

Merton Council

Cabinet

16 January 2023

Supplementary Agenda

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CABINET

16 January 2023

Agenda item:

Business Plan Update 2023-2027

Lead officer: Roger Kershaw

Lead member: Councillor Billy Christie

Key Decision Reference Number: This report is written and any decisions taken are within the Budget and Policy Framework Procedure Rules as laid out in Part 4-C of the Constitution.

Contact officer: Roger Kershaw

Urgent report:

Reason for urgency: The chairman has approved the submission of this report as a matter of urgency as it provides the latest available information on the Business Plan and Budget 2023/24 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2023-2027. It is important that this consideration is not delayed in order that the Council can work towards a balanced budget at its meeting on 1 March 2023 and set a Council Tax as appropriate for 2023/24.

Recommendations:

1. That Cabinet considers and agrees the additional new savings proposals for 2023/24 to 2025/26 (Appendix 2) and refers them to the Overview and Scrutiny Commission on 25 January 2023 for consideration and comment.
 2. That Cabinet considers and agrees that the draft unachievable saving proposal of £50k (2020-21 CS11) is removed from the MTFS and referred to the Overview and Scrutiny Commission on 25 January 2023 for consideration and comment.
 3. That Cabinet agrees the latest amendments to the draft Capital Programme 2023-2026 and refers them to the Overview and Scrutiny Commission on 25 January 2023 for consideration and comment.
 4. That Cabinet notes the details contained in the Provisional Local Government Finance Settlement 2023/24 and the implications for Merton's MTFS as summarised in Appendix 1.
 5. That Cabinet considers and approves the Council's draft Capital Strategy and Treasury Management Strategy for 2023/24
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an update to Cabinet on the Business Planning process for 2023-27 and in particular on the progress made so far towards setting a balanced revenue budget for 2023/24 and over the Medium Term Financial Strategy 2023-27 period as a whole.
- 1.2 An update on the latest information with respect to the Local Government Finance Settlement is provided. This is a major element in identifying the key constraints (e.g. level of funding and Council Tax referendum principles) within which the Council will have to operate, in order to be able to set a balanced budget.
- 1.3 The report also provides an update on the capital programme for 2023-27 and a draft Capital Strategy and Treasury Management Strategy 2023/24.
- 1.4 In addition, Members are asked to consider and agree current savings proposals which are regarded as no longer achievable or need to be deferred and some additional new savings proposals that have been identified since Cabinet in December 2022.

2. DETAILS

Brief recap

- 2.1 A review of assumptions in the MTFS was undertaken and reported to Cabinet on 10 October 2022. Savings targets were set and Cabinet on 5 December 2022 agreed some new growth proposals, some new savings proposals and a draft Capital Programme 2023-2027 and referred them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment. The December Cabinet also noted the details set out in the Government's Autumn Statement 2022.
- 2.3 Taking into account the information contained in the Business Plan reports to Cabinet in October 2022, and December 2022, the overall position of the MTFS reported to Cabinet on 5 December 2022 was as follows:-

(Cumulative Budget Gap)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
MTFS Gap (Cabinet December 2022)	4,342	13,425	18,520	20,899

- 2.4.1 At its meeting on 5 December 2022, Cabinet resolved:-

1. That Cabinet considers and agrees the draft growth proposals (Appendix 4) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
2. That Cabinet considers and agrees the new savings proposals for 2023/24 to 2026/27 (Appendix 5) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.

3. That Cabinet considers and agrees the new capital proposals for 2023/24 to 2026/27 and the draft Capital Programme 2023-2027 (Appendix 7) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
4. That Cabinet agrees the proposed Council Tax Base for 2023/24 set out in paragraph 2.7 and Appendix 1.
5. That Cabinet note that Equalities Impact Assessments for each saving, where applicable, will be included in the Member's Information Pack for consideration in future meetings

2.5 Review of Assumptions

Since Cabinet in December, work has been continuing to review assumptions and analyse information which has been received since then, particularly the Provisional Local Government Finance Settlement which was announced on 19 December 2022.

2.5.1 Pay

2022-23: As reported to Cabinet in December 2022, the 2022/23 the pay award has now been agreed at c.6% but provision of 2% was included In the MTFS for 2022-26.

As reported to Cabinet in October 2022, each 1% of pay costs c. £0.990m and the following ongoing provision of a c. 6% pay award in 2022/23 has been included in the MTFS 2023-27:-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Additional Impact of a 6% pay award	3,960	4,039	4,120	4,202

2023/24 and future years:

The provision for future pay awards currently included in the MTFS 2023-27 as reported to Cabinet in October 2022 is :-

(Cumulative £000)	2023/24	2024/25	2025/26	2026/27
Pay inflation (%)	3.0%	2.0%	2.0%	2.0%
MTFS 2023-27 (Latest)	2,974	4,957	6,940	8,923

It is recognised that the inflation rate is currently much more than 3% so if the 2023/24 award exceeds 3%, each 1% will cost c.£0.990m.

Further details on the pay negotiations for 2023/24 and beyond, and the impact on the MTFS will be reported when they are known. This will include any information about

Government assumptions about local government pay announced in the provisional Local Government Finance Settlement.

London Living Wage

The MTFS includes provision for the increased cost of contracts arising from the contractors adoption of the London Living Wage. :-

(Cumulative)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Additional cost of LLW on major contracts based on contract renewal date	521	711	2,382	2,382

This will be reviewed and updated in future Business Plan future reports.

2.5.2 Prices

The draft MTFS 2023-27 reported to Cabinet in October 2022 included the following percentage increases and no changes are proposed at the current time:-

(Cumulative)	2023/24	2024/25	2025/26	2026/27
Price inflation (%)	3%	2%	1.5%	1.5%
Revised Estimate (cumulative £000)	4,564	7,607	9,889	12,172

The Consumer Prices Index (CPI) rose by 10.7% in the 12 months to November 2022, down from 11.1% in October. CPI rose by 0.4% in November 2022, compared with a rise of 0.7% in November 2021. The largest downward contribution to the change in both the CPIH and CPI annual inflation rates between October and November 2022 came from transport, particularly motor fuels, with rising prices in restaurants, cafes and pubs making the largest, partially offsetting, upward contribution. The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 9.3% in the 12 months to November 2022, down from 9.6% in October. The largest upward contributions to the annual CPIH inflation rate in October 2022 came from housing and household services (principally from electricity, gas, and other fuels), and food and non-alcoholic beverages.

The RPI rate for November 2022 was 14.0%, down from 14.2% in October 2022.

The latest inflation and unemployment forecasts for the UK economy, based on a summary of independent forecasts are set out in the following table:-

Table: Forecasts for the UK Economy

Source: HM Treasury - Forecasts for the UK Economy (November 2022)			
	Lowest %	Highest %	Average %
2022 (Quarter 4)			
CPI	9.6	14.0	10.5
RPI	11.3	14.5	12.9
LFS Unemployment Rate	3.4	4.2	3.8
2023 (Quarter 4)			
CPI	2.2	7.4	5.0
RPI	2.6	11.0	6.7
LFS Unemployment Rate	3.2	5.4	4.4

Note the wide range between highest and lowest forecasts which reflects the volatility and uncertainty arising from volatile fuel and utility costs impacting on the cost of living and the difficulty of forecasting how the situation will evolve. Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2022 to 2026 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (November 2022)					
	2022	2023	2024	2025	2026
	%	%	%	%	%
CPI	9.0	7.4	3.2	2.6	2.7
RPI	10.4	9.0	4.1	4.0	3.9
LFS Unemployment Rate	3.7	4.2	4.3	4.1	4.2

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. The MPC currently uses two main monetary policy tools. First, they set the interest rate that banks and building societies earn on deposits, or 'reserves', placed with the Bank of England – this is Bank Rate. Second, the MPC can buy government and corporate bonds, financed by the issuance of central bank reserves – this is asset purchases or quantitative easing.

At its meeting ending on 14 December 2022, the MPC voted by a majority of 6-3 to increase Bank Rate by 0.5 percentage points, to 3.5%. Two members preferred to

maintain Bank Rate at 3%, and one member preferred to increase Bank Rate by 0.75 percentage points, to 3.75%.

In the minutes to the meeting, the MPC state that In the “November Monetary Policy Report projections, conditioned on the elevated path of market interest rates at that time, the UK economy was expected to be in recession for a prolonged period and CPI inflation was expected to remain very high in the near term. Inflation was expected to fall sharply from mid-2023, to some way below the 2% target in years two and three of the projection. This reflected a negative contribution from energy prices, as well as the emergence of an increasing degree of economic slack and a steadily rising unemployment rate. The risks around that declining path for inflation were judged to be to the upside. Domestic wage and price pressures are elevated. There has been limited news in other domestic and global economic data relative to the November Report projections.

The MPC has concerns about domestic wage and price pressures which it describes as elevated. In underlining their decision to increase the Base Rate by 0.5% the MPC say that “both services price inflation and private sector regular wage growth had increased significantly over the second half of the year, with the latter continuing to surprise on the upside since the November Report. There remained a risk that, following a protracted period of high inflation, inflation expectations could be slow to adjust downwards to target-consistent levels once external cost pressures had passed. Although activity in the economy was clearly weakening, there were some signs that it was more resilient than had been expected and it was therefore uncertain how quickly the labour market would loosen.”

The next MPC decision on the Bank Base Rate will be on 2 February 2023.

The MPC published the November Monetary Policy Report, in which the MPC’s updated projections for activity and inflation describe a very challenging outlook for the UK economy.

The MPC’s report summarises the medium term forecast and their “latest projections describe a very challenging outlook for the UK economy. It is expected to be in recession for a prolonged period and CPI inflation remains elevated at over 10% in the near term. From mid-2023, inflation is expected to fall sharply, conditioned on the elevated path of market interest rates, and as previous increases in energy prices drop out of the annual comparison. It then declines to some way below the 2% target in years two and three of the projection. This reflects a negative contribution from energy prices, as well as the emergence of an increasing degree of economic slack and a steadily rising unemployment rate. The risks around that declining path for inflation are judged to be to the upside....The MPC’s forecast does not incorporate any further measures that may be announced in the Autumn Statement scheduled for 17 November”.

In terms of the outlook over the next three years , the MPC’s central projection “that is conditioned on the elevated path of market interest rates, domestic inflationary pressures

subside given the increasing amount of economic slack. Energy prices are projected to make a negative contribution to inflation in the medium term. CPI inflation is projected to fall sharply to 1.4% in two years' time, below the 2% target, and to 0.0% in three years' time. The risks around these projections are judged to be skewed to the upside.

Based on this the MPC's overall forecast summary is as follows:-

	2022(Qtr.4)	2023(Qtr.4)	2024(Qtr.4)	2025(Qtr.4)
	%	%	%	%
GDP	0.2	-1.9	-0.1	0.2
CPI	10.9	5.2	1.4	0.0
LFS Unemployment Rate	3.7	4.9	5.9	6.4
Excess supply/Excess demand	0.75	-2.5	-3.0	-3.0
Bank Rate	3.0	5.2	4.7	4.4

In producing their forecast, the MPC have included the following key judgements and risks:-

Key judgement 1: there has been a material tightening in financial conditions, including the elevated path of market interest rates. In addition, high energy prices continue to weigh on spending, despite an assumption of some fiscal support for household energy bills over the next two years. As a result, the UK economy is expected to remain in recession throughout 2023 and 2024 H1, and GDP is expected to recover only gradually thereafter.

Key judgement 2: although there is judged to be a greater margin of excess demand currently, continued weakness in spending leads to an increasing degree of economic slack emerging from 2023 H1, including a rising unemployment rate.

Key judgement 3: despite a decline in global price pressures and a significant fall in the contribution of household energy prices to CPI inflation, domestic inflationary pressures remain strong over the next year. But an increasing degree of economic slack depresses domestic pressures further out. Conditioned on the elevated path of market interest rates, CPI inflation declines to below the 2% target in the medium term, although the Committee judges that the risks to the inflation projections are skewed to the upside.

Bank of England (MPC) Quarterly Central Projection for CPI Inflation (November 2022)

%	2022 Qtr.4	2023 Qtr.1	2023 Qtr.2	2023 Qtr.3	2023 Qtr.4	2024 Qtr.1	2024 Qtr.2	2024 Qtr.3	2024 Qtr.4	2025 Qtr.1	2025 Qtr.2	2025 Qtr.3	2025 Qtr.4
CPI	10.9	10.1	9.5	7.9	5.2	4.0	1.1	1.2	1.4	1.2	0.8	0.6	0.0

2.5.3 Provision for Excess Inflation:

There is also a corporate provision which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. The provision included in the December 2022 Cabinet was £3.188m which is equivalent to price inflation of c. 2%. Bank of England projections for inflation suggest that interest rates will begin to return to the government's target level of 2% in 2024. If this is the case, the additional £1.9m added for 2023/24 could be released. The position will be kept under review.

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Provision for Excess inflation December Cabinet	3,188	3,188	3,188	3,188
Reduction when inflation returns to 2%	0	(1,900)	(1,900)	(1,900)
Revised Provision for Excess inflation	3,188	1,288	1,288	1,288

2.5.4 Income

The MTFS does not include any specific provision for inflation on income from fees and charges. However, service departments can identify increased income as part of their savings proposals.

2.5.5 Freedom Passes

Freedom Passes are administered by London Councils on behalf of London boroughs. Over the past year demand has begun to recover from the impact of COVID19. The number of journeys has increased and the Settlement is expected to cost 14% more than last year. This means that the effects of COVID19 will work through the settlement over the next three years. London Councils has now concluded its annual negotiations with transport operators

The costs of Freedom Passes are driven by two key factors:-

- The estimated average number of journeys made by Freedom Pass holders over the past two years
- Previous work to calculate expected average fares per trip taking into account fare increases and decreases within a "basket of fares"

When forecasting demand, London Councils officers have attempted to establish a baseline, as well as lower range higher range scenarios.

For Merton, London Councils have estimated that the cost of concessionary fares in 2023/24 will be £5.964m.

For future years 2024/25 and 2025/26 London Councils have provided a Lower range, Baseline, and Higher range estimate of the cost to Merton of Freedom Passes. For the purposes of the MTFS, the higher range has been included:-

	2023/24 £m	2024/25 £m	2025/26 £m
Baseline	5.964	8.364	10.387
Lower range		8.193	9.898
Higher range		8.668	10.843

The table below compares the current provision in the budget and MTFS for Freedom Passes with the latest worst case estimate:-

	MTFS 2023/24 £m	MTFS 2024/25 £m	MTFS 2025/26 £m	MTFS 2026/27 £m
Merton MTFS Current Provision	6.652	9.663	10.907	10.907
Latest forecast (Higher range for 2024-26)	5.964	8.669	10.843	13.017
Change	(0.688)	(0.994)	(0.064)	2.110

It is proposed to amend the MTFS to reflect the revised figures which are the most prudent available at the current time.

2.5.6 Departmental Business Rates

Council departments pay business rates on the properties that they occupy. The Valuation Office Agency (VOA) has updated the rateable values of all business, and other non-domestic, property in England and Wales. It has been six years since the last revaluation. The new rateable values will reflect changes in rental values between 2015 and 2021. These future rateable values will take effect from 1 April 2023.

The change in valuations are different across sectors. For instance, industry, storage and distribution has increased by 32% and offices 10% to 11% whereas shops have reduced by 10% and hotels, guest and boarding and self catering have reduced by 23%.

For Merton Council occupied properties excluding schools, 3% inflation has been added to the budgets for 2022/23. Now that the valuation information is known it will be necessary to adjust the budget provision in the MTFS to the new level.

The estimated increase in business rates for departmental properties is £0.180m (c.11%) and will require an increase in the budget provision of £0.129m for the additional c.8% inflation.

	Annual Budget 2022/23 £000	Inflation provision 2022/23 @ 3% £000	Addition/Reduction £000	Budget 2023/24 £000
Corporate Services	625	19	130	774
Children, Schools & Families	278	8	(38)	248
Environment & Regeneration	477	14	13	504
Community & Housing	261	8	24	293
Total	1,641	49	129	1,819

2.5.7 Budgetary Control 2022/23

The revenue budgetary control information below summarises the corporate position using the latest available information as at 30 November 2022 as shown in a separate report on the agenda for this meeting.

