service Revenue	15,624	(3,590)	12,034	14,451	26,485	2,147	28,632	5,146	33,779	5,558	39,337
Further Savings to be identified	0	0	0	(6,987)	(6,987)	(387)	(7,374)	(504)	(7,878)	0	(7,878)
Contribution to/(from) Reserves and Balances	0	110	110	(185)	(185)	185	0	0	0	655	655
Total Budget Requirement	255,762	(6,644)	249,228	2,984	252,102	510	252,613	4,811	257,424	6,532	263,956
Funding											
New Homes Bonus	5,712	(2,976)	2,736	(36)	2,700	0	2,700	0	2,700	0	2,700
Adult Social Care Grant	1,195	(1,195)	0	0	0	0	0	0	0	0	0
Revenue Support Grant	38,590	(38,590)	0	(8,561)	(8,561)	(1,626)	(10,187)	(1,658)	(11,845)	0	(11,845)
Council Tax	93,773	8,544	102,317	5,236	107,554	2,695	110,249	4,358	114,607	4,532	119,139
Retained Business Rates (100%)	22,084	85,385	107,469	2,974	110,443	2,047	112,490	2,097	114,587	2,000	116,587
Top up Business Rates	54,232	(54,232)	0	0	0	0	0	0	0	0	0
Total Main Funding	215,586	(3,063)	212,522	(387)	212,135	3,117	215,252	4,797	220,049	6,532	226,581
Public Health	20,742	(533)	20,209	(532)	19,677	0	19,678	(0)	19,677	0	19,677
Other core grants	10,653	5,844	16,497	3,793	20,290	(2,607)	17,683	14	17,698	0	17,698
Contribution t/(from)o Reserves and Balances	8,782	(8,782)	0	0	0	0	0	0	0	0	0
TOTAL FUNDING	255,762	(6,534)	249,228	2,874	252,102	510	252,613	4,811	257,424	6,532	263,956

HRA (Draft) 5 Year Budget	2017/18 Revised Budget £000	2018/19 Draft Budget £000	2019/20 Draft Budget £000	2020/21 Draft Budget £000	2021/22 Draft Budget £000	2022/23 Draft Budget £000
Income						
Dwelling Rental Income	(81,838)	(81,071)	(79,733)	(81,017)	(82,352)	(83,260)
Non Dwelling Rents	(2,997)	(996)	(996)	(996)	(996)	(996)
Hostel Rental Income	(2,337)	(2,250)	(2,231)	(2,269)	(2,269)	(2,269)
Leasehold Service Charge Income	(7,143)	(8,124)	(8,343)	(8,550)	(8,636)	(8,722)
Tenant Service Charge Income	(9,674)	(10,483)	(10,664)	(10,854)	(11,816)	(11,934)
Community Alarm Income	(1,298)	0	0	0	0	0
Miscellaneous Income	(7,077)	(7,491)	(7,432)	(7,398)	(7,398)	(7,398)
Total Income	(112,364)	(110,415)	(109,399)	(111,084)	(113,467)	(114,579)
Expenditure						
Non-HfH Estates Costs	7,485	8,305	8,669	9,136	9,227	9,320
Housing Management Costs & NNDR	6,113	6,644	6,607	6,571	6,637	6,703
Bad Debt Provision	1,022	942	942	942	942	942
Hostel Expenditure	579	594	615	644	650	657
Supported Housing	135	278	318	369	373	376
Community Alarm	1,298	0	0	0	0	0
Regeneration Team Recharge	810	867	875	883	892	901
Other Property Costs	2,438	2,130	2,288	2,463	2,488	2,513
General Fund Recharges	6,379	4,297	4,297	4,297	4,340	4,383
Capital Financing Costs	12,400	10,000	11,100	12,120	7,710	7,618
Depreciation Charge	18,000	20,068	20,122	20,124	20,712	20,722
Management Fee	40,032	40,139	40,139	40,139	40,139	40,139
Total Expenditure	96,691	94,264	95,972	97,688	94,109	94,274
Surplus for the year on HRA services	(15,673)	(16,151)	(13,427)	(13,396)	(19,358)	(20,305)

Scheme No.	Scheme Description	2017/18 Revised Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
PRIORITY ONE							
101	Primary School - repairs & maintenance	1,274	1,075	1,030	1,000	1,000	1,000
102	Primary School - mod & enhance (Inc SEN)	4,174	5,447	8,240	1,165	720	525
103	Primary School - new places	773	54	162	39	0	0
104	Early years	0	93	93	93	0	0
109	Youth Services	505	121	14	0	0	0
110	Devolved School Capital	531	531	531	531	531	531
114	Secondary School - mod & enhance (Inc SEN)	920	647	3,552	4,200	750	110
199	P1 Other (inc Contingency & Social care)	469	425	0	0	0	0
PRIORITY ONE TOTAL		8,646	8,393	13,622	7,028	3,001	2,166
PRIORITY TWO							
201	Aids, Adaptations & Assistive Tech -Home Owners (DFG)	2,831	1,503	1,503	1,503	1,503	1,503
206	Community Reablement Hubs	50	0	0	0	0	0
207	New Day Opportunities Offer	197	0	0	0	0	0
208	Supported Living Schemes	0	1,500	0	0	0	0
209	Assistive Technology	0	620	200	0	0	0
210	Capitalisation of Occupational Therapist	0	500	500	500	500	500
PRIORITY TWO TOTAL		3,078	4,123	2,203	2,003	2,003	2,003
PRIORITY THREE							
301	Street Lighting	955	1,000	1,000	1,000	1,000	1,000
302	Borough Roads	3,314	3,000	3,000	3,000	3,000	3,000

Scheme No.	Scheme Description	2017/18 Revised Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
303	Structures (Highways)	246	1,264	368	0	0	0
304	Flood Water Management	530	560	590	620	650	680
305	Borough Parking Plan	277	300	300	0	0	0
307	CCTV	0	0	0	0	900	1,000
309	Local Implementation Plan(LIP)	3,199	3,199	3,199	3,199	3,199	3,199
310	Developer S106 / S278	1,507	1,700	1,700	1,700	1,700	1,700
311	Parks Asset Management:	388	300	300	300	300	300
313	Active Life in Parks:	376	230	230	230	230	230
314	Parkland Walk Bridges	500	1,000	1,000	1,000	0	0
316	Asset Management of Council Buildings	2,500	2,500	2,500	0	0	0
317	Down Lane Multi Use Games Area (MUGA)	0	420	0	0	0	0
319	Bull Lane MUGA	0	720	2,520	360	0	0
419	NPD Phase 2 LBH Match Funding	540	0	0	0	0	0
PRIORITY THREE TOTAL		14,332	16,193	16,707	11,409	10,979	11,109
PRIORITY FOUR							
401	Tottenham Hale Green Space	308	5,662	4,990	5,946	900	2,680
402	Tottenham Hale Streets	818	14,470	9,017	7,683	5,097	1,363
403	Tottenham Regeneration Fund	0	197	0	0	0	0
406	Opportunity Investment Fund	1,561	208	0	0	0	0
407	Growth on the High Road	53	0	0	0	0	0
411	Tottenham High Rd & Bruce Grove Stn	115	559	0	0	0	0
415	North Tottenham Heritage Initiative	949	1,072	0	0	0	0
418	Heritage building improvements	1,500	1,000	0	0	0	0
421	HRW business acquisition	2,342	8,190	5,847	26,993	9,352	10,496
426	Northumberland Park	100	300	1,500	400	435	0
427	White Hart Lane Public Realm (LIP)	940	2,774	500	0	0	0
429	Site Acquisition (Tottenham & Wood Green)	150	10,000	10,000	8,867	0	0

