

Merton Council Council

2 March 2022

Supplementary Agenda

4b Amendments to the Business Plan

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BUDGET COUNCIL MEETING – WEDNESDAY 2 MARCH 2022

AMENDMENT – AGENDA ITEM 4.

Amend recommendation 1A by adding the following wording: “subject to the following amendment:

i) The application of £500,000.00 from the Outstanding Council Programme Board Reserve to create a £250,000.00 Community and High Street Safety Recovery Fund to be spent on funding for items such as park lighting, green walls, city trees and town centre planting. In addition, the creation of a £250,000.00 Youth and Children Recovery Fund to be spent on funding for community organisations such as for Merton Music Foundation, Little Leagues, Deen City Farm, children’s sport programmes and youth club funding.

ii) Remove saving ENV2022-23 03 Deen City Farm – reduction in budget by 50% from the Budget and Medium Term Financial Strategy.

After Recommendation 1F to add:

Recommendation 1G:

The Council encourages the Cabinet to embrace a new ambitious vision for Merton that addresses the recovery from the pandemic and future challenges:

- To continue to provide funding for the Community and High Street Safety Recovery Fund and the Youth and Children Recovery Fund;
- To confirm that the Emission Based Parking Charges will not be implemented in the 2022-26 municipal period;
- That it is a clear record that only the Conservative group opposed the introduction of the Future Wimbledon Masterplan and Local Plan which has led to increased height development in Merton such as at St George’s East which broke the council’s own development policies. Therefore council calls upon cabinet to develop new planning policy that local residents can have confidence in;
- To prioritise and ensure the successful management of regeneration opportunities and projects in Morden, Mitcham and Wimbledon, for town centres, green spaces and housing;
- To look into establishing a scheme to incentivise and lessen the financial and administrative license burdens for the operation of pop-up and street market offerings, including considering the suspension of street licence charges for a period;
- Increase support for apprenticeships and encourage businesses to hire new apprentices by actively promoting government apprenticeship support schemes;
- Investing in greener, low carbon and well-designed community infrastructure to improve amenity, green spaces, wellbeing and air quality within the borough;
- Ensuring the council prioritises sustainable travel and safe cycling by recognising the need for low carbon provision in future development plans;
- Invest in innovative technology based solutions to combat the climate emergency and the pollution crisis in Merton, such as green walls and city trees, and also increase funding and take opportunities within new developments to deliver significantly higher levels of tree planting across the borough;

- Accelerate the introduction of electric transport infrastructure (including fast charging) for residents and those visiting the town centres;
- Invest in children's active sport and fitness and consider opportunities for further use of the borough's greenspace to achieve this goal;
- Focus on children's wellbeing and mental health impacts caused by the Covid19 pandemic and work towards preventative mental health schemes available for all children in Merton;

And a review of strategic objectives by:

- Ensuring that the financial strategy is explicit about how it supports strategic priorities vs balancing the council's budget to ensure that resources are in the right place to exploit the opportunities, and meet needs;
- Developing a clear narrative that describes strategic vision to create clarity for planning across the departments;
- Constantly reviewing risk appetite to ensure opportunities that can deliver a transformative council with a wider range of benefits are not missed."

DRAFT MTFS 2022-26: Changes arising from Proposed Amendments of the Conservative Party				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Departmental Base Budget 2021/22	161,837	161,837	161,837	161,837
Inflation (Pay, Prices)	8,506	10,755	16,485	20,544
NI increase	989	1,008	1,029	1,049
Salary oncost increase (15.2% to 17.06%)	24	48	72	96
FYE – Previous Years Savings	(3,305)	(3,176)	(2,651)	(2,651)
FYE – Previous Years Growth	384	774	774	774
Amendments to previously agreed savings/growth	3,641	3,041	2,466	2,466
Change in Net Appropriations to/(from) Reserves	(905)	(1,936)	(1,935)	(1,935)
Taxi card/Concessionary Fares	(2,737)	(1,280)	1,731	2,975
Social Care - Additional Spend offset by grant/precept	1,669	1,177	1,182	1,187
Growth	909	909	1,359	909
DSG Safety Valve	1,100	1,100	1,100	1,100
Provision - DSG Deficit	10,543	11,628	12,714	13,799
Remove Saving ENV2022-23 Deen City Farm*	0	8	9	8
Community and High Street Safety Recovery Fund	250	0	0	0
Youth and Children Recovery Fund	250	0	0	0
Other	2,092	2,308	2,387	2,565
Re-Priced Departmental Budget	185,246	188,201	198,558	204,723
Treasury/Capital financing	10,679	11,537	12,593	12,420
Pensions	0	0	0	0
Other Corporate items	(19,524)	(20,192)	(20,922)	(20,922)
Levies	611	611	611	611
Sub-total: Corporate provisions	(8,234)	(8,044)	(7,718)	(7,891)
Sub-total: Repriced Departmental Budget + Corporate Provisions	177,011	180,157	190,840	196,831
Savings/Income Proposals 2022/23	(936)	(2,683)	(2,581)	(2,478)
Sub-total	176,075	177,474	188,259	194,353
Appropriation to/from departmental reserves	(1,801)	(270)	(271)	(271)
Appropriation to/from Balancing the Budget Reserve	(8,112)	(8,513)	0	0
ONGOING IMPACT OF COVID-19 (NET)	1,143	505	0	0
BUDGET REQUIREMENT	167,306	169,195	187,988	194,082
Funded by:				
Revenue Support Grant/Covid RNF & LCTS grant	0	0	0	0
Business Rates (inc. Section 31 grant)	(43,778)	(41,216)	(41,658)	(42,105)
Adult Social Care Grants inc. BCF	(5,010)	(5,010)	(5,010)	(5,010)
Social Care Grant	(6,282)	(6,282)	(6,282)	(6,282)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(482)	(300)	(300)	(300)
Council Tax inc. WPC	(104,983)	(108,428)	(111,141)	(113,921)
Collection Fund – (Surplus)/Deficit	1,010	1,464	0	0
Market Sustainability and Fair Cost of Care Fund	(505)	0	0	0
2022/23 Services Grant	(2,479)	0	0	0
TOTAL FUNDING	(167,306)	(164,569)	(169,188)	(172,415)
GAP including Use of Reserves (Cumulative)	0	4,626	18,800	21,667