At period 8 to 30th November 2022, the year-end forecast is a net £0.183m favourable variance compared to the current budget

	Current Budget 2022/23 £000	Full Year Forecast (Nov) £000	Forecast Variance at year end (Nov) £000
Corporate Services	31,984	33,455	1,471
Children, Schools and Families	62,112	63,229	1,117
Environment & Regeneration	13,508	18,659	5,151
Community and Housing	67,878	68,630	752
Net Overheads	(272)	(272)	0
Net Service Expenditure	175,210	183,701	8,491
Corporate	(8,430)	(16,675)	(8,245)
Total Expenditure	166,780	167,026	246
Funding	(166,780)	(167,209)	(429)
Net Expenditure	0	(183)	(183)

Based on November 2022 monitoring, an overall favourable variance is forecast, with the following pressures being flagged:-

- a) Corporate Services: Customers, Policy and Improvement, Infrastructure and Technology, Resources, Human Resources, Housing Benefits Rent Allowance subsidies.
- b) Children’s Schools and Families: High cost and dependency on agency staff, high cost of child placements and transport, DSG deficit
- c) Environment and Regeneration: The main areas of variance are Regulatory Services, Parking Services, Waste, Leisure & Culture, Greenspaces, Development & Building Control, Future Merton and Safer Merton. The primary reasons are the reduced revenue within Parking Services of £2.6m, a projected utility budget overspend of approximately £1.2m and increased inflationary costs for services, materials and equipment.
- d) Community and Housing: Adult Social Care, Housing General Fund, and libraries and heritage.

2.6.8 Growth

The MTFs reported to Cabinet in December 2022 included new provision for growth from 2023/24 to 2026/27 as follows:-

	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
Cumulative				
Growth (Cabinet December 2022)	3,365	3,010	3,033	3,033

There is no additional service department growth proposed at this stage.

2.7 **Forecast of Resources and Provisional Local Government Finance Settlement**

2.7.1 As reported to Cabinet in December 2022, the Chancellor of the Exchequer published an Autumn Statement 2022 on 17 November 2022. A summary of the key points was included in the report. The figures included in these documents underlie the allocations to local authorities announced in the Provisional Local Government Finance Settlement 2023/24 on 19 December 2022. Details on the Provisional Local Government Finance Settlement 2023/24 are provided in Appendix 1 with the key details relating to Merton’s resources summarised in this Section of the report.

2.7.2 The Provisional Settlement broadly reflects the details set out in the Autumn Statement 2022. The main details are:-

- a) Settlement Funding Assessment (RSG + Business Rates) allocations have increased by 5.3% nationally and 5.5% in London. The details for Merton are:-

	2022-23 £m	2023-24 £m	Change £m	Change %
MERTON Settlement Funding Assessment	41.311	43.415	2.104	5.1
of which:				
Revenue Support Grant (RSG)	5.350	6.108		
Baseline Funding Level (BFL)	35.961	37.307		
	41.311	43.415		
(Tariff)/Top-Up (Included in BFL)	9.534	6.679		

b) Core Spending Power will increase by 9.2% in cash terms nationally and 9.2% in London.

Merton's Core Spending Power is as follows:-

Merton Core Spending Power: Local Government Finance Settlement 2023/24:	2022-23	2023-24	Year on Year Change	
	£ millions	£ millions	£ millions	%
Settlement Funding Assessment	41.311	43.415	2.104	5.1%
Compensation for under-indexing the business rates multiplier	3.675	6.355	2.679	72.9%
Council Tax Requirement excluding parish precepts	104.984	110.834	5.850	5.6%
Improved Better Care Fund	5.010	5.010	0.000	0%
New Homes Bonus	0.482	0.732	0.250	51.9%
Social Care Grant	6.282	10.430	4.148	66.0%
Market Sustainability and Fair Cost of Care Fund	0.505	0.000	(0.505)	-100%
ASC Market Sustainability and Improvement Fund	0.000	1.751	1.751	N/A
Lower Tier Services Grant	0.429	0.000	(0.429)	-100%
ASC Discharge Fund	0.000	0.702	0.702	N/A
Services Grant	2.479	1.397	(1.082)	-43.6%
Grants rolled in	0.516	0.000	(0.516)	-100%
Funding Guarantee	0.000	0.000	0.000	N/A
Core Spending Power	165.672	180.626	14.953	9.0%
	Change £m	14.953		
	Change %	9.0%		

The provisional Settlement outlined provisional core funding allocations based on Government assumptions. Therefore the figures included above for the Settlement Funding Assessment (Business Rates element) and Council Tax Requirement may differ from the actual amounts eventually calculated on Merton's more up to date information.

Analysis of the provisional Settlement figures will continue in order to ensure that the funding is applied in the most effective way

Further details on the grants and New Homes Bonus are included in Appendix 1.

2.7.3 Council Tax Referendum Principles

The Government proposes the following package of referendum principles for 2023-24 for authorities with Adult Social Care responsibilities such as Merton:-

For 2023-24, the relevant basic amount of council tax of an authority is excessive if the authority’s relevant basic amount of council tax for 2023-24 is 5% (3% on other expenditure + 2% on adult social care) greater than its relevant basic amount of council tax for 2022-23

2.8 Settlement funding Assessment: RSG and Business Rates 2023-24

2.8.1 The Settlement Funding Assessment (SFA) is made up of Revenue Support Grant and Business Rates. As announced in the Provisional local Government Finance Settlement the assumptions with respect to SFA compared to 2022-23 are as follows:-

	Final Settlement 2022/23 £000	MTFS 2023/24 £000	Provisional Settlement 2023/24 £000
RSG	5,350	5,350	6,108
Estimated Share of Business Rates	26,427	29,332	30,628
Top-Up	9,534	9,534	6,679
SFA	41,311	44,216	43,415

The final estimated budget for Business Rates for 2023/24 will be based on the Government’s NNDR1 return which has to be completed and returned by 31 January 2023. It is therefore, proposed to keep the current estimates in the MTFS and update these in the February Cabinet report, pending the NNDR1 figures

2.8.2 Collection Fund Surplus/Deficits – Business Rates and Council Tax

It is a requirement to budget in 2023/24, for any estimated surplus/deficit arising in the Collection Fund for Council Tax and Business Rates as at 31 March 2023. This will be the third and final year of spreading the Collection Fund deficit as at 31 March 2021 over 2021/22, 2022/23 and 2023/24.

2.8.3 Final projections for Business Rates retention in 2023/24 will be based on the NNDR1 return for 2023/24 which are due to be returned to Central government by 31 January 2023.

2.8.4 A further update on the financial implications for Merton will be provided in the report to Cabinet in February

2.8.5 2024/25 Funding

The 2023/24 provisional settlement follows the details provided at Autumn Statement 2022 and the Policy Statement on 12 December 2022. The provisional settlement only provides for a single financial year, but the Policy Statement sets out proposals covering the majority of funding streams for 2024-25. Currently the MTFs only includes funding proposals that have been announced for 2023/24.

2.9 **Council Tax Base**

2.9.1 Cabinet on 5 December 2022 agreed the Council Tax Base 2023/24 for Merton and for the Wimbledon and Putney Common Conservators.

2.9.2 A summary of the Council Tax Bases for the Merton general area and the addition for properties within the Wimbledon and Putney Commons Conservators area for 2023/24 compared to 2022/23 is set out in the following table:-

Council Tax Base	2022/23	2023/24	Change
			%
Whole Area	75,754.6	77,694.3	2.6%
Wimbledon & Putney Common Conservators	11,705.0	11,761.2	0.5%

2.9.3 These figures will be used to calculate the council tax bills for 2023/24.

3. **SAVINGS PROPOSALS 2023-27**

3.1 Savings proposals were agreed by Cabinet in December 2022 and have been included in the Member’s Information Pack which was circulated at the end of December 2022.

3.2 Since December officers have been reviewing their services and have identified some further savings proposals. These are summarised in the following table and more details are provided in Appendix 2.

<u>Cumulative</u>	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Corporate Services	0	0	0	0
Children, Lifelong Learning and Family Environment and Regeneration	562	741	741	741
Community and Housing	630	818	920	950
	0	0	600	600
Cumulative Savings Proposals	1,192	1,559	2,261	2,291

3.3 Equal Opportunities Assessments are also provided for the new proposals.

4. **REVIEW OF EXISTING SAVINGS IN THE MTF5**

4.1.1 It is important that savings which are agreed as part of the budget setting process are achieved and monitoring of the delivery of savings is monitored closely and reported as part of monthly monitoring procedures.

4.2 As reported to Cabinet within the monthly monitoring report, there is one saving that will not be achieved and it will be necessary to adjust the MTF5 to reflect this. The saving is in respect of saving 2020-21 CS11 which is for £50k from a restructure of the Commercial Services Section which will no longer take place following a service review.

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Deletion of Saving 2020-21 CS11 re: Commercial Services Restructure	50	50	50	50

5. **INVESTMENT INCOME**

5.1 The Council is currently developing an investment strategy for the funds received from the sale of CHAS which will be reported to a later Cabinet meeting. This will reflect the investment of some of the proceeds for a longer term return and/or paying down debt together with releasing some funds for Capital investment/regeneration projects. However, to ensure maximum benefit to the Council's financial position the proceeds were immediately invested in treasury instruments which will generate a significant return for the Council.

5.2 For the purposes of the MTF5 it has been assumed, given current market conditions, that the return to the Council over the Medium Term will be approximately £5.25m. This has been built into the MTF5 and will be refined in line with the forthcoming Investment Strategy.

6. **DSG DEFICIT**

6.1 As part of the Autumn Statement published on 17 November 2022, the Chancellor of the Exchequer announced an additional £2 billion net for the national core schools budget in each of the next two years, on top of the existing provisional allocations published in July.

- 6.2 The Department for Education's Funding Policy Unit has advised Merton that we should assume that the Council will receive an additional £1.8m of high needs funding in 2023-24, on top on the provisional funding allocation announced in July, taking the total allocation to £48.5m. In addition, we should also assume that this funding will form part of Merton's baseline funding, and should therefore be included within the assumed 3% increases in subsequent years.
- 6.3 In light of this indicative settlement for High Needs Block, officers have revised the forecast for Merton's Safety Valve Agreement.
- 6.4 Currently, the DSG deficit is represented in an unusable reserve and the Council is required to eliminate this by 2026/27. This will be achieved by the Safety Valve Agreement payments that the Council has negotiated with the Department for Education, application of the Council's Spending Reserve and using the budget provision included for the Council's contribution towards eliminating the deficit. Since the Safety Valve Agreement has been negotiated it has been possible to reduce the estimated annual budget contribution towards eliminating the deficit and this reduction was reported to Cabinet in October 2022.
- 6.5 Based on the latest forecast movement in the DSG Deficit in the unusable reserve is summarised as follows:-

DSG Unusable Reserve	Forecast 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m	Forecast 2025/26 £m	Forecast 2026/27 £m
B/F DSG Deficit	26.93	33.894	35.934	36.564	36.764
In year deficit	9.96	5.54	4.13	3.7	-0.9
Sub-total	36.894	39.434	40.064	40.264	35.864
Safety Valve Payments	(3.0)	(3.5)	(3.5)	(3.5)	(3.2)
Deficit c/f	33.894	35.934	36.564	36.764	32.664

- 6.6 Based on the latest forecast, the in-year deficit is eliminated by 2026/27 as per the Safety Valve Agreement. In the period up to 2026/27 the Council will cover the overall forecast deficit with the balance on the Council's reserve built up for this purpose which is added to the annual budget provision for the DSG deficit. Any surplus (Council reserve + annual budget) in excess of the balance on the DSG Deficit unusable reserve will be released for other purposes.

This is demonstrated in the following table:-

Reserve Cover for DSG	Forecast 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m	Forecast 2025/26 £m	Forecast 2026/27 £m
B/f Provision	26.93	33.894	35.934	36.564	36.764
Budget provision for DSG Deficit	10.54	11.63	12.71	13.80	15.00
Revised balance	37.47	45.522	48.648	50.363	51.764
Sum Required to meet DSG Deficit	33.894	35.934	36.564	36.764	32.664
Balance available to be released/(overspend)	3.576	9.588	12.084	13.599	19.1
Less: Corporate contribution	0.5	0.5	0.5	0.5	0.5
Balance Available	3.076	9.088	11.584	13.099	18.600

- 6.7 This calculation was previously undertaken and reported to Cabinet at its meeting in October 2022. The change to the MTFS 2023-27 since October is summarised in the following table:-

Balance of Budget Available for Release	Forecast 2023/24 £m	Forecast 2024/25 £m	Forecast 2025/26 £m	Forecast 2026/27 £m
Cabinet October 2022	9.23	11.11	13.10	18.60
Latest Forecast	9.09	11.58	13.10	18.60
Change	0.14	(0.47)	0.00	0.00

7. CAPITAL PROGRAMME 2023-27: UPDATE

- 7.1 A proposed draft Capital Programme 2023-27 was presented to Cabinet on 5 December 2022.
- 7.2 Monthly monitoring of the approved programme for 2022/23 has been ongoing and is under constant review. It is important to ensure that the revenue and capital budgets are integrated and not considered in isolation. The revenue implications of capital expenditure can quickly grow if the capital programme is not contained within the Council's capacity to fund it over the longer term.
- 7.3 Further changes that have been made to the proposed capital programme since it was presented to Cabinet in December 2022 are set out in Appendix 4. These figures are based on November 2022 Monitoring and include estimated slippage and proposed new bids.

7.4 Changes in the Capital Programme and Capital Financing Costs

7.4.1 The report to Cabinet in December 2022 presented the latest current capital programme based on October 2022 monitoring and new bids. This has been reviewed and updated for latest information including November monitoring and funding and the change since December 2022 Cabinet is summarised as follows:-

Capital Expenditure (Capital Programme 2023-27)	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's	2026/27 Estimate £000's
Capital Expenditure (Cabinet December 2022)	45,672	48,503	53,159	33,404
Change	(2,616)	(6,635)	286	8,587
Capital Expenditure (November, slippage and New Bids)	43,056	41,868	53,445	41,991

7.4.2 Revenue Implications of Current Capital Programme

As a result, the estimated capital financing costs of the revised Capital Programme have been updated and the change since December 2022 Cabinet is summarised as follows:-

Capital Financing Costs	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's	2026/27 Estimate £000's
Capital Financing costs (Cabinet December 2022)	11,107	12,312	13,275	17,316
Change	37	(108)	(373)	(584)
Capital Financing costs (November, slippage and New Bids)	11,144	12,204	12,902	16,732

7.4.3 The details relating to the latest summary figures are set out in the draft Capital Strategy (Appendix 4).

8. UPDATE TO MTFS 2023-27

8.1 The change in the MTFS gap from that reported in December 2022 arising from the latest information discussed in this report is summarised in the following table:-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Revised MTFG Gap 2023-27 (Cabinet December 2022)	4,342	13,425	18,520	20,900
<u>Updates since December Cabinet:-</u>				
Unachievable Savings	50	50	50	50
Update on Freedom Passes	(688)	(994)	(64)	2,110
Update on DSG and Safety Valve Agreement	140	(470)	0	0
Departmental Business Rates	129	129	129	129
Change in Capital Financing Costs	37	(108)	(373)	(584)
Fund CSF Children's Social Care growth from grant	(935)	(935)	(935)	(935)
Sub-total:	(1,267)	(2,328)	(1,193)	770
Revised MTFG Gap 2023-27	3,075	11,097	17,327	21,670
Additional Revenue Savings (January 2023):	(1,192)	(1,559)	(2,261)	(2,291)
Strategic Investment Income	(5,225)	(5,225)	(5,225)	(5,225)
Release Provision for Excess Inflation from 2024/25	0	(1,900)	(1,900)	(1,900)
Further Spread of Reserve	3,342			
Revised MTFG Gap 2023-27	0	2,413	7,941	12,254

8.2 The forecast in the table assumes a council tax increase of 2% in 2023/24 and also in 2024/25, 25/26, and 2026/27.

9. COUNCIL TAX STRATEGY

9.1 The council has a statutory duty to set a balanced budget.

9.2 The MTFG reported to Cabinet in December 2022 assumed a 2% general Council Tax increase for 2023-2027 and no Adult Social Care Council Tax levy in 2023/24 .

9.3 The report will now look at the Council Tax Strategy options available to the Council.

9.4 As detailed in the report, the Council Tax Referendum Limits announced by the government expect the council to increase council tax by 3% on other expenditure and Adult Social Care precept by 2%. The same limits also apply for 2024/25.