Scheme No.	Scheme Description	2017/18 Revised Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
430	Wards Corner CPO	0	8,950	8,950	0	0	0
434	Wood Green Regeneration	316	150	100	0	0	0
435	Wood Green Station Road	160	155	120	0	0	0
438	Vacant possession Civic Centre	2,899	515	72	0	0	0
444	Marsh Lane	1,786	600	821	9,323	4,700	266
445	Hornsey Town Hall	300	90	90	86	0	0
446	Alexandra Palace Heritage	3,294	0	0	0	0	0
447	Alexandra Palace - Maintenance	470	400	400	400	400	400
450	Winkfield Road	779	133	0	0	0	0
452	Low Carbon Zones	170	185	15	0	0	0
462	Western Road Recycling	86	0	0	0	0	0
464	Bruce Castle	80	94	0	0	0	0
465	District Energy Network (DEN)	556	800	800	0	0	0
466	Redevelopment of Waltheof Gardens	15	0	0	0	0	0
467	Contribution to Community Events & Public Space (THFC)	4,000	1,000	0	0	0	0
468	Keston Road (Maya Angelou Contact Centre)	253	289	0	0	0	0
469	Re-provision of schools in North Tottenham area	0	500	4,000	20,000	12,000	600
470	Wood Green HQ, Library & Customer Service Centre	0	250	950	2,400	6,000	8,400
471	Tailoring Academy Project	0	655	0	0	0	0
472	JLAC Match Fund	0	0	500	500	0	0
473	Bruce Grove Public Realm	0	2,800	500	0	0	0
474	Tottenham High Road Strategy	0	800	0	0	0	0
475	Tottenham Green Public Realm Scheme Phase 2	0	600	0	0	0	0
476	HDV Acquisitions & Receipts	0	1,639	5,163	0	12,082	28,657
477	Strategic Regeneration Initiatives	0	2,000	3,000	3,000	0	0
PRIORITY FOUR TOTAL		24,000	67,037	57,336	85,599	50,966	52,861
PRIORITY FIVE							
505	TA Solutions	500	0	0	0	0	0

Scheme No.	Scheme Description	2017/18 Revised Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
506	TA Property Acquisitions Scheme	2,497	0	0	0	0	0
509	CPO - Empty Homes	525	525	525	525	525	525
510	Temporary Accommodation Acquisition Programme	0	25,000	25,000	4,409	0	0
PRIORITY FIVE TOTAL		3,522	25,525	25,525	4,934	525	525
PRIORITY SIX							
601	Business Imp Programme	608	3,204	0	0	0	0
602	Corporate IT Board	533	3,934	0	0	0	0
603	ICT Shared Service - Set Up / Seed Money	1,679	821	0	0	0	0
604	Continuous Improvement	843	2,256	950	950	950	950
605	Customer Services (Digital Transformation)	1,494	0	0	0	0	0
606	Hornsey Library Refurbishment	91	810	99	0	0	0
621	Libraries IT and Buildings upgrade	52	592	1,056	25	85	0
639	Ways of Working	660	300	0	0	0	0
698	Responsiveness Fund	0	3,500	3,500	0	0	0
699	P6 - Approved Capital Programme Contingency	775	0	0	0	0	0
PRIORITY SIX TOTAL		6,735	15,416	5,605	975	1,035	950
OVERALL TOTAL		60,312	136,687	120,998	111,948	68,509	69,614

5 Year HRA Draft Capital Budget	2018/19 Draft Budget £000	2019/20 Draft Budget £000	2020/21 Draft Budget £000	2021/22 Draft Budget £000	2022/23 Draft Budget £000	Draft Total Budget £000
Stock Investment Programme	51,310	60,000	53,000	50,000	50,000	264,310

HRA Draft Capital Programme 2018/19

Capital Programme	2018/19 £'000
Stock Investment Programme	
Professional Fees	2.00
Boilers	3.25
Decent Homes	12.20
Mechanical and Electrical	2.35
Lifts	0.72
H+S/Structural Works	6.56
Noel Park	3.00
Stock Survey	0.28
Capitalised voids	0.40
High Cost Voids	0.50
Estate Improvements	0.75
Design Only Programme/Procurement	1.80
Broadwater Farm Remedial Works	11.50
Set Aside Pending Building Regs Review	6.00
Total Stock Investment	51.31
Estate Regeneration	
High Road West Leaseholders	3.00
High Road West Leaseholders and Disturbance	0.12
500 white Hart Lane	4.42
Total Estate Regeneration	7.54
Total HRA Capital Programme	58.85
Financed by :	
HRA Reserves	15.19
Major Repair Reserves	20.07
Borrowing	23.59
Total Financing	58.85

Dedicated Schools Budget (2018/19)

Allocation agreed by Schools Forum	Proposed Budget 2018-19	Proposed Budget 2018-19
	(£'000)	(£'000)
Amount distributed to Primary and Secondary Schools after de-delegation and central education services (former ESG)		194,018
Support for Underperforming Ethnic Minority Group	0	
Contingency for Schools in Financial Difficulty	179	
Trade Union Facilities Time - Primary	117	
Total De-delegation		296
Total budget allocation for Schools Block	296	194,314
Attendance and Welfare Service	0	
ESG transferred to DSG - Other Statutory and Regulatory Duties	378	
ESG transferred to DSG - Statutory Education Welfare Service	172	
Growth Fund	985	
School Standards	424	
LAC Placements	800	
Early Help	350	
Servicing of Schools Forum	10	
Admissions	300	
Governor Support	130	
Music & Performing Arts	168	
Support Costs	192	
CLA & MPA Licences	166	
Total Central School Services Block		4,075
Funding for Settings		
3 & 4 Year olds base rates	11,873	
3 & 4Year olds supplements	3,660	
2 Year Olds Programme	2,436	
Early Years Pupil Premium	158	
Supplementary funding for Maintained Nursery Schools (MNS)	1,255	
Disability Access Fund	60	
Provision for transitional withdrawal of Childcare Subsidy	720	20,161
Centrally Retained budgets		
Early Years Quality Team	441	
EH Commissioning	228	
Overheads	0	
TU Representation	18	
Contingency	135	823
Total budget allocation for Early Years Block		20,984
Recoupment for places from EFA	2,156	
High Needs Placement Funding (Maintained)	5,210	
Local Authority Services	6,057	
Independent & Voluntary Special Schools	5,879	
High Needs Top-up Funding	14,277	
SEN Contingency	1,415	
Early Years SEN	810	
Total budget allocation for High Needs Block		35,804
Total Dedicated Schools Budget Allocation 2017/18		255,177
Funded from		
Schools Block DSG 2018/19		195,299
EY Block DSG 2018/19		20,264
High Needs Block DSG 2018/19		35,804
Central School Services Block		3,090
Brought forward DSG		720
Total		255,177