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Amendment 1: Fresh start for Merton/Cost of Living Rebate

That after Recommendation 1F), new Recommendations 1G), 1H), 1L) be added:

1G) The Council encourages the Cabinet to make clean sweep of previous ways of operating by:

- Recognising that the Strategic Framework as agreed in Cabinet on 17 January 2022 (comprising an ambition for Merton, strategic priorities, guiding principles and delivery objectives) is only the starting point in the development of an ongoing vision and narrative, and should be regularly monitored and updated;
- Recognising that the key challenges faced by the borough's residents include: housing supply, housing standards, building the local economy, increased cost of living and the current and future impacts of the climate emergency;
- Ensuring that practical steps are taken in budget planning to monitor the impact of decisions on the Strategic vision and key challenges; and
- Ensuring that the financial strategy is explicit about how it supports the Strategic Framework and key challenges.

1H) The Council asks Cabinet to:

- Offset the General Increase in Council Tax by a 'cost of living rebate' of £8 to be given to all 62,000 households in Council Tax band A to D, some 72% of households, and funded by the use of £0.5m from the Outstanding Council Programme Board reserve in 2022/23 (this would involve minimal additional administrative costs as it would be paid alongside the energy cost rebate already due to be implemented).
- Revise the 2022/23 Council Tax Support Scheme (the CTSS) to disregard any payment made under the cost of living rebate in determining entitlement to a reduction under the CTSS.
- Ensure that those residents in Council Tax band E to H properties, but on low incomes, are duly considered for the discretionary funding which is being made available by Government for those in need of support.

1L) Council asks Cabinet to fully implement the recommendations of the Sustainable Communities Panel on 18 January 2022 and the Overview and Scrutiny Commission on 19 January 2022 that saving ENV2022-23 03, regarding Deen City Farm, should be removed on the basis that it is a saving to be made from 2023/24 onwards and "in anticipation of finding an alternative saving".

Amendment 2: Taking practical action to make stations more accessible

That after Recommendation 1F), new Recommendation 1G) be added:

1G) Rail companies have been asked to put forward an initial list of stations to be considered for the next round of the DfT's *Access for All* funding (ie to improve accessibility at stations).

Councillors have been told by both rail companies and Network Rail that having existing/standing plans for accessibility improvements at stations is an important way to improve the likelihood of securing funding (both within and outside of the *Access for All* framework).

We call on Cabinet to develop criteria to assess prioritisation of local improvements (eg passenger numbers, estimated cost, stakeholder opinions etc), with options for match funding to be ready for the next *Access for All* bidding round, or earlier in the event of other funding opportunities. We also call on Cabinet to consider commissioning relevant plans for improvement works from existing budgets, to ensure that proposals are “shovel ready” when funding opportunities arise.

Amendment 3: Schools energy bill support fund

That after Recommendation 1F), new Recommendation 1G) be added:

1G) Teachers and governors tell us that increased gas and electricity bills are placing huge pressures on budgets, with some bills more than doubled.

We’re told this is impacted by the need for extra heating and lighting caused by some Covid mitigations (eg air purifiers, additional heating because of open windows), as well as higher gas and electricity prices.

As such, Council calls on Cabinet to establish a “Schools energy bill support fund” in the event there’s an underspend in the General Fund if monies come through as part of the Safety Valve funding, to help schools manage these budget difficulties, especially in the short term, and to consider other funding opportunities.

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