9.5 The following table provides a guide to the levels of additional funding that could be raised by implementing council tax increases at the referendum limits announced:-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
<u>Council Tax Changes: Referendum Principles:-</u>				
Additional 1% General Council Tax increase 2023/24 (2% to 3%)	(1,073)	(1,078)	(1,084)	(1,089)
Additional 1% General Council Tax increase 2024/25 (2% to 3%)	0	(1,078)	(1,084)	(1,090)
Adult Social Care - Precept 2023/24 (2%) *	(2,146)	(2,157)	(2,167)	(2,178)
Adult social Care - Precept 2024/25 (2%) *	0	(2,156)	(2,167)	(2,178)
TOTAL	(3,219)	(6,469)	(6,502)	(6,535)

* Assumes that equivalent ASC budget (e.g. inflation provision, unringfenced grant) can be released for general application

9.6 An increase in Council Tax represents increased funding that is ongoing and eventually will be built into the base budget for future years. This is greatly more beneficial than using reserves which are one-off and can lead to the creation of cliff edges in future years.

9.7 Proposed Council Tax Strategy 2023/24

As previously reported, currently 2% is built into the MTFs for a general Council Tax increase. It is proposed to utilise the additional 1% council tax to fund other expenditure and the 2% Adult Social Precept allowed for in the Referendum Principles.

Proposed Council Tax Strategy 2024/25

The council does not have to finalise Council Tax proposals for 2024/25 at this stage but for planning purposes it is proposed to maintain the 2% council tax increase for other expenditure and to assume the 2% Adult Social Care Precept.

9.8 Targeted Cost of Living Discount

The council recognises that inflation continues to remain high and the cost of living pressures are impacting on many of the council's residents. In order to relieve some of the pressure on the most vulnerable groups it is proposed that a one-off council tax discount in 2023/24 be applied to the additional 1% council tax allowed for in the referendum for council taxpayers in Bands A-D. The estimated cost of this targeted discount is c. £0.830m

9.9 Revised MTFs Gap

The revised MTFs gap, if the Council Tax proposals are implemented is summarised in the following table:-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Revised MTFS Gap 2023-27 (paragraph 8.1 refers)	0	2,413	7,941	12,254
<u>Council Tax Changes:</u>				
Additional 1% General Council Tax increase 2023/24	(1,073)	(1,078)	(1,084)	(1,089)
Targeted Cost of Living Discount	830	0	0	0
Adult Social Care - 2% Precept 2023/24 & 2024/25 *	(2,146)	(4,313)	(4,334)	(4,356)
Further Spread of Reserve	2,389	2,978		(950)
Revised MTFS Gap 2023-27	0	0	2,523	5,859

* Assumes that equivalent ASC budget (e.g. inflation provision, unringfenced grant) can be released for general application

10. GLA BUDGET AND PRECEPT SETTING 2023-27

- 10.1 The Greater London Authority (GLA) sets a budget for itself and each of the four functional bodies: Transport for London, the London Development Agency, the Metropolitan Police Authority, and the London Fire and Emergency Planning Authority. These budgets together form the consolidated budget.
- 10.2 The Mayor of London published his draft consolidated budget and provisional council tax precept for 2023-24 on 16 December 2022 for consultation. The consultation on the budget proposals will end on 13 January 2023.
- 10.3 Under these budget arrangements, the GLA's provisional precept on council taxpayers in the 32 London boroughs is £423.48 – a £27.89 or 7.1% increase compared to 2022/23. The proposed precept for council taxpayers in the City of London is £140.82 (an increase of £22.36 which excludes element of the rise relating to the Met Police). Both these amounts include the £20 bespoke additional flexibility which the government is again granting the Mayor of London to fund transport services in London.
- 10.4 These council tax proposals are indicative and subject to change as the Mayor of London is expected under the government's council tax referendum limits to be able to increase his precept in the 32 boroughs by up to £38.55 or 9.7 per cent (£10.66 higher than the consultation proposal above) i.e. to a maximum of £434.14. And in the City by up to £23.55 (£1.19 higher than above) i.e. to a maximum £142.01. The Mayor of London will confirm his final precept once he has had an opportunity to consider the implications of the provisional local government and police finance settlements.
- 10.5 The final precept will not be approved formally until the London Assembly budget meeting scheduled for 23 February 2023.

11. UPDATE

11.1 NNDR1 returns will be required to be submitted to the MLUHC by 31 January 2023. The percentage shares for 2023-24 used for the returns for London authorities will be 37% GLA, 33% central government and 30% London boroughs. This has been confirmed in the provisional local government finance settlement.

11.2 Council Tax – Implied increase

If Merton increased its Council Tax by 3% and Adult Social Care precept by 2% and the London Assembly confirm the GLA's proposed increase, the implications for the level of Council Tax on a Band D property, including the GLA precept are set out as follows:-

Band D Council Tax

Council Tax at Band D	2022/23 £	2023/24 £	% change from 2022/23
Merton (exc. WPCC)	1,380.93	1,449.97	5.0%
GLA Precept (Provisional)	395.59	423.48	7.1%
Implied Council Tax at Band D	1,776.52	1,873.45	5.5%

12. CONSULTATION UNDERTAKEN OR PROPOSED

12.1 There will be consultation as the business plan process develops. This will include the Overview and Scrutiny panels and Commission, business ratepayers and all other relevant parties.

12.2 In accordance with statute, consultation will take place with business ratepayers and a meeting has been arranged for 15 February 2023.

12.3 As previously indicated, a Member's information pack has been prepared and distributed to all councillors. This should be brought to all Scrutiny and Cabinet meetings up to Budget Council. This should make the process more manageable for councillors and it will ensure that only one version of those documents is available so referring to page numbers at meetings will be easier. It will also keep printing costs down and reduce the amount of printing that needs to take place immediately prior to Budget Council.

12.4 The pack includes:

- Savings proposals
- Growth proposals
- A draft Equality impact assessment for each saving proposal.

13. **TIMETABLE**

13.1 In accordance with revised financial reporting timetables.

14. **FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

14.1 All relevant implications have been addressed in the report.

15. **LEGAL AND STATUTORY IMPLICATIONS**

15.1 All relevant implications have been addressed in the report.

16. **HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

16.1 Draft Equalities assessments of the savings proposals are included in the Member's Information Pack.

17. **CRIME AND DISORDER IMPLICATIONS**

17.1 Not applicable.

18. **RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

18.1 Not applicable.

APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix 1: Provisional Local government Finance Settlement 2023-24: Summary

Appendix 2: Additional Savings Proposals 2023-27

Appendix 3: Equalities Impact Assessments

Appendix 4: MTFs Update

Appendix 5: Draft Capital Programme 2023-27

BACKGROUND PAPERS

Budget files held in the Corporate Services department.

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PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2023/24

Background

The Chancellor of the Exchequer published an Autumn Statement 2023/24 on 17 November 2022. A summary of the key points was included in the report to Cabinet on 5 December 2022. The figures included in these documents underlie the allocations to local authorities announced in the Provisional Local Government Finance Settlement 2023/24 on 19 December 2022. Details on the Provisional Local Government Finance Settlement 2023/24 are provided in this Appendix.

Overview of the Provisional Local Government Settlement 2023-24

Details of the provisional Local Government Settlement were published on 19 December 2022.

This is a summary of the main details included in the Provisional Settlement, with particular emphasis on the implications for Merton.

1. Provisional Local Government Settlement

1.1 Settlement Funding Assessment (SFA)

This section sets out the main details included in the Provisional Settlement and assesses the implications for Merton's finances as set out in the Medium Term Financial Strategy (MTFS).

The Settlement outlined core funding allocations (Settlement Funding Assessment)

The Settlement Funding Assessment is the total of Revenue Support Grant (RSG) and Baseline Funding (BF) from Business Rates. There has been an increase of 5.3% in SFA nationally in 2023/24. Details of changes in SFA for England, London boroughs and in Merton are summarised in the following table:-

	2019/20 Final £m	2020/21 Final £m	2021/22 Final £m	2022/23 Final £m	2023/24 Provisional £m
Merton (£m)	40.460	41.120	41.148	41.311	43.415
Annual % Change		1.6%	0.1%	0.4%	5.1%
Cumulative % change		1.6%	1.7%	2.1%	7.3%
England (£m)	15,958.163	16,208.506	16,206.706	16,282.153	17,137.110
Annual % Change		1.6%	0.0%	0.5%	5.3%
Cumulative % change		1.6%	1.6%	2.0%	7.4%
London Boroughs (£m)	2,713.504	2,757.716	2,760.736	2,777.718	2,931.623
Annual % Change		1.6%	0.1%	0.6%	5.5%
Cumulative % change		1.6%	1.7%	2.4%	8.0%

The Provisional Settlement broadly reflects the details set out in the Autumn Statement 2022 The main details are:-

- a) Settlement Funding Assessment (RSG + Business Rates) allocations have increased by 5.3% nationally and by 5.5% in London. The details for Merton are:-

MERTON	2022-23 £m	2023-24 £m	Change £m	Change %
Settlement Funding Assessment	41.311	43.415	2.104	5.1
of which:				
Revenue Support Grant (RSG)	5.350	6.108		
Baseline Funding Level (BFL)	35.961	37.307		
	41.311	43.415		
(Tariff)/Top-Up (Included in BFL)	9.534	6.679		

1.2 Core Spending Power

Core Spending Power is the Government's measure of the resources available to local authorities to fund service delivery. In 2023-24 it includes "roll forward" of core components from 2022-23 and also some new and discontinued funding streams.

New funding streams include:

- Adult Social Care Discharge Fund worth £300m: will be ringfenced for adult social care and will also help support capacity and discharge.
- Adult Social Care Market Sustainability and Improvement Funding worth £400m: will be combined with existing £162m Market Sustainability and Fair Cost of Care funding and be distributed using the existing ASC Relative Needs Formula.
- Core Spending Power (CSP) Funding Guarantee worth £136m: funding to ensure all authorities' CSP increases by at least 3% in cash terms.

Discontinued funding streams include:

- The Lower Tier Services Grant worth £111m in 2022-23 will be discontinued.
- Consolidated grants worth £239m in 2022-23 have been rolled into the Revenue Support Grant and Social Care Grant. These discontinued grants include Family Annexe Council Tax Discount grant (£7m), Local Council Tax Support Administration Subsidy grant (£69m), additional funding for food safety and standards enforcement (Natasha's Law, £2m), and the Independent Living Fund (£161m).

Core Spending Power in 2023-24 is therefore made up of:

- Settlement Funding Assessment
- Estimated Council Tax Requirement excluding Parish Precepts
- Compensation via Section 31 grant for under-indexing the business rates multiplier
- Additional Council Tax revenue from referendum principle for social care
- Potential additional Council Tax revenue from referendum principle for all districts.
- Improved Better Care Fund inc. Winter Pressures Grant
- New Homes Bonus and New Homes Bonus Returned Funding;
- Rural Services Delivery Grant
- Adult Social Care Support grant
- Social Care Grant rolling in previous allocations of the Independent Living fund
- Lower Tier Services Grant
- Adult Social Care Market Sustainability and Improvement Fund
- Adult Social Care Discharge Fund
- Services Grant to support all services delivered by councils

As Core Spending Power includes a number of assumptions, this is unlikely to be an accurate reflection of the actual resources available to local authorities. In particular it assumes:-

- All authorities that are eligible raise the social care precept to its maximum of 2% in 2023-24
- All authorities increase overall council tax by the maximum amount (5% in 2023-24, comprising 3% general and 2% ASC council tax)
- Tax base increases in 2023-24 at the same average rate for each authority as between 2018-19 to 2022-23
- New Homes Bonus allocations are based on a share of total national NHB of £291m.

In England the level of assumed spending power will increase by £4.0 bn (7.2%) in 2023-24 . In London boroughs the assumed increase is £737.7m (9.2%) in 2023-24

Core Spending Power	2019/20 Final	2020/21 Final	2021/22 Final	2022/23 Final	2023/24 Provisional	2023/24 Change
	£m	£m	£m	£m	£m	%
England	46,444.9	49,231.4	50,611.4	54,540.5	59,543.8	9.2%
London Boroughs	6,848.9	7,257.4	7,440.7	7,977.7	8,715.4	9.2%
Merton	142.7	150.8	153.7	165.7	180.6	9.0%

A summary of Merton's assumed Core Spending Power from 2019/20 to 2023/24 is included in the following table:-

Detailed Breakdown of Core Spending Power – Merton

	Final	Final	Final	Final	Provisional	Annual Change (22-23 to 23-24)	Cumulative Change (19-20 to 23-24)
	2019/20	2020/21	2021/22	2022/23	2023/24		
	£m	£m	£m	£m	£m	%	%
Council Tax	92.370	97.386	99.862	104.984	110.834	5.6%	20.0%
SFA	40.460	41.120	41.148	41.311	43.415	5.1%	7.3%
S.31 grant Compensation for business rates	1.153	1.441	1.874	3.675	6.355	72.9%	451.2%
Improved Better Care Fund	4.114	4.862	4.862	5.010	5.010	0.0%	21.8%
New Homes Bonus	2.108	1.438	0.612	0.482	0.732	51.9%	(65.3)%
Adult Social Care Support Grant	0.000	0.000	0.000	0.000	0.000	0.0	-
Winter Pressures Grant	0.748	0.000	0.000	0.000	0.000	0.0	-
Social Care Support Grant	1.278	0.000	0.000	0.000	0.000	0.0	-
Social Care Grant	0.000	4.058	4.466	6.282	10.430	66.0%	-
Market Sustainability and Fair Cost of Care Fund	0.000	0.000	0.000	0.505	0.000	(100.0)%	-
ASC Market Sustainability and Improvement Fund	0.000	0.000	0.000	0.000	1.751	-	-
Lower Tier Services Grant	0.000	0.000	0.399	0.429	0.000	(100.0)%	-
ASC Discharge Fund	0.000	0.000	0.000	0.000	0.702	-	-
Services Grant	0.000	0.000	0.000	2.479	1.397	(43.6)%	-
Grants rolled in	0.507	0.499	0.522	0.516	0.000	(100.0)%	(100.0)%
Funding Guarantee	0.000	0.000	0.000	0.000	0.000	-	-
Core Spending Power	142.738	150.804	153.745	165.672	180.626	9.0%	26.5%

1.3 Council tax referendum principles for principal local authorities

In terms of controlling the level of council tax increases that local authorities can set in 2023-24, without the need for a local referendum, the Government has decided that the core principles to be applied to authorities with social care responsibilities including London boroughs such as Merton are:-

- For 2023-24, the relevant basic amount of council tax is excessive if the authority's relevant basic amount of council tax for 2023-24 is 5% comprising 2% for expenditure on adult social care and 3% for other expenditure), or more than 5%, greater than its relevant basic amount of council tax for 2022-23.

Police and Crime Commissioners (PCCs) including the GLA charge for the Metropolitan Police will be allowed increases of £15.

GLA Council Tax Precept

The Mayor of London published the draft GLA budget for consultation on 16 December 2022 and the provisional Band D precept is £423.48 – a £27.89 or 7.1% increase compared to 2022/23. This amount includes the £20 bespoke additional flexibility which Government is again granting the Mayor to fund transport services in London.

However, it should be noted that the GLA council tax proposals are indicative and subject to change as the Provisional Settlement confirms the Mayor can increase the precept in the 32 boroughs by up to 9.7% which is £10.66 higher than the consultation proposal above currently published.

The Mayor will confirm the final precept once he has had an opportunity to consider the implications of the provisional local government and police finance settlements.

Summary Council Tax Proposals

The financial projections in this report are based on the following levels of council tax increase:-

	2023/24 %	2024/25 %	2025/26 %	2026/27 %
Council Tax increase - General	2.99	2.00	2.00	2.00
Council Tax increase - ASC	2.00	0	0	0
Total	4.99	2.00	2.00	2.00

1.4 Business Rates

1.4.1 Business Rates Revaluation 2023

The Provisional settlement has confirmed that the Government will proceed with a modified revaluation adjustment for the implementation of the 2023 business rates revaluation.

In order to preserve the growth incentive and minimise turbulence, the Government intends to strip out any gains or losses resulting purely from the revaluation or transfers to the central list by making an amended technical adjustment to tariffs or top-ups (baseline funding levels will remain unaffected). This fulfils the Government's commitment made at the outset of the retention scheme, that revaluations would, as far as practicable, mean authorities are no better or worse off. The government will keep the revaluation adjustment under review.

1.4.2 Compensation for Under-Indexing the Business Rates Multiplier

As announced in the Autumn Statement on 17 November 2022 the business rates multipliers will be frozen in 2023-24 at 49.9 pence and 51.2 pence, preventing them from increasing to 52.9 pence and 54.2 pence. In a break with policy since 2018 (when indexation changed from RPI to CPI), the government is only compensating councils for freezing business rates to the

level of September CPI inflation rather RPI inflation. Merton's Core Spending Power calculation includes £6.355m for compensation for under-indexing the business rates multiplier.