HARINGEY COUNCIL BUDGET PLAN TO MARCH 2019

	2017/18	Unavoidable Growth	Pre-Agreed Savings	Additional Savings	New Investments	Corporate Adjustments	Other Budget Adjustments	2018/19
Expenditure	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Priority 1	56,273	0	(1,748)	0		0		54,525
Priority 2	91,130	(0)	0	(2,390)		0	3,070	91,809
Priority 3	29,580	0	(1,660)	0		0		27,920
Priority 4	4,766	0	0	(50)		0		4,716
Priority 5	19,883	0	0	(50)		0		19,833
Enabling	38,507	325	(551)	0		0		38,281
Non Service Revenue	15,624	8,150	0	0	1,000	1,806	(14,546)	12,034
Contribution to Reserves and Balances	-						110	110
Priority Total	255,762	8,475	(3,959)	(2,490)	1,000	1,806	(11,366)	249,228
Funding								
Core Grants	31,395						5,712	37,106
New Homes Bonus	5,712						(2,976)	2,736
Adult Social Care Grant	1,195						(1,195)	-
Revenue Support Grant	38,590						(38,590)	-
Council Tax	93,773						8,144	101,917
Retained Business Rates	22,084						85,385	107,469
Top Up Business Rates	54,232						(54,232)	-
Budget Surplus / (Shortfall)	8,782						(8,782)	-
Total Funding Available	255,762	0	0	0	0	0	(6,535)	249,228

Budget Scrutiny Recommendations – Overview and Scrutiny Committee

Cross Cutting Issues

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Cabinet Response
N/A	In the context of continuing difficult financial circumstances, and in respect of learning from the experience of the MTFS to date OSC agreed scrutiny should be locked in to the process both of monitoring budget and performance and of evaluating strategy, considering risks and setting out mitigation.	Cabinet to examine how the Council can ensure that meaningful consultation is undertaken in response to the budget setting process.	Yes	The Council is required to consult with residents and businesses on any new budget proposals.
		Cabinet should regularly monitor progress on achievement of savings, and report regularly on budget, including achievement of savings, projections; risk; and mitigation.	Yes	The budget monitoring report is on the Council's forward plan to be considered by Cabinet on a quarterly basis.
		<p>A) Cabinet members and priority leads as appropriate should report to their scrutiny panels, starting in October on: financial performance against budget, risks and mitigation plans, alongside regular reporting on overall priority performance.</p> <p>B) Quarterly briefings prepared for all panel chairs on priority performance, budget, risks and mitigation.</p>		Cabinet Members and officers regularly attend scrutiny panel meetings and will continue to do so.

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Cabinet Response
		Cabinet member for finance should then report to OSC on overall progress against budget, risks and mitigation.		
Any Other Comments				
That OSC look into the impact of austerity and poverty on services across local government. (The piece of work would need to be fully scoped).				

Budget Scrutiny Recommendations – Children and Young People’s Scrutiny Panel

Priority 1

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
1.1	Children’s Service – service redesign and workforce	The Panel welcome the strategic approach of making investments in the service to realise future savings.	No	
		The Panel welcome the pragmatic approach of bringing services in house, such as the Independent Reviewing Officers, allowing greater control on cost.	No	
		OSC recommend there be meaningful consultation with staff, users and communities to ensure services are delivered effectively, including where savings are required.	Yes	<p>The Cabinet agrees that effective engagement with a range of stakeholders enriches and strengthens proposals for the redesign of services, and should include those directly using the services.</p> <p>An example would be the development of the draft Care Leavers’ Strategy which is based on in-depth engagement with young people and will be finalised with the further involvement of a range of stakeholders.</p>

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
		The Panel welcome the efforts to chart and manage risk and would want to see this continue.	No	
		That the Cabinet explore methods of bringing services back-in house, where it is financially viable.	Yes	When services are commissioned or re-commissioned, all possible approaches to service delivery are considered at that point, with a view to identifying the best quality and value approach that achieves the desired outcomes and improvements for children and young people.
1.2	Early Help and Targeted Response	The Panel welcome efforts to intervene earlier in supporting at-risk children, which may reduce longer term costs.	No	
		The Panel welcome efforts to model risk and forecast potential costs by identifying potential costs of different children-related activity and estimating likely uptake.	No	
1.3	New models of care	The Panel note there is a continuing interest in seeking partnership arrangements, and agree that should be on a pragmatic basis.	No	

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
		That OSC is concerned about the viability of the new models of care savings and sought assurances from Cabinet about the potential for the savings figure to be realised.	Yes	<p>The Council is working with partners in light of the changes to safeguarding responsibilities and in response to the recent Joint Targeted Area Inspection to develop a joined up response to children, young people and families with needs in the borough. The emerging model is being developed in partnership and will be brought to Cabinet in order to start a period of engagement with a range of stakeholders.</p> <p>The primary focus of the model is improved outcomes for children, young people and families by working at an earlier stage across a range of partners.</p>
		That Cabinet explore possibilities for further engagement with shared services and the pooling of resources with neighbouring local authorities.	Yes	As noted above, the Council is adopting a multi-agency approach to developing its model of care. As these proposals become more detailed and if appropriate, conversations with neighbouring authorities will be undertaken to determine areas for joint working on a bigger footprint.

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
				The Council is already working with the other NCL authorities to explore ways of jointly commissioning accommodation based and other specialist services.

Any Other Comments		
Panel's work programme	There should be a scrutiny project by the relevant scrutiny panel into the effect of poverty and austerity on child protection, including the cost implications	N/A
	In the context of service design and delivery, the relevant panel should look at models of co-production in the next administration.	N/A

Budget Scrutiny Recommendations – Adults and Health Scrutiny Panel

Priority 2

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
2.1	Haringey Learning Disability Partnership	That further financial and strategic information concerning the evidence base for the Learning Disability budget proposal, especially savings for 2018/19, be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. Where possible, this information should be provided for the “mid-way” point.	No - This information was considered by OSC on 29 Jan	
2.2	Mental Health	That further financial and strategic information concerning the evidence base for the Mental Health budget proposal, especially savings for 2018/19, be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. Where possible, this information should be provided for the “mid-way” point.	No - This information was considered by OSC on 29 Jan	

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
2.2	Mental Health	That Cabinet have oversight of the funding available for those with acute mental health needs in a community care setting, and should make representations as appropriate via joint health and care bodies and to NHS England.	Yes	<p>The Council is working with the four other boroughs and five CCGs in the NCL area to ensure a joined up response on this issue which focuses on the health, wellbeing and quality of life of people with mental health needs living in the community.</p> <p>As well as direct approaches to the Mental Health Trust and to NHS England, to ensure that all those with mental health needs continue to receive the range of support that they require whether in a hospital, forensic or community setting, the Council has also referred the issue to the JHOSC for strategic oversight.</p>
2.3	Physical Support	That further financial and strategic information concerning the evidence base for the Physical Support budget proposal, especially savings for 2018/19, be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. Where possible, this information should be provided for the “mid-way” point.	No - This information was considered by OSC on 29 Jan	

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
2.1	Haringey Learning Disability Partnership	That further information on the risks associated with each of the budget proposals be made available for consideration by OSC on 29 January.	No - This information was considered by OSC on 29 Jan	
2.2	Mental Health			
2.3	Physical Support			
2.1	Haringey Learning Disability Partnership	That Cabinet be aware that OSC have significant concerns over the viability of savings proposals to Haringey Learning Disability Partnership, mental health and physical support.	Yes	<p>The savings proposals for Priority 2 have been made in cognisance of the impact of increasing demand and market pressures for adults with care and support needs. The range of interventions proposed to achieve the required savings is based on evidence drawn from other local authorities and recognise that actions around demand management, market management and operational management are needed.</p> <p>There is a range of risks associated with the delivery of all savings and a risk register has been produced and shared which seeks to set these out. The register identifies actions to mitigate the impact of</p>
2.2	Mental Health			
2.3	Physical Support			

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft Response
				these risks and to support delivery of the savings
N/A		That further information on the overspend on care packages be made available for consideration by OSC on 29 January.	No - This information was considered by OSC on 29 Jan	