1.4.3 NNDR1

Although the Provisional Settlement includes amounts for business rates and compensation for the under-indexing of the multiplier, these are based on the government's assumptions and may differ greatly from Merton's actual business rates profile.

The figures used in the Council's budget for 2023/24 will be based on the latest business rates information available for Merton which will be included in the government's NNDR1 Return which, as for all local authorities, has to be submitted by 31 January 2023.

The NNDR1 form for 2023/24 has now been received from Government. Meeting the 31 January deadline will be tight because, as for all local authorities, the impact of the Business Rates Revaluation 2023 means that changes are required to Revenues and Benefits systems. Civica, have advised that there is development work to be undertaken to incorporate the changes and an update on progress towards this is expected in early January.

1.5 Adult Social Care Funding

In the Autumn Statement published on 17 November 2022, the government announced that it is prioritising further investment in the NHS and social care, and in schools and that supporting these two public services is the government's priority for public spending. It stated that "the Autumn Statement makes up to £8 billion of funding available for the NHS and adult social care in England in 2024-25. This includes £3.3 billion to respond to the significant pressures facing the NHS, enabling rapid action to improve emergency, elective and primary care performance, and introducing reforms to support the workforce and improve performance across the health system over the longer term."

1.5.1 Improved Better Care Fund

The Improved Better Care Fund (iBCF) will continue at the same level as in 2022-23 (£2.1bn), with London Boroughs receiving £346m (16.3%). The grant will continue to be required to be pooled as part of the Better Care Fund.

The MTFs assumes that this level of funding continues over the four year period. This is summarised in the following table:-

Adult Social Care (iBCF)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Improved Better Care Fund	5.009	5.009	5.009	5.009

1.5.2 Adult Social Care Discharge Grant

This is a new grant totalling £300m nationally and part of the £600m new funding announced in the Autumn statement 2022. The Discharge Funding grant is provided to upper tier authorities to ensure those people who need to draw on social care when they are discharged from hospital can leave as soon as possible. The Discharge Funding must be pooled as part of the Better Care Fund. The government will set out further details on the conditions of this funding in due course, with the funding intended to support improvements to adult social care and in particular to address discharge delays, social care waiting times, low fee rates and workforce pressures in the adult social care sector.

Merton's grant is:-

	2023/24 £000
Adult Social Care Discharge Fund	702

1.5.3 Adult Social Care Market Sustainability and Improvement Fund

The Provisional Settlement states that the Adult Social Care Market Sustainability and Improvement Funding Grant is provided to upper tier authorities to enable tangible improvements to be made to adult social care. As set out in the Autumn Statement 2022, the ASC funding reforms have been delayed to October 2025. The existing Market Sustainability and Fair Cost of Care Fund has been combined with new, ringfenced funding, announced in the Autumn Statement. Funding will be distributed using the ASC relative needs formula. London boroughs will receive £87m (15%) in 2023-24. The government expects this new grant funding to enable local authorities to make tangible improvements to adult social care particularly to address discharge delays, social care waiting times, low fee rates and workforce pressures in the adult social care sector.

As with the additional iBCF funding, there will be reporting requirements placed on the new Adult Social Care Grant against these objectives.

	2023/24 £000
ASC Market Sustainability and Improvement Fund	1,751

1.5.4 Social Care Grant

The Social Care Grant is a grant provided to upper tier authorities for social care expenditure, on both adult and children's social care.

Social Care Grant will total £3.9bn in 2023-24: an increase of £1.345bn (excluding £161m of funding for the Independent Living Fund which has also

been rolled in to SCG). Around £1.285bn of this increase is funded by money previously earmarked for ASC funding reform, with an additional £80m redistributed from within the settlement. £1.185bn of this new funding will be allocated using the ASC Relative Needs Formula (RNF), with the remainder (£160m) used to equalise for the variation in yield that can be generated from the social care precept.

London boroughs will receive £612m (15.9%) of the Social Care Grant. The policy statement on 12 December confirmed a further £1.9bn nationally will be added to the grant in 2024-25 (bringing the total to £5.5bn), although the approach to distribution for 2024-25 has not been confirmed.

The MTFS currently assumes that in the first instance this grant will be applied to fund previously approved growth in Children, Schools and Families

Social Care Grant (cumulative)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Children's allocation (in Base budget)	4,635	4,635	4,635	4,635
Adult's allocation (in Base budget)	1,647	1,647	1,647	1,647
Children's FYE previous growth	390	390	390	390
Children's new growth	545	545	545	545
Social Care Grant *	(10,430)	(7,217)	(7,217)	(7,217)
Balance	3,213	0	0	0

* Although funding beyond 2023/24 is not assured it has been assumed that grant at least equivalent to the growth currently provided in the MTFS will be received going forward.

1.6 Special and specific grants

The distribution of a number of grants was published alongside the Provisional Settlement. Within core spending power these include:-

- New Homes Bonus
- Services Grant
- Funding Guarantee
- Rural Services Delivery Grant (not applicable to London)

1.6.1 New Homes Bonus

The New Homes Bonus was introduced in 2011 and is a grant paid by central government to local councils to reflect and incentivise housing growth in their areas. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes.

It is paid annually from a top-slice of RSG. The Government has committed to setting out the future position of New Homes Bonus ahead of the 2024-25 local government finance settlement.

The Government is proposing to roll over last year's policy on New Homes Bonus for a new round of payments in 2023-24, which will attract no new legacy payments as in 2022-23. The final year of legacy payments (totalling £221m) from the 2019-20 allocation has ended. The 2023-24 allocation totals £291m, funded through a top slice of Revenue Support Grant. The calculation methodology remains unchanged, with authorities needing to achieve tax base growth of greater than 0.4 per cent before they receive any New Homes Bonus funding.

Provisional New Homes Bonus allocations total £291m nationally (a reduction of £264m or 48%) and London borough provisional allocations total £49m (a reduction of £38m or 44%).

Merton's allocation as announced in the Provisional settlement is:-

New Homes Bonus	2023-24 £000
Merton	729

1.6.2 Services Grant

This is intended to provide funding to all tiers of local government in recognition of the vital services delivered at every level of local government. This was intended to be a one-off grant in 2022-23 and nationally has reduced from £822m in 2022-23 to £464m in 2023-24 due to the decision to reverse the National Insurance Contributions increase to fund the Health & Social Care Levy and a proportion has also been top sliced to fund an increase to the Supporting Families Programme. London boroughs will receive £86m (18.5%). It is assumed that, as for 2022-23, the grant will not be ring-fenced and conditions on reporting requirements will not be attached so that local authorities can provide support across the entire sector in recognition of the vital services delivered at every level of local government.

Merton's allocation as announced in the Provisional settlement is:-

Services Grant	2023-24 £000
Merton	1,397

1.6.3 Funding Guarantee

This new guarantee will ensure that all councils will see at least a 3% increase in their core spending power before any decisions about organisational efficiencies, use of reserves or council tax levels. The funding will total £136m and benefit 161 authorities across England (154 are Shire Districts which are

receiving 99% of the funding). This guarantee is being funded by repurposing the Lower Tier Services Grant and using a proportion of the expired New Homes Bonus legacy payments. The increase in Core Spending Power used for this calculation excludes any newly rolled-in grants but includes growth in the council tax base as calculated in the normal way, increases in Baseline Funding Levels and growth in compensation for under-indexing the multiplier.

No London boroughs will receive this funding.

1.7 Schools funding

1.7.1 The allocations for the Dedicated Schools Grant (DSG), along with indicative additional funding announced at the 2022 Autumn Statement, have been published for financial year 2023-24. The DSG continues to be funded via four blocks as previously: the schools block, the central schools block (CSSB), the high needs block and the early years block. Supplementary funding has been made available through the Mainstream Schools Additional Grant (MSAG) for 2023-24. It is expected that this funding will be rolled into National Funding Formula allocations for 2024-25.

The main schools funding headlines are as follows:

- In 2023/24, a total of £58.6bn will be made available through the DSG and supplementary funding, of which £10.1bn (17%) will be allocated to London boroughs.
- England will receive a 6.9% increase in total funding from 2022-23 to 2023-24, while London will see only a 6.1% increase.
- £7.4bn (73%) of London's funding is accounted for via the schools block and the MSAG, reflecting a 5.3% increase from 2022-23 (below the England total increase of 6.3%).
- London will receive a total of £1.9bn via the high needs block, £78.5m of which is being granted through the additional £400m announced at the Autumn Statement 2022. This amounts to a 10.1% increase from 2022-23. Overall there will be a 10.7% increase in funding via this block.
- London will be granted £734m in 2023-24 through the early years block, reflecting a 4.9% increase from the previous year. England will see a 5.4% increase from 2022-23.
- The CSSB continues to decline, falling by 2.6% to £388.7mn in 2023/24 across England. London experiences a 4% drop in funding, to £68m.

1.7.2 For Merton the following allocations compared to 2022-23 were announced:-

Merton - Dedicated Schools Grant and Additional Funding	2022-23	2023-24	2023-24 Supplementary funding	2023-24 Total	Change	Change
	£m	£m		(£m)	(£m)	(%)
Schools block	143.925	149.708	5.144	154.853	10.928	7.6%
Central school services block	1.106	1.141	0.000	1.141	0.035	3.1%
High needs block	44.772	47.246	2.052	49.298	4.525	10.1%
Early years block	15.872	16.577	0.000	16.577	0.706	4.4%
Total DSG and supplementary funding allocation	205.675	214.672	7.196	221.869	16.194	7.9%

1.7.3 A more detailed analysis of Schools Funding will be provided to Cabinet in February 2023.

1.8 Fair Funding Review and Reset of Business Rates Retention Scheme

The Government has postponed any plans to reform its assessment of need and resources or to reset the business rates retention scheme until after the current parliament – i.e. 2025-26 at the earliest.

1.9 Provisional Settlement Consultation Response

The Government's consultation period on the provisional settlement figures has a deadline of 16 January 2023.

SUMMARY OF SAVINGS PROPOSALS 2023-27

Cumulative	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Corporate Services	0	0	0	0
Children, Lifelong Learning and Family	562	741	741	741
Environment and Regeneration	630	818	920	950
Community and Housing	0	0	600	600
Cumulative Savings Proposals	1,192	1,559	2,261	2,291

Type of Saving

SI1	Income: increase in current level of charges
SI2	Income: increase arising from expansion of existing service/new service
SS1	Staffing: reduction in costs due to efficiency
SS2	Staffing: reduction in costs due to deletion/reduction in service
SNS1	Non - Staffing: reduction in costs due to efficiency
SNS2	Non - Staffing: reduction in costs due to deletion/reduction in service
SP1	Procurement / Third Party arrangements - efficiency
SP2	Procurement / Third Party arrangements - deletion/reduction in service
SG1	Grants: Existing service funded by new grant
SG2	Grants: Improved Efficiency of existing service currently funded by unringfenced grant
SPROP	Reduction in Property related costs

Risk

Low
Medium
High

Panel

C&YP	Children & Young People
CC	Corporate Capacity
HC&OP	Healthier Communities & Older People
SC	Sustainable Communities

PROPOSED SAVINGS 2023-27

DEPARTMENT: Children, Lifelong Learning and Family

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2324- 01	<p>Service/Section</p> <p>Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Strategic Priorities implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p>	<p>Central CSF budgets</p> <p>Pension and redundancy costs (ADDITION TO £200K AGREED BY CABINET 5/12/22)</p> <p>The Local Authority meets the costs of teacher redundances from this budget. We have already put forward a saving of £200k against this budget leaving £1.424m (on the 22/23 budget) to support schools with redundancy. The proposal is that we could remove another £350k. There is a legal duty upon local authorities as the employer of staff in its community schools to meet redundancy costs arising from restructures in schools. The budget has consistently underspent over at least the past four years. However, although it is anticipated that costs may rise as schools seek to manage their own budget pressures associated with rising staffing and energy costs, the proposed saving includes a projected small increase on actual spend in comparison with previous years to anticipate this possible rise in costs.</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>It does not impact on redundancies decisions themselves only on how the costs are met</p>	1624	350				Med	Low	SNS1
C&YP	CSF2324- 03	<p>Service/Section</p> <p>Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Strategic Priorities implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p>	<p>Education & Early Help - Children's Centre Income</p> <p>Income generated through Children's Centres</p> <p>There are minimal service implications in terms of securing increased usage from partners/agencies using Children's Centres, raising income by £10k in 2023.24 and £25k in 2024./25. The service already earns £175k in income from sharing and room rentals.</p> <p>No staffing implications in terms of redundancy</p> <p>Implications are minimal and will support greater usage of buildings and multi agency/partner working</p> <p>Minimal equalities implications, supporting access to a wider range of community and family services by developing wider usage income charging and rental agreements protocols, facilitates improvements to a wider service offer</p>		10	25			Med	Low	SI2
C&YP	CSF2324- 04	<p>Service/Section</p> <p>Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Strategic Priorities implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p>	<p>Education & Early Help - Revenue costs of capital budgets</p> <p>Revenue cost of capital projects</p> <p>This budget is used for capital programme projects where we cannot attribute to capital e.g. feasibility studies, condition surveys, looking after empty buildings, temporary buildings, etc. As there is less need for temporary buildings or empty buildings this budget has not been fully spent and with careful management only a proportion of the current budget is required in future years</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>	283	140				Low	Low	SPROP

PROPOSED SAVINGS 2023-27

DEPARTMENT: Children, Lifelong Learning and Family

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2324- 05	Service/Section	Education and Early Help - Rates of London Road building								
		Description	Rates budget London Road	62	62				Low	Low	SNS1
		Service Implication	As the building is no longer occupied by a nursery, we do not need to provide for busines rates any more.								
		Staffing Implications	No staffing implications in terms of redundancy								
		Strategic Priorities implications	None								
		Impact on other departments	None. Running costs have moved to school via DSG?								
		Equalities Implications	None								
C&YP	CSF2324- 06	Service/Section	Education and Early Help - Duke of Edinburgh								
		Description	Council provision of Duke of Edinburgh activities for children and young people, and support for schools	54		54			Low	Medium	SP2
		Service Implication	The proposal is to maintain Duke of Edinburgh activity in the Borough by moving: - the opportunity of coordination and support for Duke of Edinburgh activities from the Council to the London Duke of Edinburgh team; and - the provision of some Duke of Edinburgh activities to schools. Schools currently buy in to Council support, and should they wish to do so, would buy in coordination from the London DfE team. Duke of Edinburgh support is provided in this way in the majority of boroughs. The Council's provision of some activities would move to schools, including the the gold and silver awards. In moving towards this new way of working , the Council would support schools to move to their preferred way of working, including encouraging partnership support amongst themselves, building on existing strong partnerships across schools in Merton								
		Staffing Implications	Five redundancies - two full time members of staff, and three sessional.								
		Strategic Priorities implications	The continued provision by schools, with support from the London team would enable a continued focus on the priority Merton as the Borough of Sport.								
		Impact on other departments	Nil								
		Equalities Implications	The council team provides a service to support the Duke of Edinburgh programme in our special schools – small schools (such as special schools) may find it harder to deliver the programme without support, and so promoting partnership working across schools will be important.								

PROPOSED SAVINGS 2023-27

DEPARTMENT: Children, Lifelong Learning and Family

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2324- 07	Service/Section	Education and Early Help - Brightwell								
		Description	Brightwell specialist out of school provision. This service provides after school and weekend day provision with children and young people with higher levels of SEND.	549		100			med	Medium	SP1
		Service Implication	By April 2024, the aim is to secure a new provider for the Brightwell Specialist Out of School service. The service provides all year round shortbreaks/respice for children aged 5 – 18, with complex SEND and their families								
		Staffing Implications	The objective is to secure a comparable strong service offer, delivered though a commissioned partner who can provide an economy of scale across a wider service offer, and include a possible relocation of the service. The desired outcome is that families and their children have access to high quality, flexible and responsive shortbreaks/respice across a wider service offer, managed by an organisation with expertise in the field of delivery of shortbreaks/respice. There are currently approximately 15 permanent staff for 11.62 FTE posts, but staffing numbers do fluctuate upwards depending on number of places that are taken up and the needs of the children. This proposal will impact on staffing in terms of adhering to TUPE requirements.								
		Strategic Priorities implications	This proposal will reinforce ensuring there is the best provision locally for our children and young people with Special Educational Needs and Disabilities.								
		Impact on other departments	N/A								
		Equalities Implications	This proposal will maintain strong provision of respice care for our children and young people with disabilities and their families.								
Total Savings Proposals 2023-27					562	179	0	0			
Total Savings Proposals 2023-27 (cumulative)					562	741	741	741			

PROPOSED SAVINGS 2023-27
DEPARTMENT: Environment and Regeneration

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	ENV2023-24 11	Service/Section	Management of Parking Permits								
		Description	Parking Permits have not had inflationary increases for the last three years. It is proposed to increase the permits in line with the Consumer Price Index (CPI) based on the period from January 2020 - January 2023. This will equate to approximately 16.2%.	(6,067)	500				Low	Medium /High	S11
		Service Implication	The service will continue to maintain enforcement levels								
		Staffing Implications	None								
		Strategic Priorities implications	None								
		Impact on other departments	None								
		Equalities Implications	No significant implications for specific equality groups								
SC	ENV2023-24 12	Service/Section	Future Merton								
		Description	Road Safety - Currently this service is delivered on site to all primary schools and supplemented by online road safety and cycle training.	54		54			Med	Med	SS2
		Service Implication	Delivers cycle training, school travel plans and other sustainable transport initiatives. However, alternative options are being explored for future via Public Health and the Healthy Streets Programme or by external sponsored provision								
		Staffing Implications	This saving is 100% of the budget								
		Strategic Priorities implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
SC	ENV2023-24 13	Service/Section	Future Merton								
		Description	Provision of Christmas Decorations - This saving could potentially move the provision of Christmas decorations and the installation of light from the services revenue remit. In the interim Civic Pride reserves could be used to fund the Christmas activities whilst other sustainable funding alternatives are sourced, either by partners or external sponsorship.	32		32			Low	High	SNS2
		Service Implication	This saving is 100% of the budget for this service								
		Staffing Implications	None								
		Strategic Priorities implications	Utilising funding elsewhere during a cost of living crisis								
		Impact on other departments	None								
		Equalities Implications	None								

PROPOSED SAVINGS 2023-27

DEPARTMENT: Environment and Regeneration

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	ENV2023-24 14	Service/Section	Future Merton								
		Description	Various Subscriptions	30		30			Low	Med	SNS2
		Service Implication	This saving would be from reviewing all subscriptions that are currently funded by the Council, with the retention of one professional membership for officers. The withdrawal of this will mean that support received automatically as a result of being a subscription holder will reduce direct access to certain organisations such as New London Architecture and Urban Design London and so alternative methods of Continuous Professional Development and networking will need to be explored.								
		Staffing Implications	Possible reduced training and development opportunities and networking								
		Strategic Priorities implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
SC	ENV2023-24 15	Service/Section	Future Merton								
		Description	Highway Condition Surveys	50		50			Med	High	SNS2
		Service Implication	The radar condition surveys help prioritise the resurfacing programme. The service can be funded via additional highway income or by revised contractual arrangements. This saving is 100% of the revenue budget for this service (to then be covered via increased income elsewhere in the service)								
		Staffing Implications	None								
		Strategic Priorities implications	Sustainable Future and Civic Pride								
		Impact on other departments	None								
		Equalities Implications	None								

PROPOSED SAVINGS 2023-27
DEPARTMENT: Environment and Regeneration

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	ENV2023-24 16	Service/Section	Greenspaces Partnership and Spend to Save Projects	80		(50)	30	30	Med	Low	SI1
	Description	Charging Tennis Coaches to offer tennis coaching across courts for % of the time allowing free play and play to pay use.									
	Service Implication	This option would provide a small income stream of approximately £30K to the council after the £80K sinking fund for future maintenance of this investment.									
	Staffing Implications	None									
	Strategic Priorities implications	None									
	Impact on other departments	None									
	Equalities Implications	None									
SC	ENV2023-24 17	Service/Section	Greenspaces Partnership and Spend to Save Projects			72	72		Med	Low	SI2
	Description	Parks Tythe Property Investment. Recently the Greenspaces Team have been working with LBM Estates and Valuations Team to review our current stock of Tythe Properties in park and potential Spend to Save projects on these assets could yield a healthy market rent of between £1500 - £2000 per calendar month depending on the type and size of property .									
	Service Implication	Potential first year rental income of at least £84k Investment required to bring properties to lettable standard									
	Staffing Implications	None									
	Strategic Priorities implications	None									
	Impact on other departments	None									
	Equalities Implications	None									

PROPOSED SAVINGS 2023-27
DEPARTMENT: Environment and Regeneration

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	ENV2023-24 18	Service/Section	Waste Services-SLWP		100						
		Description	Waste disposal minimisation						Med	Low	SS1
		Service Implication	Following the successful roll out of the new waste disposal contract for Food and Garden waste processing in sept 2022 along with the reduced disposal and processing cost for our Dry Mix Recycling (DMR) the overall cost associated directly with the processing and disposal of waste has been reduced. The saving proposal is for the short term until 2025. The £100k proposed saving is based on contract requirements for the current phase C lot 1 to manage the cost of recycle.								
		Staffing Implications	None								
		Strategic Priorities implications	The disposal of waste has no impact on our residents and collection services will remain unchanged . As such residents will see no direct impact on their collections service.								
		Impact on other departments	This project is part of the wider work undertaken in partnership with our neighbouring borough who for the South London Waste Partnership (SLWP)								
		Equalities Implications	None								
SC	ENV2023-24 19	Service/Section	Waste Services-SLWP		30						
		Description	Wood disposal processed by Thermal Treatment						Med	Med	SNS2
		Service Implication	Wood material (grade B to D) that is collected at HRRC will be processed by thermal treatment (fuel). This will provide a reduced cost and a compliant process for the treatment of this type of material. This method of operation will negatively impact on our recycling rate by 3-5%, lowering our annual rate to approximately 37/38%. However, there is potential CO 2 saving with this proposal. This will require a contract variation. The service will explore pre-processing separation for grade A wood materials to mitigate the loss of recycling tonnage.								
		Staffing Implications	None								
		Strategic Priorities implications	None								
		Impact on other departments	As part of LBM's partnership arrangements with the SLWP and our Joint Waste Committee responsibility both parties will need to be advised of this change of approach.								
		Equalities Implications	None								
Total Savings Proposals 2023-27						630	188	102	30		
Total Savings Proposals 2023-27 (cumulative)						630	818	920	950		

PROPOSED SAVINGS 2023-27
DEPARTMENT: Community & Housing

Panel	Ref	Description of Saving		Baseline Budget 22/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
Page 43	CH119	Service/Section Description	Adult Social Care and Commissioning Increasing the availability and use of supported living as a positive alternative to residential care for adults with learning disabilities. This will include using supported living as a positive alternative for individuals requiring accommodation based care and support as well as looking for opportunities to support individuals to move back to the borough from out of area residential placements. Saving deliverable from 2025/26 linked to redevelopment of JMC site and the provision of 20 units of supported accommodation as part of that project. New commissioning arrangements will also be developed during 2023/24 to support the delivery of personalised 24/7 care and support as well as increased access to suitable accommodation.	45,000	0	0	300	0	M	M	SP1
		Service Implication	Some impact in terms of review and care and support planning activities but manageable with effective forward planning.								
		Staffing Implications	N/A								
		Strategic Priorities implications	Positive impact on Building a Sustainable Future								
		Impact on other departments	None identified. May require work with E&R to identify suitable properties / sites.								
		Equalities Implications	Full EA required in relation to any possible impacts on outcomes for individuals. To be completed once cohort of potential individuals identified.								
	CH120	Service/Section Description	Adult Social Care and Commissioning Working with specialist housing providers to increase supply of extra care sheltered housing as a positive alternative to residential care for older people. Given development lead times likely to be 2025/26 before savings are realised.	45,000	0	0	300	0	M	M	SP1
		Service Implication	Some impact in terms of review and care and support planning activities but manageable with effective forward planning.								
		Staffing Implications	N/A								
		Strategic Priorities implications	Positive impact on Building a Sustainable Future								
		Impact on other departments	None identified. May require work with E&R to identify suitable properties / sites.								
		Equalities Implications	Full EA required in relation to any possible impacts on outcomes for individuals. To be completed once cohort of potential individuals identified.								
Total Savings Proposals 2023-27					0	0	600	0			
Total Savings Proposals 2023-27 (cumulative)					0	0	600	600			

SUMMARY OF EQUALITIES ASSESSMENTS - SAVINGS TO CABINET 16 January 2023

SAVINGS REFERENCE	CABINET	DEPARTMENT	SAVING	OUTCOME
CSF 2324-01	16 January 2023	Children, Lifelong Learning and Family	Central CSF Budgets - Pension and redundancy costs - Additional amount	1
CSF 2324-03	16 January 2023	Children, Lifelong Learning and Family	Education & Early Help - Children's Centre Income	1
CSF 2324-04	16 January 2023	Children, Lifelong Learning and Family	Education & Early Help - Revenue costs of capital budgets	1
CSF 2324-05	16 January 2023	Children, Lifelong Learning and Family	Education and Early Help - Rates of London Road building	1
CSF 2324-06	16 January 2023	Children, Lifelong Learning and Family	Education and Early Help - Duke of Edinburgh	2
CSF 2324-07	16 January 2023	Children, Lifelong Learning and Family	Education and Early Help - Brightwell	2
ENV2023-24 11	16 January 2023	Environment and Regeneration	Management of Parking and Traffic with income implications	2
ENV2023-24 12	16 January 2023	Environment and Regeneration	Future Merton - Road Safety Officer	2
ENV2023-24 13	16 January 2023	Environment and Regeneration	Future Merton - Provision of Christmas Decorations	1
ENV2023-24 14	16 January 2023	Environment and Regeneration	Future Merton - various subscriptions	1
ENV2023-24 15	16 January 2023	Environment and Regeneration	Future Merton -Highway condition surveys	1
ENV2023-24 16	16 January 2023	Environment and Regeneration	Greenspaces Partnership and Spend to Save Projects - Charging Tennis Coaches	2
ENV2023-24 17	16 January 2023	Environment and Regeneration	Greenspaces Partnership and Spend to Save Projects - Parks Tythe Property Investment	2
ENV2023-24 18	16 January 2023	Environment and Regeneration	Waste Services-SLWP: Waste disposal minimisation	1
ENV2023-24 19	16 January 2023	Environment and Regeneration	Waste Services-SLWP: Wood disposal processed by Thermal Treatment	1
CH119	16 January 2023	Community and Housing	Adult Social Care and Commissioning - Increasing the availability and use of supported living	1
CH120	16 January 2023	Community and Housing	Adult Social Care and Commissioning - Working with providers to increase supply of extra care sheltered housing	1



Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	CSF2324- 01 Pension & redundancy costs
Which Department/ Division has the responsibility for this?	CLLF

Stage 1: Overview	
Name and job title of lead officer	Richard Ellis, AD Strategy & Commissioning
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	CLLF retain a budget to support maintained schools with the cost of redundancies relating to staff that are LBM employees. This budget has underspent significantly in recent years. Even with the risk of more redundancies we do not believe that the costs to CLLF will use up the budget and therefore there is headroom to reduce the budget by £550k.
2. How does this contribute to the council's corporate priorities?	Financial sustainability
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The budget support schools with the cost of redundancies. Reducing the budget has no impact on their decision making or on access to pensions and redundancy payments for staff.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	no

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

Budget outturn for previous years and the 2023/24 budget forecast

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		X		x	The reduction in budget has no impact of the number of or selection for redundancies
Disability		X		X	
Gender Reassignment		X		X	
Marriage and Civil Partnership		X		X	
Pregnancy and Maternity		X		X	
Race		X		X	
Religion/ belief		X		X	
Sex (Gender)		X		X	
Sexual orientation		X		X	
Socio-economic status		x		X	

7. If you have identified a negative impact, how do you plan to mitigate it?

None identified

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
None identified						

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

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Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome [1](#) Assessment

[The saving is an adjustment to an underspending budget](#)

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Richard Ellis AD Strategy & Commissioning	Signature: RE	Date:1/12/22
Improvement action plan signed off by Director/ Head of Service	Jane McSherry, Director CLLF	Signature: JM	Date: 6/1/23

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Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	CSF2324- 03 children's centres income
Which Department/ Division has the responsibility for this?	CLLF

Stage 1: Overview	
Name and job title of lead officer	Alison Jones, Service Manager
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	Our children centres already lease out space to partners and rent rooms to external organisations. The aim is to increase this income over two years by £35k, which represents a 12% increase in lease and rental income.
2. How does this contribute to the council's corporate priorities?	Financial sustainability
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	We will approach partners to explore other opportunities for sharing the space.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	no

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

The centres already raise income from room rentals and leased space. It is the Head of Service's assessment that there is capacity for further sharing and rentals.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		X		x	The reductions in budget area are relatively small and can be met without impact on people with protected characteristics
Disability		X		X	
Gender Reassignment		X		X	
Marriage and Civil Partnership		X		X	
Pregnancy and Maternity		X		X	
Race		X		X	
Religion/ belief		X		X	
Sex (Gender)		X		X	
Sexual orientation		X		X	
Socio-economic status		x		X	

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7. If you have identified a negative impact, how do you plan to mitigate it?

None identified

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
None identified						

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

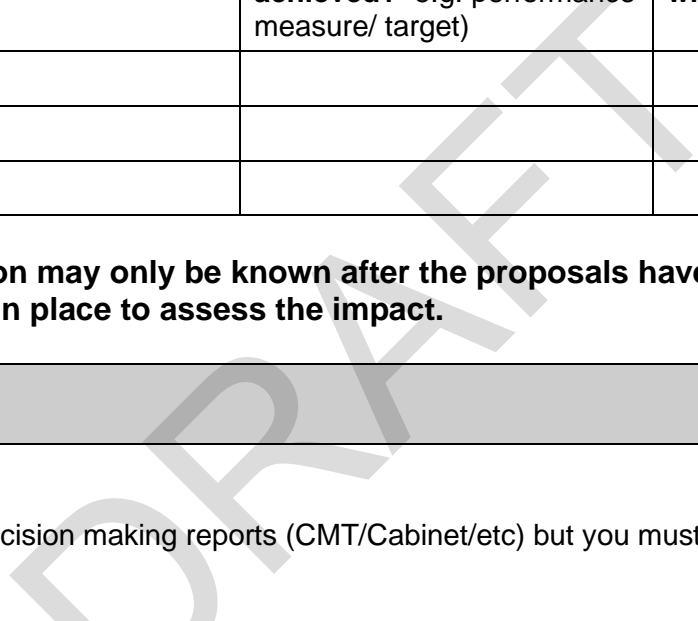
Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome 1 Assessment
The saving is an adjustment to an underspending budget

Page 3



Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Alison Jones, Service Manager	Signature: AJ	Date: 5/12/22
Improvement action plan signed off by Director/ Head of Service	Richard Ellis AD Strategy & Commissioning	Signature: RE	Date: 5/12/22

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Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
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What are the proposals being assessed?	CSF2324- 04 revenue costs of capital schemes
Which Department/ Division has the responsibility for this?	CLLF

Stage 1: Overview	
Name and job title of lead officer	Tom Procter, Head of Contracts & School Organisation
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	We hold a budget to meet the revenue costs of capital schemes. Part of this budget was to support schools with temporary expansion through temporary buildings etc. With falling school rolls this element is not needed for the foreseeable future.
2. How does this contribute to the council's corporate priorities?	Financial sustainability
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	None. This part of the budget is not currently utilised
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	no

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

We have a school place strategy that tracks school rolls against capacity, which is updated regularly

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies Positive impact		Tick which applies Potential negative impact		Reason Briefly explain what positive or negative impact has been identified
	Yes	No	Yes	No	
Age		X		x	The reductions in budget area are relatively small and can be met without impact on people with protected characteristics
Disability		X		X	
Gender Reassignment		X		X	
Marriage and Civil Partnership		X		X	
Pregnancy and Maternity		X		X	
Race		X		X	
Religion/ belief		X		X	
Sex (Gender)		X		X	
Sexual orientation		X		X	
Socio-economic status		x		X	

7. If you have identified a negative impact, how do you plan to mitigate it?

None identified

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
None identified						

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome 1 Assessment
The saving is an adjustment to an underspending budget

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Tom Procter, Head of Contracts & School Organisation	Signature: TP	Date: 5/12/22
Improvement action plan signed off by Director/ Head of Service	Richard Ellis AD Strategy & Commissioning	Signature: RE	Date: 5/12/22