Any Other Comments		
Panel's work programme	That the panel examine the impact on clients as they go through changes in services provision in relation to the proposed changes to Haringey Learning Disability Partnership, mental health and physical support	N/A

Budget Scrutiny Recommendations – Environment and Community Safety Scrutiny Panel

Priority 3

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft response
3.7	Rationalisation of Parking Visitor Permits	<p>That clarification be provided regarding the concessionary rate for parking visitor permits.</p> <p>N.B. The service has been confirmed that the concessionary rate was reduced from 75 to 65, as recommended by the Overview and Scrutiny Committee in its response to Cabinet on the MTFS dated January 2017</p>	No - This information was considered by OSC on 29 Jan	
3.8	Relocation of Parking/CCTV Process and Appeals	<p>That the equalities impact assessment (EIA) in respect of the proposal to relocate parking/CCTV processes and appeals be circulated to the Panel</p> <p>N.B. The EIA will be circulated to Panel Members</p>	No - This information was considered by OSC on 29 Jan	

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft response
3.2	Charging for Bulky Household Waste	Given the potential negative impact on recycling levels and a potential increase in fly tipping, that Cabinet re-examine whether the savings proposed are financially achievable in the round.	Yes	<p>There is no negative impact on recycling as a result of the charge. If residents do not take up the bulky collection it is expected that items will either be taken to the Reuse & Recycle Centre or residents will arrange alternative collections. It is possible that a minority of residents may choose to fly tip their waste, as some do now, but the new charge for collections is unlikely to encourage previously law-abiding residents to change their behaviour in this way.</p> <p>Weekly monitoring does not show any significant increase in fly-tipping since charges were introduced. Fly-tips are collected by Veolia in the same way as bulky waste and will be taken to the Biffa MRF as will items from the reuse and recycle centre. Even if items are fly-tipped rather than collected they will still be recycled.</p>

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft response
				In summary, there is no loss of recycling to the system nor an increase in fly-tipping since charges were introduced. We continue to monitor the take up of bulky waste collections and fly tipping around the borough closely, and are working across services and with Veolia to implement an action plan to reduce this further.
3.1	Green Waste Charging	That Cabinet note that OSC have concerns over the proposed charges for green waste and that the possibility of including a concessionary rate be explored as part of the fees and charges setting process.	Yes	This will be considered as part of the wider review of fees and charges undertaken as part of the 2019/20 MTFS process.
3.2	Charging for Bulky Household Waste			
3.3	Charging for Replacement Wheelie Bins			
Any Other Comments				

Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	Draft response
3.1	Green Waste Charging	That the Panel continue to monitor the impact of the introduction of charges for replacement bins and collection of green waste and bulky items.	N/A	
3.2	Charging for Bulky Household Waste			
3.3	Charging for Replacement Wheelie Bins			

Budget Scrutiny Recommendations – Housing and Regeneration Scrutiny Panel

Priority 4 & 5

Ref	MTFS Proposal	Recommendations	Cabinet Response Required (Yes/No)	Draft response
4.1	Consultancy Spend (Tottenham Regeneration)	That further information on the Consultancy Spend for Tottenham Regeneration be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. This should include information on how the budget was spent in 2017/18 and what the budget will be used for during 2018/19.	No - This information was considered by OSC on 29 Jan	
4.1	Consultancy Spend (Tottenham Regeneration)	That an in-principle target of zero be set for consultancy spend.	Yes	The Council looks to only use consultants when their specialist skills and the additional capacity they bring to projects are required.
5.1	Reduction in Housing Related Support Budget	None	No - This information was considered by OSC on 29 Jan	
Any Other Comments				
N/A		That a full breakdown of the P4 and P5 budget, for April 2018 – March 2023, be made available for consideration by OSC on	No - This information was	

Ref	MTFS Proposal	Recommendations	Cabinet Response Required (Yes/No)	Draft response
		29 January before final budget scrutiny recommendations are made. This should include information on the capital strategy and HRA.	considered by OSC on 29 Jan	
N/A		That further information on the Consultancy Spend for Wood Green Regeneration be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. This should include information on how the budget was spent in 2017/18 and what the budget will be used for during 2018/19.	No - This information was considered by OSC on 29 Jan	

Budget Scrutiny Recommendations – Overview and Scrutiny Committee

Priority – X				
Ref	MTFS Proposal	Recommendation	Cabinet Response Required (Yes/No)	
6.1	Shared Service Centre	Further information be provided on the savings proposed within each area of the Shared Service Centre; the impact in 2019/20 on staffing posts as a result; and the capital costs.	No - This information was considered by OSC on 29 Jan	
6.1	Shared Service Centre	That Cabinet note OSC concerns about the potential for significant job losses in relation to the savings proposed under Priority X. That Cabinet ensure that there is a full and proper consultation carried out with the trade unions and all effected staff.	Yes	Noted. Any changes to staffing will be undertaken in accordance with Council policy, including appropriate consultation.
Any Other Comments				
None				

The Budget Consultation 2018/19

- The council launched its Our Budget consultation on Tuesday 19th December, which ran over a five-week period and closed on the 23rd January 2018.
- The consultation put forward budget proposals for 2018/19, largely based on previous consultation feedback from residents.
- That process, conducted at the end of 2016, saw over 800 residents tell us what their priorities are and highlighted that there was a solid understanding of austerity and the funding challenges local authorities face.
- At the end of 2016, when asked to identify 5 things of the that are most important(Q3) - Children and Families services made up the top three slots in the top five priorities - **School improvement, Early help and prevention and family support and safeguarding.** Also making the top five of people's priorities was **Parks**, with 29%, closely followed by **Maintaining Independence**, Under Adults Social care with 27% of respondents opting for this.
- At the other end of the 'most important' spectrum was **Sports development** with just 5% of respondents considering it a priority. This resonated with findings for the question of least important with **Sports development** marginally toping the 'less important' list with 36% of respondents opting for this service, this was closely followed by **Promoting healthy lifestyles** with 34% of respondents choosing this.

The Consultation Process in 2018

- The consultation process included:
 - A budget leaflet outlining our budget, how we spent our budget in 2017/18, and a set of budget proposals for 2018/19.
 - An accompanying questionnaire both hard copy and online
 - Dedicated budget pages on our website outlining our financial challenges and information on ways of getting involved
 - Detailed discussions with the Haringey VCS Forum and Haringey Joint Partnership Board
 - Hard copies of the budget leaflet and questionnaire was sent to all local libraries, partner organisations, voluntary sector groups and businesses in the borough
 - Budget engagement sessions held in three of the boroughs main libraries:

Engagement session	Date
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Hornsey Library	Thursday 4 January 2018, 4.30-6.30pm
Marcus Garvey Customer Service Centre	Tuesday 9 January 2018, 4.30-6.30pm
Wood Green Library	Thursday 11 January 2018, 4.30-6.30pm
Haringey VCS Budget Consultation Event Chestnuts Community Centre	Tuesday 9th January 2018
Joint Partnership Board	Thursday 25 th January 2018

Contact was also made with the following business groups to highlight the consultation process:

- Wood Green Forum
- Tottenham Traders
- Muswell Hill Traders
- FSB
- North London Chambers of Commerce
- Turnpike Lane Traders Association
- Senior Council officers also met with the Chair of Haringey Business Alliance on 17 January where the budget consultation was specifically discussed;
- All of the businesses who were contacted as part of the business rate relief change last year were emailed directly asking them to engage in the budget consultation

1.7 The consultation questionnaire focused around four main questions:

- Q1. Which proposal do you support?
- Q2. Are there any proposals you think we should not progress and why?
- Q3. Are there any changes or proposals we haven't included that you think we should consider?
- Q4. We have a legal duty to test our proposals to ensure they do not have an unfair or unequal impact on different groups of people within the community. For more information go to www.haringey.gov.uk/budgetequality In considering our proposals please let us know if you think there will be any specific equality impacts.