DRAFT



Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	CSF2324- 05 London Road business rates budget
Which Department/ Division has the responsibility for this?	CLLF

Stage 1: Overview	
Name and job title of lead officer	Alison Jones, Service Manager
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	We held a budget for the business rates for a property that is now occupied by a school. We therefore do not need to meet this cost from this budget
2. How does this contribute to the council's corporate priorities?	Financial sustainability
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	None. This part of the budget is not currently utilised
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	no

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

n/a

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		X		X	The reductions in budget area are relatively small and can be met without impact on people with protected characteristics
Disability		X		X	
Gender Reassignment		X		X	
Marriage and Civil Partnership		X		X	
Pregnancy and Maternity		X		X	
Race		X		X	
Religion/ belief		X		X	
Sex (Gender)		X		X	
Sexual orientation		X		X	
Socio-economic status		X		X	

7. If you have identified a negative impact, how do you plan to mitigate it?

None identified

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
None identified						

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

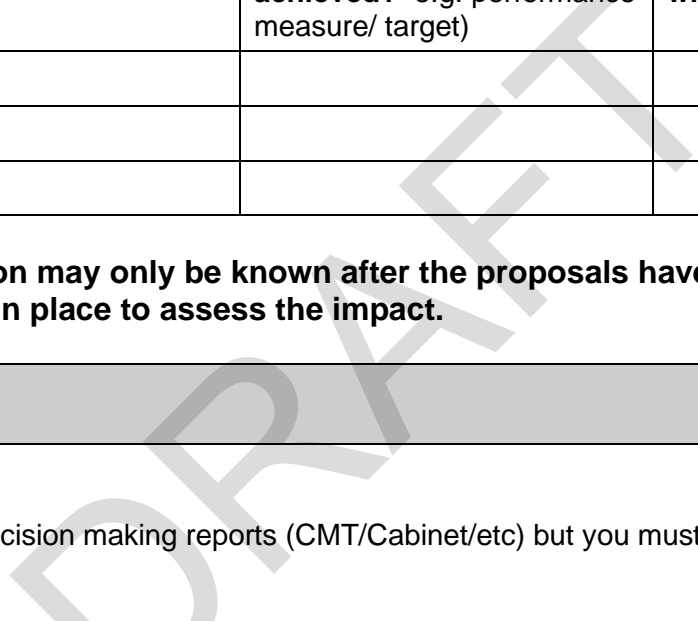
Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome 1 Assessment
The saving is an adjustment to an underspending budget

Page 3



Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Allison Jones	Signature: AJ	Date: 5/12/22
Improvement action plan signed off by Director/ Head of Service	Richard Ellis AD Strategy & Commissioning	Signature: RE	Date: 5/12/22

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Equality Analysis

What are the proposals being assessed?	CLLF 06 Duke of Edinburgh Award scheme
Which Department/ Division has the responsibility for this?	Education and Early Help

Stage 1: Overview	
Name and job title of lead officer	Keith Shipman, Head of Education Inclusion
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>The proposal is to maintain Duke of Edinburgh activity in the Borough by moving:</p> <ul style="list-style-type: none"> - the opportunity of coordination and support for Duke of Edinburgh activities from the Council to the London Duke of Edinburgh team; and - the provision of some Duke of Edinburgh activities from the Council to schools. <p>The proposal would involve the deletion of five posts.</p> <p>Schools currently buy in to Council support, and should they wish to do so, would buy in coordination from the London DfE team. Duke of Edinburgh support is provided in this way in the majority of boroughs.</p> <p>The Council's provision of some activities would move to schools, including the gold and silver awards.</p> <p>In moving towards this new way of working, the Council would support schools to move to their preferred way of working, including encouraging partnership support amongst themselves, building on existing strong partnerships across schools in Merton.</p>
2. How does this contribute to the council's corporate priorities?	The continued provision by schools, with support from the London team would enable a continued focus on the priority Merton as the Borough of Sport.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	This proposal will affect schools which are supported by the service and potentially children and young people who undertake the Duke of Edinburgh award (should schools choose not to buy in support for the programme from the London team, and providing activities themselves, thereby ceasing local opportunities).
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	<p>The responsibility for the delivery of the programme is shared with the London Duke of Edinburgh team who, at the moment, license the Council's work, as well as with schools. Should the proposal to remove the Council's team proceed, schools would need to contract directly with the national team and provide activities themselves.</p> <p>The voluntary sector benefit from the Duke of Edinburgh programme because of the volunteer hours provided by the children and young people.</p> <p>Delivery of the silver award at the John Innes centre provides income to the YMCA.</p>

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

Data – pupils involved – numbers, gender, ethnicity, disability.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		√	√		Should schools choose not to continue with the Duke of Edinburgh programme, children and young people would lose this opportunity
Disability		√	√		The council team provides a service to support the Duke of Edinburgh programme in our special schools – small schools (such as special schools) might find it harder to deliver the programme without support.
Gender Reassignment		√		√	
Marriage and Civil Partnership		√		√	
Pregnancy and Maternity		√		√	
Race		√		√	
Religion/ belief		√		√	
Sex (Gender)		√		√	
Sexual orientation		√		√	
Socio-economic status		√		√	

7. If you have identified a negative impact, how do you plan to mitigate it?

Through consultation with schools encourage their take up of registration with and support from the London Duke of Edinburgh team, and promoting partnership working across schools for delivery of the programme.

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Plan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Children and Young People cease to have the opportunity to take up the Duke of Edinburgh award	Encourage schools' registration with the national team.	Survey of schools	September 2023	Existing	KS	Yes
Smaller schools may find it harder to deliver the programme	Encourage partnership working across local schools (building on the strong tradition of partnership working in Merton)	Survey of schools	September 2023	Existing	KS	Yes

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome [2](#) Assessment

The key impact would be if schools choose not to contract directly with the London team and work in partnership to maintain the programme, with impact potentially being greater on children and young people with SEND. Should this proposal proceed we would consult with schools and support their move to seeking registration with and support from the London team, and encourage their partnership working.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Keith Shipman (Head of Education Inclusion)	Signature: KS	Date: 14/12/22
Improvement action plan signed off by Director/ Head of Service	Elizabeth Fitzpatrick (AD Education Early Help)	Signature: EF	Date: 14/12/22

DRAFT



Equality Analysis

What are the proposals being assessed?	CLLF 07 Brightwell Specialist Out of School provision re-commissioning
Which Department/ Division has the responsibility for this?	Education and Early Help Division

Stage 1: Overview	
Name and job title of lead officer	Allison Jones, Head of Early Years and Early Help
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria (c))	<p>By April 2024, the aim is to secure a new provider for the Brightwell Specialist Out of School service.</p> <p>The service provides all year round shortbreaks/respite for children aged 5 – 18, with complex SEND and their families</p> <p>The objective is to secure a comparable service offer, delivered though a commissioned partner who can provide an economy of scale across a wider service offer and a possible relocation of the service.</p> <p>The desired outcome is that families and their children have access to high quality, flexible and responsive shortbreaks/respite across a wider service offer, managed by an organisation with expertise in the field of delivery of shortbreaks/respite.</p> <p><u>Staff</u></p> <p>There are currently approximately 15 permanent staff for 11.62 FTE posts, and staffing numbers fluctuate upwards depending on number of places that are taken up and the needs of the children.</p> <p>This proposal will impact on staffing in terms of adhering to TUPE requirements. A further business case following the council's reorganisation policy will take place once the decision to proceed has been made. This will require its own EIA.</p>
2. How does this contribute to the council's corporate priorities?	This proposal will reinforce ensuring there is the best provision locally for our children and young people with Special Educational Needs and Disabilities.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners,	<p>Service users:</p> <p>There are 30 service users between the ages of 7 – 17, with an average attendance of 6- 8 attendees a session. There are more children attending who are over the age of 11 and up to 17, than there are children in the primary age range</p>

<p>stakeholders, the workforce etc.</p>	<p>Communities: The provision is located in the St Helier ward, however families living across the whole borough access the service</p> <p>Partners/Stakeholders: Children With Disabilities team in Children's Social Care, Kids First, Public Health, special schools, families, suppliers of services, transport and other services that support access to provision for children with SEND. Property services/corporate if a new location is secured</p> <p>Workforce: There are approximately 15 staff at the nursery (11.62 FTE), and staffing numbers fluctuate upwards depending on number of places that are taken up and the needs of the children. This proposal will impact on staffing in terms of adhering to TUPE requirements. A further business case following the council's reorganisation policy will take place once the decision to proceed has been made. This will require its own EIA</p>
<p>4 Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?</p>	<p>No, however all children access the service via a referral process predominantly through Children With Disabilities Team</p>

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

We have data sets and information to identify and determine the impact of the proposal on protected characteristics. We are aware of the overall impact of this proposal for people with protected characteristics

Data and evidence used has been secured via:

- Registration and attendance data
- ITRENT /local records staff information (to be confirmed)

Information about children with disabilities in Merton via various databases/data sets

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		√		√	<u>Service Users</u> There are no impacts identified as it is intended to secure an alternative provider to deliver services that are required <u>Staffing –(detailed EIA as part of possible reorganisation/outsourcing)</u> TUPE regulations are anticipated to apply and HR and legal advice will be sought as required
Disability		√		√	<u>Service Users</u> There are no impacts identified as it is intended to secure an alternative provider to deliver services that are required, for children and young people with SEND

					<u>Staffing –(detailed EIA as part of possible reorganisation/outsourcing)</u> TUPE regulations are anticipated to apply and HR and legal advice will be sought as required
Gender Reassignment					Not known
Marriage and Civil Partnership					Not known
Pregnancy and Maternity		√		√	<u>Service Users</u> None <u>Staffing –(detailed EIA as part of possible reorganisation/outsourcing)</u> TUPE regulations are anticipated to apply and HR and legal advice will be sought as required
Race		√		√	<u>Service Users</u> There are no impacts identified as it is intended to secure an alternative provider to deliver services that are required <u>Staffing –(detailed EIA as part of possible reorganisation/outsourcing)</u> TUPE regulations are anticipated to apply and HR and legal advice will be sought as required.
Religion/ belief					Not known
Sex (Gender)		√		√	<u>Service Users</u> There are no impacts identified as it is intended to secure an alternative provider to deliver services that are required <u>Staffing –(detailed EIA as part of possible reorganisation/outsourcing)</u> TUPE regulations are anticipated to apply and HR and legal advice will be sought as required.
Sexual orientation					Not known
Socio-economic status		√		√	<u>Service Users</u> There are no impacts identified as it is intended to secure an alternative provider to deliver services that are required <u>Staffing –(detailed EIA as part of possible reorganisation/outsourcing)</u> TUPE regulations are anticipated to apply and HR and legal advice will be sought as required

7. If you have identified a negative impact, how do you plan to mitigate it?

We will commission a new provider to deliver the service with a high level of customer satisfaction. TUPE will apply to staff

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Plan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
A reshaped offer may result in service changes, affecting families possible negatively and positively depending on need and circumstance	Consultation Coproducton Procurement process Service specification meets need	New provider delivers service and high level customer satisfaction	April 2024	Existing	Allison Jones	Y
Changes to staffing are expected due to TUPE, and anticipated move to a new employer	Support staff to take up training and develop skills so they have opportunities across the sector in alternative employment if applicable Follow policies and seek advice and guidance from Equality and Community Cohesion Officer and HR at the point of implementing the start point of the process	Reorganisation implemented, staff access training and skill development Staff access new roles either in Council, in new employment	April 2024	Existing	Allison Jones	Y

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

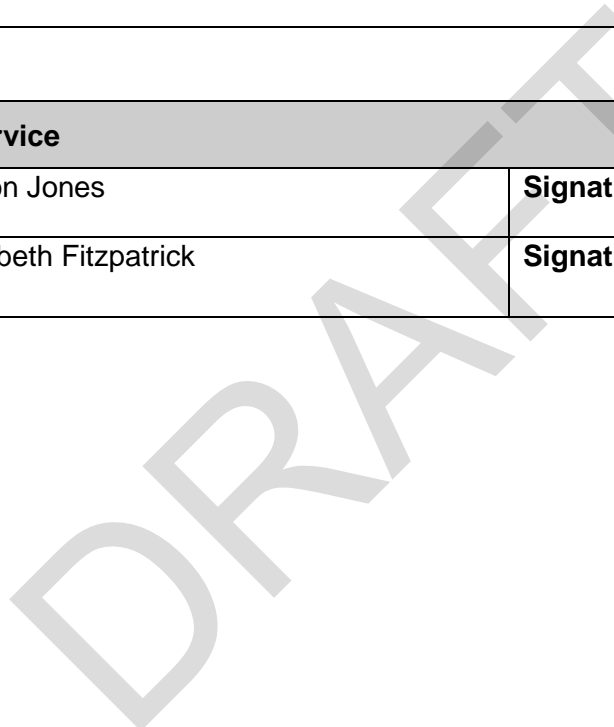
Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome 2 Assessment
We have identified some potential impacts as set out above, but as it is our intention to continue to provide the service but with an external provider these can be mitigated by the specification of that service and the choice of the new provider.

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	Allison Jones	Signature: AJ	Date: 21/12/22
Improvement action plan signed off by Director/ Head of Service	Elizabeth Fitzpatrick	Signature: EF	Date: 21/12/22



Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	A review of parking permit prices in Controlled Parking Zones, principally to catch up with inflation since January 2020.(ENV2023-24 11)
Which Department/ Division has the responsibility for this?	ECPS/ Public Protection/ Parking Services

Stage 1: Overview	
Name and job title of lead officer	Gavin Moore, Parking Services
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	A review of parking permit prices in Controlled Parking Zones, principally to catch up with inflation since January 2020. In addition: <ul style="list-style-type: none"> Reform of visitor charges to better meet the needs of cared-for residents
2. How does this contribute to the council's corporate priorities?	The proposals will ensure that charges are sufficient to meet the costs of parking services, supporting considerate and legal parking and driving, and financial self-sufficiency and efficiency: Civic Pride Reform of visitor pricing will seek to provide better options for carers: Civic Pride
3. Who will be affected by this proposal? For example, who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	1. Residents who own cars in CPZs and wish to park on-street 2. Cared-for residents whose carers require parking in CPZs
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	Future Merton/Highways, but this is a Parking Services lead

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Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

We have records of current permit issuance.

Car ownership is associated with relatively higher income levels and wealth, and is therefore less common amongst the specific equality groups identified below.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		X		X	People under 21 and over 65 are less likely to be car owners
Disability	X			X	Reform of visitor charges will seek to improve our offer to carers
Gender Reassignment		X		X	No disproportionate impact
Marriage and Civil Partnership		X		X	No disproportionate impact
Pregnancy and Maternity		X		X	No disproportionate impact
Race		X		X	No disproportionate impact
Religion/ belief		X		X	No disproportionate impact
Sex (Gender)		X		X	Men are more likely to be car owners than women
Sexual orientation		X		X	No disproportionate impact
Socio-economic status		X	X		Possible impact – higher prices may impact more on drivers who are less wealthy than other car owners. However, car owners typically have higher incomes and wealth than households who cannot afford a car.

7. If you have identified a negative impact, how do you plan to mitigate it?

An increase in permit prices of £10-£30 p.a. is of low impact compared to the cost of owning and keeping a car on the road, which insurance companies estimate to be at least £3k p.a.

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to ...better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have 'due regard' and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Potential Negative or Positive Impact	Action required	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Provide better parking permit options for carers and cared-for	Reform of visitor permit options and prices	Develop proposals and implement Analyse uptake of revised offer	Q4 22/23 Q1 2024/5	Existing	Gavin Moore	Yes
Higher permit prices of £10-£30 p.a. may have a marginally greater impact on car owners who are not as well off as other car owners	None. Permit prices are a service charge for the management and enforcement of CPZs, and of equal benefit for all resident car owners.	n/a	n/a	n/a	n/a	n/a

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.


Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome [2](#) Assessment

The Action will essentially be the review of visitor parking permit options to better meet the needs of the cared-for and their carers. This work has not yet been undertaken.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Gavin Moore, Parking Services	Signature: gavin.moore@merton.gov.uk	Date: 02/12/2022
Improvement action plan signed off by Director/ Head of Service	Adrian Ash, Executive Director of Environment, Civic Pride and Climate	Signature: 	Date: 07/12/2022

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Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	ENV2023-24 12 Revenue saving of £54,000 from 2024/5. Road Safety Officer and School Travel Support
Which Department/ Division has the responsibility for this?	E&R Sustainable Communities (Future Merton)

Stage 1: Overview

Name and job title of lead officer	Paul McGarry, Head of Future Merton
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>Budget savings to be achieved through deletion of a revenue funded road safety post in FutureMerton's budget from 2024-25 onwards.</p> <p>The saving equates to 100% of the service and deletion of the post.</p> <p>Officers will seek alternative external funding sources in future funding rounds, either via TFL Local Implementation Plan, charging schools for the service or recycling of school streets ANPR income. If no external funding is sought, the post would be vulnerable.</p> <p>EQIA Outcome 2 – mitigation sought through alternative funding sources.</p>
2. How does this contribute to the council's corporate priorities?	The proposal seeks to reduce revenue spend in line with the Councils savings targets and medium term financial strategy.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	<p>The post currently delivers cycle training, school travel plans and other sustainable transport initiatives. However, alternative options are being explored for future via Public Health and the Healthy Streets Programme or by external sponsored provision.</p> <p>The saving (if no external funding is found) would impact on the Council's ability to support safe and active travel to schools, school cycle training service and maintaining school travel plans.</p>
4. Is the responsibility shared with another department, authority or	N/A

organisation? If so, who are the partners and who has overall responsibility?

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Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

The saving is required to adhere to the Council's medium term financial strategy. Whilst the services are valued by users; it is a non-statutory function of the traffic and highways service.

Officers intend to seek alternative external funding for the post in future bidding rounds to TFL; or by working in partnership with Public Health to support active travel more broadly; particularly around schools.

Road safety around schools has been boosted since 2020 with the introduction of 28 School Streets and the adoption of TFL STARZ online cycle training programmes to offset some of the demand for physical on-site training.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age			x		The proposal could disproportionately affect younger residents who, via schools, benefit from the outcomes of school travel plans and cycle training initiatives. Younger road users are some of the most vulnerable.
Disability				x	As above
Gender Reassignment				x	As above
Marriage and Civil Partnership				X	As above
Pregnancy and Maternity				X	As above
Race				X	As above
Religion/ belief				X	As above

Sex (Gender)				X	As above
Sexual orientation				X	As above
Socio-economic status				X	As above

DRAFT

7. If you have identified a negative impact, how do you plan to mitigate it?

The proposal could disproportionately affect younger residents who, via schools, benefit from the outcomes of school travel plans and cycle training initiatives. Younger road users are some of the most vulnerable. The Council has taken mitigation steps by rolling out 28 school streets; reducing road danger near schools. Whilst the revenue saving would mean stopping the service; this may be mitigated through seeking external funding, or recycling income from School Streets activities (ANPR fines) to support the ongoing delivery of the service.

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality.
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully.
- Outcome 4** – The EA shows actual or potential unlawful discrimination.

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Potential negative impact on younger road users and school road safety	Greater onus on schools to promote road safety and partnership working with Public Health (Heathy Streets) to support schools in promoting active travel	Schools taking greater ownership of having up-to-date School Travel Plans. Promotion of active travel through the walking and cycling strategy	March 2025	Existing	PMcG	TBC

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Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in a Negative <u>2</u> Assessment Outcome with mitigation
<ul style="list-style-type: none"> The saving equates to the cessation of the service (subject to future external funding bids in 2024/5)

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Paul McGarry Head of FutureMerton	Signature:PMcG	Date:5/1/23
Improvement action plan signed off by Director/ Head of Service	Adrian Ash, Director for Environment and Regeneration	Signature:AA	Date:5/1/23

DRAFT

Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	ENV2023-24 13 Revenue saving of £32,000 from 2024/5. Provision of borough Christmas decorations.
Which Department/ Division has the responsibility for this?	E&R Sustainable Communities (Future Merton)

Stage 1: Overview	
Name and job title of lead officer	Paul McGarry, Head of Future Merton
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>Budget savings to be achieved through reduction of revenue funding in FutureMerton’s budget from 2024-25 onwards.</p> <p>The saving equates to 100% of the service.</p> <p>Provision of Christmas Decorations – FutureMerton delivers on the installation and maintenance of the borough’s Christmas lights and town centre Christmas trees.</p> <p>This saving could potentially move the provision of Christmas decorations and the installation of lights from the service’s revenue remit. In the interim Civic Pride Fund reserves could be used to fund the Christmas activities whilst other sustainable funding alternatives are sourced, either by partners or external sponsorship. Switching the installation of festive lighting to the Civic Pride fund will achieve the required revenue saving in the service area.</p> <p>EA Outcome 1 – no impact</p>
2. How does this contribute to the council’s corporate priorities?	The proposal seeks to reduce revenue spend in line with the Councils savings targets and medium term financial strategy.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners,	The proposal seeks to move the festive lighting costs from the service revenue budget, to the Civic Pride Fund to ensure the ongoing provision of festive lighting whilst alternative sources of funding or sponsorship are considered from 2026/7 onward.

stakeholders, the workforce etc.	
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	N/A

DRAFT

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

N/A – proposal is to move funding from revenue to reserves whilst maintaining the service.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age				x	N/A – provision of festive lighting has no impact on age
Disability				x	N/A – provision of festive lighting has no impact on disability
Gender Reassignment				x	N/A – provision of festive lighting has no impact on gender reassignment
Marriage and Civil Partnership				X	N/A – provision of festive lighting has no impact on partnership status
Pregnancy and Maternity				X	N/A – provision of festive lighting has no impact on maternity
Race				X	N/A – provision of festive lighting has no impact on race
Religion/ belief				X	Festive lighting supports town centres and high streets primarily; though is considered as a celebration of Christmas in the Christian calendar.
Sex (Gender)				X	N/A – provision of festive lighting has no impact on gender
Sexual orientation				X	N/A – provision of festive lighting has no impact on sexual orientation
Socio-economic status				X	N/A – provision of festive lighting has no impact on economic status

7. If you have identified a negative impact, how do you plan to mitigate it?

N/A

Stage 4: Conclusion of the Equality Analysis**8. Which of the following statements best describe the outcome of the EA (Tick one box only)**

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality.
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully.
- Outcome 4** – The EA shows actual or potential unlawful discrimination.

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

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10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis is an Outcome 1 1 Assessment

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Paul McGarry Head of FutureMerton	Signature:PMcG	Date:5/1/23
Improvement action plan signed off by Director/ Head of Service	Adrian Ash, Director for Environment and Regeneration	Signature:AA	Date:5/1/23

DRAFT

Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	ENV2023-24 14 Revenue saving of £30,000 from 2024/5. Cessation of various professional development subscriptions.
Which Department/ Division has the responsibility for this?	E&R Sustainable Communities (Future Merton)

Stage 1: Overview	
Name and job title of lead officer	Paul McGarry, Head of Future Merton
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>This saving would be from reviewing all subscriptions that are currently funded by the Council, with the retention of one professional membership for officers.</p> <p>The withdrawal of this will mean that support received automatically as a result of being a subscription holder will reduce direct access to certain organisations such as New London Architecture and Urban Design London and so alternative methods of Continuous Professional Development and networking will need to be explored.</p> <p>EQIA Outcome 2 – requires mitigation.</p>
2. How does this contribute to the council's corporate priorities?	The proposal seeks to reduce revenue spend in line with the Councils savings targets and medium term financial strategy.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	<p>The proposal seeks to reduce access to built-environment specific training and networks which contribute to ongoing professional development. The proposal only affects staff development rather than residents.</p> <p>Will also require review of LBM learning and development / people strategy to support professional development specific to the service area.</p>
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	N/A

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

The proposal is to achieve savings through the consolidation of professional development and learning networks.

Urban Design London (UDL)

About ← Urban Design London

Subscription provides access to a number of seminars, learning (real life and online) and site visits; sharing best practice in Planning, Urban Design, Streets and Public Spaces and now; lower carbon planning and retrofits. Used by Regeneration, Highways and Development Control.
Annual Subscription c4000 p/a.

Future of London (FOL)

Future of London - The capital's network for built environment practitioners

Subscription provides access to networking events (sharing best practice in Planning, Regeneration, Council Housebuilding, low carbon building.

No periodicals, but access to research papers / Lobbying for London on planning matters.

Subscription also provides for one candidate per year to join FOL Leaders and Leaders plus, for staff wishing to progress their career through a programme leadership training and mentoring. Used by FutureMerton and Development Control.

Annual subscription c£4500 p/a

New London Architecture (NLA)

New London Architecture (nla.london)

Subscription provides access to seminars, learning, expert panels, site visits and publications including research papers as well as the New London Quarterly magazine. NLA also showcase borough projects in their gallery, at the MIPIM and London Real Estate Forum conferences. Paper. Used by FutureMerton, Planning and Members who also attend events and receive publications.

Annual Subscription c£4500 p/a

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies Positive impact		Tick which applies Potential negative impact		Reason Briefly explain what positive or negative impact has been identified
	Yes	No	Yes	No	
	Age				
Disability				X	N/A
Gender Reassignment				X	N/A
Marriage and Civil Partnership				X	N/A
Pregnancy and Maternity				X	N/A
Race				X	N/A
Religion/ belief				X	N/A
Sex (Gender)				X	N/A
Sexual orientation				X	N/A
Socio-economic status				X	N/A

DRAFT

7. If you have identified a negative impact, how do you plan to mitigate it?

Potential impacts on access to learning and professional development could have a negative impact on age, race and gender in terms of specific training opportunities. This will be mitigated through identifying service / profession specific learning and development needs, including online seminars and learning; through the appraisal process and the Council's Learning & Development and People Strategy.

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed..
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality.
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully..
- Outcome 4** – The EA shows actual or potential unlawful discrimination..

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

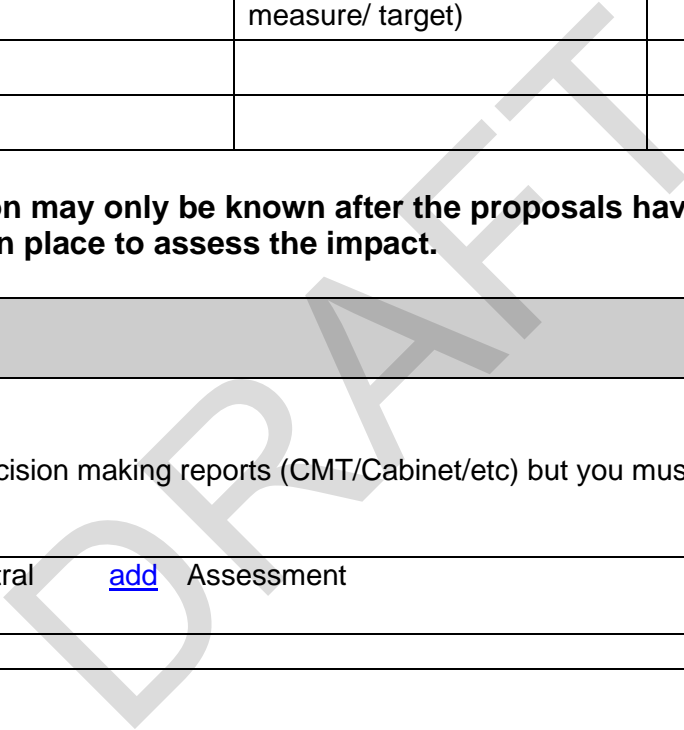
Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in a Neutral add Assessment Outcome

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Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Paul McGarry Head of FutureMerton	Signature:PMcG	Date:5/1/23
Improvement action plan signed off by Director/ Head of Service	Adrian Ash, Director for Environment and Regeneration	Signature:AA	Date:5/1/23

DRAFT

Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	ENV2023-24 15 Revenue saving of £50,000 from 2024/5. Highway Conditions Surveys.
Which Department/ Division has the responsibility for this?	E&R Sustainable Communities (Future Merton)

Stage 1: Overview	
Name and job title of lead officer	Paul McGarry, Head of Future Merton
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>This saving would be achieved by reducing the revenue budget allocated towards highway condition surveys.</p> <p>The radar conditions surveys help prioritise the resurfacing programme. The service can be funded via additional highway income or by revised contractual arrangements.</p> <p>This saving is 100% of the revenue budget for this service (to then be covered via increased income elsewhere in the service)</p> <p>EQIA Outcome 1 – no impact</p>
2. How does this contribute to the council's corporate priorities?	The proposal seeks to reduce revenue spend in line with the Councils savings targets and medium term financial strategy.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The proposal seeks to reduce the revenue available to commission contractors to undertake annual radar surveys of Merton's road network. The Council will still undertake regular highway inspections manually. It is also proposed that whilst the cost is removed from the team's revenue budget; the service can still be provided through increased income through fees and charges on the highway network.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	N/A

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

The proposal is to achieve savings by reducing the revenue budget and replacing it with increased income to maintain the annual surveys related to the capital programme.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age				x	N/A
Disability				x	N/A
Gender Reassignment				x	N/A
Marriage and Civil Partnership				X	N/A
Pregnancy and Maternity				X	N/A
Race				X	N/A
Religion/ belief				X	N/A
Sex (Gender)				X	N/A
Sexual orientation				X	N/A
Socio-economic status				X	N/A

7. If you have identified a negative impact, how do you plan to mitigate it?

N/A

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in a Neutral add Assessment Outcome

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Paul McGarry Head of FutureMerton	Signature:PMcG	Date:5/1/23
Improvement action plan signed off by Director/ Head of Service	Adrian Ash, Director for Environment and Regeneration	Signature:AA	Date:5/1/23

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Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	Greenspaces: Partnership and Spend to Save Projects (ENV2023-24 16)
Which Department/ Division has the responsibility for this?	Public Space Greenspace

Stage 1: Overview	
Name and job title of lead officer	Andrew Kauffman Head of Parks Services
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>The LBM and LTA are preparing an options appraisal that would see LBM tendering use of the boroughs courts to Licensed Tennis Coaches so that they could charge for Tennis Coaching.</p> <p>The income from licensed coaches would generate the £80,000 sinking fund as well as generate a surplus income of circa £30,000 per year</p>
2. How does this contribute to the council's corporate priorities?	Borough of Sport
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	<p>Who are your customers (staff, service users, stakeholders, partners etc)</p> <p>Licensed tennis coaches that would need to pay a market rate for the use of fully refurbished courts</p> <p>Residents and non-residents that would need to pay a premium for getting tennis coaching on the boroughs courts</p> <p>Who will your proposals benefit?</p> <p>Council who would see income that could be reinvested back into the future management and maintenance of its hard surface court infrastructure</p> <p>How will your proposals benefit the council</p> <p>Councils Increased income above sinking fund base line could offset budget pressures in other services</p>
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	<p>State here whether there are any other service areas, divisions, directorates, partner agencies (such as contracted organisations), other statutory bodies (e.g. the police, other councils etc) or the community and voluntary sector involved in the delivery of this function.</p> <p>LBM Leisure Services</p> <p>LBM Service providers Idverde UK (Who would still control 10no courts at Wimbledon Park so as not to impact on Phase C Lot 2 contract)</p>

DRAFT

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

List the type of evidence / Analysis of what this evidence tells you regarding the impact on the protected characteristics (equality groups).
 National analysis of Tennis Coaching Charging Models conducted by partner organization and sports governing body The Lawn Tennis Association
 What impact has this evidence had on what you are proposing?
 We have used these National and Regional data sets to build a model for the local market for tennis coaching
 If there are gaps in data (for example information not being available) you may have to address this by including plans to generate this information within your action plan.
 We may need further park user surveys locally to gauge potential impacts in the socio economic groups in West / Centre and East of the borough

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age	X		X		Investment in sports infrastructure would see more residents able to access good quality hard surface courts although there is a bias towards courts in West and Central Wards
Disability	x			X	Great accessible courts due to infrastructure investment
Gender Reassignment				X	
Marriage and Civil Partnership				X	
Pregnancy and Maternity				X	
Race				X	
Religion/ belief				X	
Sex (Gender)				X	

Sexual orientation				X	
Socio-economic status				X	Group might be greater impacted by the increased price of tennis coaching although greater access to good quality courts to play tennis for FREE would far outweigh the disbenefit.

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7. If you have identified a negative impact, how do you plan to mitigate it?

Summarise actions you plan to mitigate the negative impact(s) identified above. Detail for these actions should be included in the Improvement Action Plan (Section 9 below).

Increasing price point for chargeable tennis coaching and % time lost on courts would be far out weighed by FREE play and pay to play tennis access on improved court through the infrastructure development.

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed..
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality.
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully.
- Outcome 4** – The EA shows actual or potential unlawful discrimination..