2. 2018 Consultation Findings

- During the five-week consultation period, we received 33 responses to the budget proposals, 24 of which were via our online questionnaire and nine were received by post. We also collated feedback on the proposals from the voluntary sector forum. For full breakdown, please see **Appendix 3**.
- Overall, the responses received from the consultation showed a recognition of the financial challenges facing the Council and the level of savings the Council have to make going forward. Feedback shows many of the respondents were broadly in support of all of the budget proposals. One respondent adding, all of the proposals are reasonable considering the amount of savings required.
- A common theme throughout the feedback is the need to lessen the impact of cuts on the most vulnerable in the community. Hence, there was good support for adult social care precept in order to safeguard those accessing social care. There was also mention of other vulnerable groups such as those with mental health issues. There was good support for the proposal to work with partners to reduce demand on acute services for adults with learning disabilities and poor mental health.

- The only overwhelming objection was for introducing charges for some environmental services and many put forward rational reasoning behind their objections. Salient points from feedback are broken down by each question below.
- Proposals for 2018/19 remain largely in line with those priorities set last year. We have a series of budget proposals that cover each of our five priority areas, and general costs such as office space and administrative functions.

3. Question breakdown

- When asked, *which proposals do you support?* The highest proportion of respondents expressed their support for the introduction of an Adult social care precept, providing they see an increase in social care provisions in the borough. One respondent said, while they support the precept, there is a need for the Council to show residents proposals on what this would mean for the future of adult social care in the borough.
- The next most supported proposals were specifically around the council tax freeze, sharing additional services with other councils and helping people access more services and information online. One respondent said they support sharing services with other councils and supports helping people access more services online but only if residents can see a marked improvement in responsiveness and real action to a question/issue.
- When asked, *Are there any proposals you think we should not progress and why?* The highest proportion of the respondents said they were against charging for some environmental services. Their main concern being that by introducing charges, they felt people would not pay and would continue to dump rubbish, worsening an already significant problem in the borough. One person said that charging would potentially create more cost in the end through having to clean up the excess fly tips and rubbish. Another argued that charging for garden waste collections is short-sighted and encourages residents to put their garden waste in the general rubbish.
- Freezing the core element of council tax was a common proposal respondents opposed, arguing it should not be frozen again. Some respondents felt that by adding a small percentage to council tax this would raise a substantial proportion of the cuts we are facing. Although this would affect poorer people, the fact is that the poorest can claim it back through Council Tax Reduction Scheme. If taxes are increased, then more should be done to publicise the CRT scheme as many people are not aware they are eligible for CTR based on low income.
- We received a lot of feedback on question 3. *Are there any changes or proposals we haven't included that you think we should consider?* A couple of respondents talked about area specific issues but the salient points were mainly made on regeneration and planning. Some of the salient points below:
 - Collection rates for council tax are poor. If they were to increase to the median rate for London boroughs they would boost income by 2.5%, which would significantly reduce the need for cuts in services.
 - Regeneration - You should consider a Brixton Village approach of assessing quality not just who bids the highest for space. In the longer term those businesses will survive and bring in more money to the area as well as improve the overall experience of living here.

- Building community and greening the streets. Both reduce crime, graffiti, dumping, ASB and support well-being. To consider the pockets of deprivation for some of those in the west of the borough.
- You should make sure that the planning department follow up planning applications and, where improvements have been implemented, they should be flagged up with the LVA.
- Raising funds to reverse some of the Council's previous and planned cuts, especially to schools and libraries, and supporting initiatives to discourage car/van use (especially diesel cars/vans).
- The Council should restructure its charges for residents' parking permits and business parking permits so that the cost of each permit is much more closely linked to the vehicle's CO2 emissions, with high emissions vehicles being charged much more, and all diesel vehicles should pay an additional surcharge. To encourage residents to go car-free (and rely on car clubs like Zipcar, public transport, bikes, walking etc)

3.6. There were few responses to Q4. ***We have a legal duty to test our proposals to ensure they do not have an unfair or unequal impact on different groups of people within the community.*** Here are some of the main points:

- Moving more to online contact will impact those with low literacy and computer skills and those with no internet access.
- If you comply with government cuts, it will affect disproportionately on the most disadvantaged. They tend to be the young, the elderly, the disabled, the ethnic minorities, who are often also the poor. Any cuts in local services are likely to have an unequal impact on certain groups of people.
- The proposals on health care for individuals with learning disabilities and poor mental health are unfair. In fact spending needs to be increased for mental health care in particular, if the statistics for the general population (65% showing clinical signs) is to be believed.

4. Feedback from Voluntary Sector Forum

4.1 A discussion with the Voluntary Sector Forum took place on Tuesday 9th January 2018 which, following a detailed presentation of the proposals being consulted on and the wider financial context, considered how they can work alongside the council to deliver services and help meet local needs in the midst of our financial challenges. Attendees said that they can see the increasing pressure on budgets while there continues to be an increase in demand on things like adult social care, children's social care, temporary accommodation and many other services.

4.2 A detailed discussion of the potential benefits of co-location - where there is a multi-agency, multi-statutory central reference point to alleviate the referral process between different organisations such as the NHS, CCG and police – took place. As did a discussion and feedback on the Council's approach to sheltered and supported housing.

4.3 Representative's asked about using different funding streams more flexibly such as CIL and sect.106.

5 Feedback from Partnership Board

5.1 Main points taken from the Joint Partnership board meeting were:

- A view that we should have a prevention Strategy so that we can safeguard spending on prevention and earlier help to make longer term savings;
- Many of the proposals rely on access to community based solutions which in reality often means more of a burden on family carers – should we be doing more to support carers?
- Points raised regarding direct payments; London Living Wage and the supply chain; the HMRC ruling on sleeping/waking nights;
- HMRC ruling on sleeping/waking nights and the impact that may have; and a general recognition of the pressures of the current financial context
- A view that it will not be possible for the council to achieve the savings on the areas highlighted at the presentation as the demand for Adult and Children Social Care continues to grow.
- Prevention: It was agreed that there needs to be more work on prevention strategies and transitions so that in the long term there will be less people with high level needs.
- The strategy of “Diversion at the front door” explicitly states that community and voluntary organisations will be expected to play a greater role in supporting both service users and carers. The voluntary sector in Haringey would benefit from some “seed funding” to support their local activities as their survival is fundamental to the success of this strategy.
- Pressure on social workers and carers- the new savings could lead to biased services with social workers reducing costs of packages and that carers might experience even greater pressure due to the impact of “diversion at the front door”.
- Outsourcing Social Care- The collapse of Carillion has led to questions of outsourcing and wonders if the council has considered a potential collapse in the area of outsourcing social care.

List of consultation responses

Q1. Which proposals do you support?

- Further reducing spend on interim staff and consultants to save more than £50,000
Bringing new investment to Haringey to provide jobs, homes and community facilities and increased income from council tax and business rates. - We should absolutely encourage more diversity in the businesses in Wood Green. It can only help generate more income from tax etc.
- All of them.
- Extra support for the elderly. I support people should be helped to stay in their own home for longer however how do propose to do this?
- Broadly support most proposals
- Based on the limited outline on this section of the Council's website, I support: * The Adult Social Care Precept * Focusing on early help, prevention and family support * Focusing on helping older people to live independently in their own homes * Bringing new investment to Haringey to provide jobs, homes and community facilities
- The increments for social care and policing - PROVIDED we see a visible increase in social care and policing services in the borough. Moving contact online is a good idea - Wood Green Library is now impossible to use as a library thanks to the noise and the crowds. But if you are going online resource it fully so requests are responded to as quickly as they would in a phone call and not disappear into the ether
- Not adding 2% to council tax on top of the 3% for adult social care. Increasing online contact with council (as long as face to face/phone is still available for those with no internet access). Reducing spend on interim and consultants - the saving here seems low though, £50,000 would not cover many roles.
- The precept for social care.
- The very brief summary of "Our Savings Plans" on the web page linked from this consultation (<http://www.haringey.gov.uk/local-democracy/policies-and-strategies/corporate-plan-2015-18/your-haringey-your-future/budget-proposals>) seems broadly OK. However, there will be a lot of devil in the detail, and so I am unlikely to support all of the Council's detailed savings plans.
- Social Care precept.
- Social Care precept.
- I support the extra precept for adult social care but I cannot see your proposals for the future, only what you have done in the past. I think you should have done far more to fight the cuts and I think you should minimise cuts and be more proactive in maintaining services. I appreciate the fact that you have not closed libraries and many of your sports facilities continue to be free.

- Yes - To freeze the core element of Council tax to help high need families and low income families. However, I think it might not be possible to continue freezing for the upcoming years and as a Council, you cannot please residents and residents take it as false promises; but it might be worth thinking of coming terms with this when funding decreases rapidly or gradually. Maybe showcasing how much the average Haringey Council tax has been frozen for the the nine consecutive years could give us a picture whether residents of Haringey are paying a decent amount of Council tax compared to other neighbouring London boroughs. Who knows, probably other borough residents are paying more or less than Haringey residents??? However, I would like to say how will it be fair for everyone to pay a higher precept amount for funding adult social care services if they don't use adult social care services? I have no problem for paying my Council tax because it is meant to fund local Council services anyway, but some people might question about it. I support the rest except for the reduction of adult services for disabled people and people with learning difficulties, as well as with poor mental health conditions.
- Banding together with neighbouring boroughs to share/provide services jointly. Boosting online as opposed to face-to-face services BUT ONLY IF there is a marked improvement in responsiveness. It is often extremely hard to get any real response (i.e. beyond an acknowledgement) to questions/issues raised. The principle of preferring prevention to remediation. This should apply in all aspects of activity (e.g. littering, pollution and anti-social behaviour).
- All
- Increase harmonisation and integration of services with neighbouring boroughs Helping older people live in their own homes. At a time when key sector workers are struggling to find cheap accomodation, the Council could help them to find lodgings in homes and the elderly in those homes would not be alone and would also benefit from income. As the elderly are unable to access the internet as readily as everyone else, conduct interviews and make background checks this is somewhere social services could help out.
- Protection of adult social care, youth services and childrens services. I also want see refurbishment of council housing estates. Furthermore, I do not support the renewal of the Homes for Haringey contract. They are not fit for purpose and do not deliver a good service.
- early intervention to save money e.g. care. Share services with other councils - e.g. planning.
- The Haringey development vehicle's continuation as planned

Q2. Are there any proposals you think we should not progress and why?

- Charging for some environmental services, including garden waste collections; bulky item collections and replacement wheelie bins. This could save more than £500,000 People won't pay more for uplift of times but will continue to dump rubbish - creating more cost in the long term to clean it up. Haringey in Wood Green has a disgusting amount of dumped residential and building materials.

- No.
- I don't understand the proposal to charge for garden waste and wheelie bins when we are already charged for these. Does this mean the proposal is to charge for more?
- I do not think you should freeze the core council tax yet again. It seems to me that raising it but the 2% or so currently allowed, and the approximately 5% proposed, would raise a certain proportion of the cuts we are facing. Although this impacts more on poorer people, the fact is that the poorest can claim it back through CTR and the council should be publicising this. Many people don't realise they can get CTR on the basis of low income.
- Waste and environmental charges. Fly tipping and rubbish disposal is already a huge problem in Haringey and this can only worsen it. If garden waste is to be charged improve options for those with small gardens and limited waste.
- Bulky waste collection should be kept. Otherwise there is on-street dumping which of course is expensive to clear and turns areas into depressing places to live.
- Yes. * Proposal: "Helping people access more services and information online rather than on the phone or in person, as online contact can be as much as 90 times cheaper than face-to-face and 28 times cheaper than telephone." * Reason: The intended savings of this proposal are not quantified. I believe improved access to more online services and information could complement face to face and human contact rather than replace it. As always, this would be specification and implementation-dependant, but improved access to more online services could feasibly enable savings to be made by complementing and enhancing the offline element, rather than by decreasing or replacing it. * Proposal: "Charging for some environmental services, including garden waste collections; bulky item collections and replacement wheelie bins. This could save more than £500,000" * Reason: The relatively small amount saved would be offset, to some degree, by the unidentified cost of administering related charges and loss of 'goodwill' among stakeholders. As a progressive and well run council, Haringey should, in my opinion, and evidently could, make savings in areas that do not degrade the actual and perceived value of its existing environmental services. As suggested under question 3 below, there are other areas where more pressing savings should be made.
- Charging for replacement wheelie bins - in the vast majority case, lost or broken bins are the fault of Veolia not residents, so you are reducing their accountability. encouraging them to cut corners
- They seem reasonable given the amount of saving required
- Freezing core council tax is worsening of the lives of Haringey people. Council tax overall must be increased for all our sakes. Those on benefits can be exempt from an increase. Most people are glad to pay more to stop the horrendous cuts that are damaging our society. You are a Labour council and should be fighting against the Conservative cuts, not accepting them, and even accepting as an inevitability that government funding will cease, as you do here. This is deliberate collusion with the Conservatives and it confuses Haringey people - they don't understand why is a Labour council going along with the current unjust economic dogma, and they lose faith in Labour. For this reason, it is reprehensible to call

cuts 'savings'. Furthermore, by doing so you avoid spelling out the cuts that will be made, eg how will you save money by 'helping' more old people have care in their homes? I suspect this means cutting care homes. Remember what the Labour Party was set up to do and act on that, not on cuts, privatisation and selling off public land and people's homes with the HDV which will benefit big business over people and bring shame on Haringey.

- The alliance with private developers for Haringey's property portfolio and redevelopment/regeneration proposals. The private developers will be "in it for the money" rather than for the genuine benefit of local residents. I remain unconvinced the plans will deliver real change and real benefit. Some of the charges for environmental services will, I believe, end up being counter productive. For instance, more garden waste will go to landfill, concealed in black bags at the bottom of general rubbish bins. Landfill tax costs will increase as a result. I suspect more fly tipping of old bulky items will also take place, or dumping of such in front gardens instead, leading to more of the borough looking and feeling like a waste tip.
- Yes. (1) I am very concerned about ongoing cuts to Council services in Haringey, especially schools and libraries. Accordingly I oppose the Council's decision to freeze the core element of Council Tax. This should instead be increased by the maximum permitted 2%. Of course nobody likes paying more tax, but this is better than watching valuable local services continue to shrink and wither away year after year. (2) Charging for garden waste collections is short-sighted and encourages residents to put their garden waste in the general rubbish. This is a backward step, likely to reduce the volume of green waste sent to composting facilities and making it harder to reduce the quantity of general rubbish. (3) The Council should eliminate any further planned funding for the redevelopment of Wood Green via the Haringey Development Vehicle (HDV). The redevelopment plans and the involvement of Lendlease require a fundamental re-think. This should include re-writing the plans to remove all buildings above 4 storeys high and to add large amounts of additional open and green space. The existing plans seem designed to turn Wood Green's streets turning into gloomy concrete wind tunnels and its buildings into unsightly high-rise towers and future ghettos. (4) The funds raised from (2) and (3) above should be used to: (a) reverse some of the Council's previous and planned cuts, especially to schools and libraries; (b) support initiatives to discourage car use (especially diesel cars/vans), such as those outlined in the Mayor of London's "Healthy Streets for London" document at <https://tfl.gov.uk/corporate/about-tfl/how-we-work/planning-for-the-future/healthy-streets>. This should include supporting the development of physically segregated bike lanes and on-street charge points for electric cars in Haringey; and (c) support and lobby for a Crossrail 2 station at Alexandra Palace (not Wood Green, which already has a frequent and well-connected tube service).
- Charging for garden waste. This will result in numerous polluting bonfires (& no doubt the burning of other, toxic, waste) which will be a serious problem for those with breathing conditions e.g. asthma and add to air pollution - particularly in the summer. Do not continue with the HDV. Do not continue to use Homes for Haringey or any arms-length company that is not accountable to residents.
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- I support the rest except for the reduction of adult services for disabled people and people with learning difficulties, as well as with poor mental health conditions. This proposal will be heavily criticised. I strongly believe that this proposal will be heavily criticised. Instead, what the Council could do is work strongly with the voluntary sector and independent sector and create ways in which people can use strong and high quality self-help tools for providing themselves social care services and create an investment programme on training young and mature people alike to get careers into social care and estimate how much income they could receive through their investment and limit their expenses by this way. There are so many Health and Social care and Psychology graduates who are willing to make a difference and will willingly reshape our services if they can come and offer those services whether in a voluntary placement or paid placement. The Council could introduce different schemes where people can implement a different type of way of delivering adult social care services such as having partnerships with schools and colleges who offer health and social care services to work with adults and plan activities and let learners gain valuable work experience for a long-term basis. Haringey Council could launch a media career start-off platform for people to make self-help videos of how to provide adult social care services and open up small retail businesses for young people to create and sell products which caters to the needs and tastes for our residents from Haringey who use adult social care services which reflects their taste of culture and background. For example, a shop on the high street that sells personalised designed equipment for elderly people who are disabled at reasonable prices??? And keep communities close together and not dividing them by policies that they don't want to listen to. As long as there IS A SERVICE THAT CATERS FOR THIS GROUP OF RESIDENTS, then there is less likely to be any conflicts. It could be in any possible, realistic and cost-effective way of providing adult social care services. What we need is a new vision for this service that can continue and be reshaped without ending but can offer a long-term solution and service. This means a new mindset and lots of positivity and community spirit. We need lots of community spirit. Because if communities are respected, listened to and strong - then they can solve problems and overcome them and remain resilient no matter if there are financial problems faced by local government. People need to change their mindset of depending on others and learn to stand up and create solutions for themselves and be proud that they live in a borough where there is a rich source of culture and diversity that needs to be represented through businesses and through creative work and opportunities which will in return create more opportunities and investment later on. After all, people will invest in places where there is a positive community spirit represented and people can get along without being brainwashed to believe that deprivation will rule Haringey forever?? Aren't people sick of hearing the word 'deprivation'. Why can't we focus on positive aspects of this borough and keep on saying - amazing place of diversity and culture?? Things can change if people are willing to change. Haringey does deserve the chance to shine, doesn't it?? How can we let talented people from poor backgrounds think that their life is over because of their deprived background??? Now is the time for making new positive changes at a community level

- Pushing for ever more housing. 1) Let's use what we have better rather than bringing blight by building huge new developments (such as Apex House and Herbert Road). 2) Focus instead on getting more jobs in the borough, especially its eastern side.
- You should not be raising Council Tax at all. Talking about making cuts and tightening belts obscures the fact that the Council still wastes money and pays executives too much. My income doesn't go up each year, why should the Council Tax? You raised it last year, with Councillor Kober saying, "We're asking (sic) people to pay more." You weren't asking, you just raised it and here you go again.
- Adults with mental health issues still have their special needs, they can't learn in regular way.
- Charging for refuse collection is going to be counter-productive. It will cause fly-tipping and more garbage on the streets. This will run down the appearance of the borough and cause a downward spiral. The expense of dealing with this problem will far outweigh any savings in charging for wheely bins. The blocking of the regeneration of Tottenham due to 'political agendas' is unacceptable. The type of regeneration has to be carefully thought out. More homes will cause increasing pressure on already over-burdened local services such as health care, education and transport infrastructure and should be avoided. If a speculator wants to build new residential units then they should be required to produce an impact statement on the local infrastructure and pay towards that impact - rather than reaping the profits of the land they build on but not of the massive negative financial consequences.
- Haringey Development Vehicle because wholesale privatisation of our assets is financially too risky for the next 20+ years. See Carrillion.
- Reduce housing benefit, increase funding for schools and nurseries

Q3. Are there any changes or proposals we haven't include a you think we should consider?

- Introduce CCTV on Wolves Lane and lighting in the adjoining park on White Hart lane. This will deter people from dumping rubbish, breaking into cars (a common occurrence) and speeding. The speed bumps don't work as cars and bikes swerve around them and make it even more dangerous. Speed cameras would also increase income. The park itself is a complete mess - the pond drained and looks really unappealing. There used to be a wild Canadian geese but they no longer visit due to lack of water. all of this means people don't treat the area with respect - dumping rubbish, allowing dogs to foul the area etc. A few simple and cheap steps would transform the area and make it safer. Re-generation - You should consider a Brixton Village approach of assessing quality not just who bids the highest for space. in the longer term those businesses will survive and bring in more money to the area as well as improve the overall experience of living here.
- No.
- There still needs to be adequate provision for those who are not able to look after themselves in their own homes.

- You should make sure that the planning department follow up planning applications and, where improvements have been implemented, they should be flagged up with the LVA.
- the information provided in this survey is too general to enable informed response therefore I cannot comment .
- **CATEGORICALLY YES.** If Ms Kober and Cllr Arthur are serious about plugging black holes in the Council's depleting finances, I believe they could do far worse than considering specific elements of the £16.2m Regeneration, Planning and Development budget. If this consultation is meaningful, then it should, in my opinion, consider unequivocal findings, based on actual experience, particularly in relation to the cost, benefit and delivery of the Planning Enforcement & Appeals Service: Costs awards for planning and enforcement appeals have been made against the Council. These awards are made for 'unreasonable behaviour' as opposed to different views relating to planning merits. The associated cost to the council is not limited to payments to appellants, but includes officer days taken defending such cost applications. The Council's 'Authority Monitoring Report' neither refers to this head of costs, nor to any actual or prospective steps to minimise it (for example, by minimising needless and trivial enforcement investigations and action, which do not correspond with public complaints or the public interest). Actual experience since 2015, points to a pattern of unreasonable behaviour resulting in avoidable costs in such appeals. Socioeconomic costs to appellants and the local economy fall outside fiscal budgetary concerns, but they also result in delay and loss of income from council tax and business rates. Yesterday, I referred Ms Lyn Garner to the FOI request below. If anyone at the Council is prepared to do the maths, I hope this can help them consider how these particular services are delivered. Aside from pointing to an area where the Council can and should make meaningful, urgently-needed improvements and savings, eliminating such waste should also help prevent further unnecessary damage to local individuals, businesses and the economy.
https://www.whatdotheyknow.com/request/local_planning_policy_in_practic
- A pledge for no more cosmetic changes (logos, replacing signage etc). Better research before embarking on investments such as letting agencies, chicken shops, hanging speed limits etc. Otherwise we are in a situation where we continue to have residents pay more to receive less whilst valuable resources are wasted on vanity projects. I'd like to see true safeguarding of libraries. We were told that nothing would be lost in WG Central library but the LGBT resources have gone from a full bay of books to 3/4 of a shelf. If you're going to slash services tell us.
- Yes. Please please grow a spine and fight back against central government's austerity agenda. Don't just let them railroad these unpopular cuts that hit the poorest the hardest. Help build a decent London-wide campaign against austerity in local government, joining with neighbouring Labour councils.
- Yes. (1) See my comments in Q2 on raising funds to reverse some of the Council's previous and planned cuts, especially to schools and libraries, and supporting initiatives to discourage car/van use (especially diesel cars/vans). (2) The Council should restructure its charges for residents' parking permits and business parking permits so that the cost of each permit is much more closely linked to the vehicle's CO2 emissions, with high emissions vehicles being charged much more, and all diesel vehicles should pay an

additional surcharge. Islington Council has taken both of these steps - see <https://www.islington.gov.uk/parking/parking-permits/parking-permit-costs-table> In addition, the Council should either substantially increase the charges for second and subsequent permits for a single household or business (e.g. charge twice as much for a second permit, four times as much for a third permit, etc), or simply allow a maximum of two residents' parking permits per household or business. To encourage residents to go car-free (and rely on car clubs like Zipcar, public transport, bikes, walking etc), households which do not hold any residents' parking permits should be rewarded with the right to obtain a limited number of free visitor parking permits each year, to use if they sometimes need to hire a car, have tradesmen visiting etc.

- Building community and greening the streets. Both reduce crime, graffiti, dumping, asb and support well-being. To consider the pockets of deprivation for some of those in the west of the borough. To set aside fund to end vehicle 'rat-runs' near shopping broadways (eg st james lane in muswell hill), which also creates speedy alternatives for moped and car criminals to getaway and will deter drug dealing - a particular long-term plea, which local police seem most sympathetic to! Ban diesel council vehicles immediately and a ban on all polluting buses and commercial vehicles going through the borough - using whatever existing & new powers possible, possibly in conjunction with neighbouring boroughs. Ban plastic straws, cups, cutlery etc across the borough immediately in council premises and extend to all food and shop outlets within 6 months. Increase environmental health inspections and trading standards, to protect the public. Crackdown on late licences for clubs and associated businesses servicing customers leaving them e.g. late-night kebab houses. Inspect - without warning, thoroughly and very regularly - all care homes and take strict action to safeguard residents & penalise owners and staff.
- I think we should be maximising the effect we have on the lives of young children and young people. I disagree with not raising Council Tax because, for the very poorest, it will be largely covered by Council Tax Reduction, and the richest, those in Band F and above, will have to contribute more. That increase in revenue can be used to benefit the most disadvantaged so that, ultimately, they benefit from an increase in Council Tax.
- n/a
- Collection rates for council tax . etc., are poor. If they were to increase to the median rate for London boroughs they would boost income by 2.5%, which would significantly reduce the need for cuts in services
- How much did cost children special schools and how much will cost if we would make them for adults as well?
- The council should also push for the extension of the Victoria Line to Northumberland Park (and beyond?) to ease congestion to White Hart Lane - why aren't the developers of the football club helping in the financing of this? This may also provide a second interchange point instead of Tottenham Hale for the proposed Crossrail 2. Why aren't tfl interested? The tracks are already there! With an incumbent Labour mayor now would be the time to push this through.
- Removal of Homes for Haringey with which I would like to see the ALMO contract cancelled and employees being brought back in house under the local authority.

- Look at what you post - sending letters about my council tax must be more expensive than telephone and wasteful if doing lots of letters. Also a better quicker response on phone might save expensive. Motivate your staff - they are slow. You must be able to do more with fewer. £22 million on "Borrowing" What are you doing - you could save on that?. Cut duplication - central services + customer services + Commercial + Corp. Programme must have lots of duplication.

Q4. We have a legal duty to test our proposals to ensure we do not have a unfair or unequal impact on different groups of people within the community?

- None.
- Bulk rubbish collection payment impacts most on the poorest - therefore it is discriminatory
- Moving more to online contact will impact those with low literacy and computer skills and those with no internet access.
- Yes, on those who have heart, breathing and lung conditions 're charging for garden waste (resultant bonfires).
- Yes, on those who have heart, breathing and lung conditions 're charging for garden waste (resultant bonfires).
- If you comply with government cuts, it will impact disproportionately on the most disadvantaged. They tend to be the young, the elderly, the disabled, the ethnic minorities, who are often also the poor. Any cuts in local services are likely to have an unequal impact on certain groups of people.
- n/a
- Looks good for me.
- The proposals on health care for individuals with learning disabilities and poor mental health are unfair. In fact spending needs to be increased for mental health care in particular, if the statistics for the general population (65% showing clinical signs) is to be believed.

The Budget Consultation 2018/19

- The council launched its Our Budget consultation on Tuesday 19th December, which ran over a five-week period and closed on the 23rd January 2018.
- The consultation put forward budget proposals for 2018/19, largely based on previous consultation feedback from residents.
- That process, conducted at the end of 2016, saw over 800 residents tell us what their priorities are and highlighted that there was a solid understanding of austerity and the funding challenges local authorities face.
- At the end of 2016, when asked to identify 5 things of the that are most important(Q3) - Children and Families services made up the top three slots in the top five priorities - **School improvement, Early help and prevention and family support and safeguarding**. Also making the top five of people's priorities was **Parks**, with 29%, closely followed by **Maintaining Independence**, Under Adults Social care with 27% of respondents opting for this.
- At the other end of the 'most important' spectrum was **Sports development** with just 5% of respondents considering it a priority. This resonated with findings for the question of least important with **Sports development** marginally toping the 'less important' list with 36% of respondents opting for this service, this was closely followed by **Promoting healthy lifestyles** with 34% of respondents choosing this.

The Consultation Process in 2018

- The consultation process included:
 - A budget leaflet outlining our budget, how we spent our budget in 2017/18, and a set of budget proposals for 2018/19.
 - An accompanying questionnaire both hard copy and online
 - Dedicated budget pages on our website outlining our financial challenges and information on ways of getting involved
 - Detailed discussions with the Haringey VCS Forum and Haringey Joint Partnership Board
 - Hard copies of the budget leaflet and questionnaire was sent to all local libraries, partner organisations, voluntary sector groups and businesses in the borough
 - Budget engagement sessions held in three of the boroughs main libraries:

Engagement session	Date

Hornsey Library	Thursday 4 January 2018, 4.30-6.30pm
Marcus Garvey Customer Service Centre	Tuesday 9 January 2018, 4.30-6.30pm
Wood Green Library	Thursday 11 January 2018, 4.30-6.30pm
Haringey VCS Budget Consultation Event Chestnuts Community Centre	Tuesday 9th January 2018
Joint Partnership Board	Thursday 25 th January 2018

Contact was also made with the following business groups to highlight the consultation process:

- Wood Green Forum
- Tottenham Traders
- Muswell Hill Traders
- FSB
- North London Chambers of Commerce
- Turnpike Lane Traders Association
- Senior Council officers also met with the Chair of Haringey Business Alliance on 17 January where the budget consultation was specifically discussed;
- All of the businesses who were contacted as part of the business rate relief change last year were emailed directly asking them to engage in the budget consultation.