Stage 5: Improvement Action Plan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Increased price for tennis coaching in Merton due to charges inferred to coaches for the use of the court	Strong coaching contract	Sports usership survey annually	23-25	Existing staff time ownus on coaches to provide the date under term of the contract	AK	
Reduced access to % of courts allocated to tennis coaches for	Strong coaching contracts with Community User agreements	Annual user agreement	23-25	Existing staff time ownus on coaches to provide the date under term of the contract	AK	

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome [add](#) Assessment

Please include here a summary of the key findings of your assessment.

- What are the key impacts – both negative and positive – you have identified?
Negative: Increase in price for tennis coaching in Merton
Positive: Additional income supports sinking fund for future maintenance and surplus to reinvest into savings to support financial pressures on under performing services
- Are there any particular groups affected more than others?
Residents and Non-residents looking for tennis coaching
% loss of courts that would be allocated to Tennis Coaches
- What course of action are you advising as a result of this assessment?
Agree % community users agreement for each court system in the tennis coaching contracts
- If your EA is assessed as Outcome 3 and you suggest to proceeding with your proposals although a negative impact has been identified that may not be possible to fully mitigate, explain your justification with full reasoning.
Not applicable

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Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Andrew Kauffman Head of Parks	Signature:	Date:05/01/2023
Improvement action plan signed off by Director/ Head of Service	Adrian Ash	Signature:	Date:06/01/23

DRAFT

Equality Analysis

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	Greenspaces: Partnership and Spend to Save Projects (ENV2023-24 17)
Which Department/ Division has the responsibility for this?	Public Space Greenspace

Stage 1: Overview

Name and job title of lead officer	Andrew Kauffman Head of Parks Services
1. What are the aims, objectives and desired outcomes of your Proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>Linked to a recent review of park buildings and tythe properties and a wider asset management review that the LBM Greenspaces Team have been supporting, a number of potential Spend to Save projects on these assets could yield a healthy market rent of between £1500 - £2000 per calendar month as well as stem any further dilapidation of these building assets.</p> <p>Many of these building were allocated to staff when the Parks Service was in house, but with the Phase C Lot 2 contract outsourcing this contract has left a number of properties empty and progressing into further decline</p> <p>Obviously, this project will require a full professional audit of the current building stock through a detailed asset management review to be managed by LBM Property Management Team</p> <p>Current tythe buildings being considered</p> <ul style="list-style-type: none"> • Mostyn Gardens (Tythe Property currently let by Jonathan Moss) • Commons Extension (Tythe Property currently let by Jonathan Moss) • Cannizaro Park Priest House (Vacant building) • Cannizaro Park Bungalows x3 (Tythe Property currently let by Jonathan Moss only 1 currently let 2 vacant) • John Innes Park 3 Bed House (Vacant building in decline) • Canons House and Grounds (vacant) <p>2 additional properties are under review</p>
Additional properties are also	Housing Need

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under review	
<p>3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.</p>	<p>Who are your customers (staff, service users, stakeholders, partners etc) Property Management - will increase available housing stock</p> <p>Who will your proposals benefit? Greenspaces assets currently laying vacant will be protected from further decline Provision of Housing Stock to Property Management</p> <p>How will your proposals benefit the council Generating income from Parks Assets that are currently laying vacant</p>
<p>4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?</p>	<p>State here whether there are any other service areas, divisions, directorates, partner agencies (such as contracted organisations), other statutory bodies (e.g. the police, other councils etc) or the community and voluntary sector involved in the delivery of this function. LBM Property Management</p>

DRAFT

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

List the type of evidence / Analysis of what this evidence tells you regarding the impact on the protected characteristics (equality groups).

What impact has this evidence had on what you are proposing?

If there are gaps in data (for example information not being available) you may have to address this by including plans to generate this information within your action plan.

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Stage 3: Assessing impact and analysis

From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		X		X	
Disability		X		X	
Gender Reassignment		X		X	
Marriage and Civil Partnership		X		X	
Pregnancy and Maternity		X		X	
Race		X		X	
Religion/ belief		X		X	
Sex (Gender)		X		X	
Sexual orientation		X		X	
Socio-economic status		X		X	Group might be greater impacted as we would be looking to generate

DRAFT

7. If you have identified a negative impact, how do you plan to mitigate it?

Summarise actions you plan to mitigate the negative impact(s) identified above. Detail for these actions should be included in the Improvement Action Plan (Section 9 below).

Consider sliding scale of rentals depending upon location and demands

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have ‘due regard’ and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Requirement for Market Rental Value to be achieved to maximise councils return on investment	Review current housing requirements within the borough	Reduction of council waiting lists	24/25	Additional Resources will need to be built into the Asset Management Review	Estates and Valuations	

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Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome [add](#) Assessment

Please include here a summary of the key findings of your assessment.

- What are the key impacts – both negative and positive – you have identified?
 Negative: Market rentals required to increase the return on Investment
 Positive: More properties in the council portfolio available for rental market

- Are there any particular groups affected more than others?
No
- What course of action are you advising as a result of this assessment?
Await results of the Asset Management Review of the properties and review in line with LBM Property Requirements
- If your EA is assessed as Outcome 3 and you suggest to proceeding with your proposals although a negative impact has been identified that may not be possible to fully mitigate, explain your justification with full reasoning.
Not applicable

DRAFT

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Andrew Kauffman Head of Parks	Signature:	Date:06/01/2023
Improvement action plan signed off by Director/ Head of Service	Adrian Ash	Signature:	Date:06/01/2023

DRAFT

Equality Analysis

Please refer to the guidance for carrying out an [Equality Analysis](#).
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	Waste disposal minimisation (ENV2023-24 18)
Which Department/ Division has the responsibility for this?	E&R – Public Space

Stage 1: Overview

Name and job title of lead officer	John Bosley AD Public Space
1. What are the aims, objectives and desired outcomes of your Proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>What are you proposing and what are they designed to deliver?</p> <p>Following the successful roll out of the new waste disposal contract for Food and Garden waste processing in Sept 2022 along with the reduced disposal and processing cost for our Dry Mix Recycling (DMR) the overall cost associated directly with the processing and disposal of waste has been reduced.</p> <p>Area to Note - Savings proposal is for short term until 2024/25. The £100k proposed savings is based on a contract requirement for current Pase C Lot 1 to manage the costs of recyclates. The deliverability of this savings proposal is considered high.</p>
2. How does this contribute to the council's corporate priorities?	To identify potential savings. £100k in 2023/24
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	N/A the disposal of waste has no impact on our residents and all collection services remain unchanged. As such residents will see no direct impact on their collection service.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall	No – This project is part of the wider work undertaken in Partnership with our neighbouring boroughs who form the South London Waste Partnership

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Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

1. Continued monthly monitoring of our waste volumes. It is important to note that the monitoring of waste volumes does not impact on our residents / customers

Stage 3: Assessing impact and analysis

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6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		✓		✓	
Disability		✓		✓	
Gender Reassignment		✓		✓	
Marriage and Civil Partnership		✓		✓	
Pregnancy and Maternity		✓		✓	
Race					
Religion/ belief		✓		✓	
Sex (Gender)		✓		✓	
Sexual orientation		✓		✓	
Socio-economic status		✓		✓	

7. If you have identified a negative impact, how do you plan to mitigate it?

1.
N/A

Stage 4: Conclusion of the Equality Analysis

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed. **No changes are required.**
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality. **Actions you propose to take to do this should be included in the Action Plan.**
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully. **If you propose to continue with proposals you must include the justification for this in Section 10 below, and include actions you propose to take to remove negative impact or to better promote equality in the Action Plan. You must ensure that your proposed action is in line with the PSED to have 'due regard' and you are advised to seek Legal Advice.**
- Outcome 4** – The EA shows actual or potential unlawful discrimination. **Stop and rethink your proposals.**

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome [add](#) Assessment

[Please include here a summary of the key findings of your assessment.](#)

None identified.

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Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Charles Baker	Signature:	Date:8 10 2019
Improvement action plan signed off by Director/ Head of Service	John Bosley	Signature:	Date:

DRAFT

Equality Analysis

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet
 Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	Wood disposal processed by Thermal Treatment (ENV2023-24 19)
Which Department/ Division has the responsibility for this?	Public Space – Waste Services

Stage 1: Overview

Name and job title of lead officer	Charles Baker Commissioning Manger Public Space
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	Wood material collected at HRRC (Grades A to D) to be primarily processed by thermal treatment (fuel) as opposed to being recycled. This will provide a reduced cost and compliant process for the treatment of household wood waste, whilst not increasing the Carbon intensity of the processing output.
2. How does this contribute to the council's corporate priorities?	Impact on carbon emissions and current council policy on recycling. - R1 compliant technology, classified as a fuel but negative impact of recycling rate and associated perception of the Public of the service performance indicator.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	None – The service will still meet the needs of our residents and the HRRC facility will continue to collect and segregate this material for onward processing.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	As part of our partnership arrangements with the South London Waste Partnership and our Joint Waste Committee we will need to ensure that they are advised on our approach. Our Service provider, Veolia will need to be advised of our intention and alternative processor identified.

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

Currently being developed with SLWP partnering boroughs, this proposal will have a negative impact on our overall recycling rate of 3-5% gross, lowering our current annual rate to 37-38%. There is a potential CO2 savings with this proposal and deliverability is considered medium as a contract variation would be required. Savings will be assumed within new contract costs post 2025/26. The service will explore pre-processing separation for grade A wood materials to mitigate the loss of recycling tonnage.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies Positive impact		Tick which applies Potential negative impact		Reason Briefly explain what positive or negative impact has been identified
	Yes	No	Yes	No	
	Age		X		
Disability		X		X	
Gender Reassignment		X		X	
Marriage and Civil Partnership		X		X	
Pregnancy and Maternity		X		X	
Race		X		X	
Religion/ belief		X		X	
Sex (Gender)		X		X	
Sexual orientation		X		X	
Socio-economic status		X		X	

7. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 4: Conclusion of the Equality Analysis

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Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Charles Baker Commissioning Manager Public Space	Signature:	Date:21 10 2020
Improvement action plan signed off by Director/ Head of Service	Add name/ job title	Signature:	Date:



Equality Analysis **DRAFT**

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	Increasing availability of Supported Living schemes as a positive alternative to residential care for adults with learning disabilities.
Which Department/ Division has the responsibility for this?	Community and Housing

Stage 1: Overview	
Name and job title of lead officer	Keith Burns, Interim Assistant Director, Commissioning
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	Increasing the availability and use of supported living as a positive alternative to residential care for adults with learning disabilities. This will include using supported living as a positive alternative for individuals requiring a move to accommodation based care increasing choice and independence and support We will also look for opportunities to support individuals to move back to the borough from out of area residential placements if they would like to do this moving them to be closer to their families and neighbourhoods . Saving deliverable from 2025/26 linked to redevelopment of JMC site and the provision of 20 units of supported accommodation as part of that project. New commissioning arrangements will also be developed during 2023/24 to support the delivery of personalised 24/7 care and support as well as increased access to suitable accommodation. Successful delivery of the project will enable the Council to continue to meet its statutory duties to individuals under the Care Act 2014 in a way that is more personalised and flexible than traditional residential care models offer while improving outcomes for residents.
2. How does this contribute to the council's corporate priorities?	The proposed redevelopment of the Jan Malinowski Centre site supports the delivery of affordable housing within the Building a Sustainable Future priority. Enabling individuals to live more locally to family and community is consistent with the Nurturing Civic Pride priority.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Individuals with a learning disability to whom the Council owes statutory duties under the Care Act 2014. This will include individuals who require accommodation based care and support for the first time (young people leaving full time education and adults living in a family home) as well as individuals currently living in residential care settings. All individuals will have had a Care Act Assessment and Care and Support Planning completed prior to any move.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall	Building proposals being taken forward in conjunction with Environment and Regeneration.

responsibility?	
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Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

National evidence on the effectiveness of Supported Living provides a strong evidence base for improving outcomes and independence. The individualised nature of care and support needs means that impact on individuals will be considered as a key factor through the Care Act Assessment and Care and Support Planning processes.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		✓		✓	
Disability	✓			✓	Supported Living schemes as an alternative to residential care provide for increased choice and control as well as increased independence for adults with learning disabilities. Increasing access to supported living as a positive option therefore increases quality of life for this cohort.
Gender Reassignment		✓		✓	
Marriage and Civil Partnership		✓		✓	
Pregnancy and Maternity		✓		✓	
Race		✓		✓	
Religion/ belief		✓		✓	
Sex (Gender)		✓		✓	
Sexual orientation		✓		✓	
Socio-economic status		✓		✓	

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7. If you have identified a negative impact, how do you plan to mitigate it?

No negative impacts identified.

Stage 4: Conclusion of the Equality Analysis**8. Which of the following statements best describe the outcome of the EA (Tick one box only)**

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality.
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully.
- Outcome 4** – The EA shows actual or potential unlawful discrimination.

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome <u>1</u> Assessment
<ul style="list-style-type: none"> The project provides an opportunity to increase choice and provide more personalised outcomes for individuals with learning disabilities. No negative impacts on protected characteristics are identified.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Keith Burns, Interim Assistant Director, Commissioning	Signature: <i>Keith Burns</i>	Date: 05 January 2022
Improvement action plan signed off by Director/ Head of Service	John Morgan, Interim Director, Community and Housing	Signature: <i>John Morgan</i>	Date: 06 January 2022

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Equality Analysis **DRAFT**

Please refer to the guidance for carrying out Equality Analysis (available on the intranet).
Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	Increasing availability of Extra Care Sheltered Housing as a positive alternative to residential care for older adults.
Which Department/ Division has the responsibility for this?	Community and Housing

Stage 1: Overview	
Name and job title of lead officer	Keith Burns, Interim Assistant Director, Commissioning
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	Increasing the availability and use of Extra Care Sheltered Housing as a positive alternative to residential care for older adults and increasing independence improving outcomes for residents. Saving deliverable from 2025/26 as will require work with partners to identify sites for development and subsequent build programmes for a new Extra Care scheme. New commissioning arrangements will also be developed during 2023/24 to support the delivery more personalised 24/7 care and support in existing Extra Care Sheltered Schemes. Successful delivery of the project will enable the Council to continue to meet its statutory duties to individuals under the Care Act 2014 in a way that is more personalised and flexible than traditional residential care models offer and also to increase independence.
2. How does this contribute to the council's corporate priorities?	The proposal supports the delivery of affordable housing within the Building a Sustainable Future priority. Enabling individuals to live more locally to family and community is consistent with the Nurturing Civic Pride priority.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Older adults to whom the Council owes statutory duties under the Care Act 2014. All individuals will have had a Care Act Assessment and Care and Support Planning completed prior to any move.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	Development proposals would need to be taken forward in conjunction with Environment and Regeneration and with external housing partners.

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

National evidence on the effectiveness of Extra Care Sheltered Housing (for example work done by the Housing Learning and Improvement Network) provides a strong evidence base on the benefits of extra sheltered care as a positive alternative to residential care for those whose Care Act Assessment identifies needs that can only be met through the provision of accommodation based care and support. The individualised nature of care and support needs means that impact on individuals will be considered as a key factor through the Care Act Assessment and Care and Support Planning processes.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age	✓			✓	Extra Care Sheltered Housing as an alternative to residential care provides for increased choice and control as well as increased independence for older adults. Increasing access to Extra Care Sheltered as a positive option therefore increases quality of life for this cohort.
Disability	✓			✓	This increased choice and control as well as increased independence extends to older adults with physical and other disabilities. Having Extra Care Sheltered as a positive option therefore increases quality of life for this cohort.
Gender Reassignment		✓		✓	
Marriage and Civil Partnership		✓		✓	
Pregnancy and Maternity		✓		✓	
Race		✓		✓	

Religion/ belief		✓		✓	
Sex (Gender)		✓		✓	
Sexual orientation		✓		✓	
Socio-economic status		✓		✓	

DRAFT

7. If you have identified a negative impact, how do you plan to mitigate it?

No negative impacts identified.

Stage 4: Conclusion of the Equality Analysis**8. Which of the following statements best describe the outcome of the EA (Tick one box only)**

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

- Outcome 1** – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.
- Outcome 2** – The EA has identified adjustments to remove negative impact or to better promote equality.
- Outcome 3** – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully.
- Outcome 4** – The EA shows actual or potential unlawful discrimination.

Stage 5: Improvement Action Pan

9. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision making reports (CMT/Cabinet/etc) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome <u>1</u> Assessment
<ul style="list-style-type: none"> The project provides an opportunity to increase choice and provide more personalised outcomes for older adults who require accommodation based care and support. No negative impacts on protected characteristics are identified.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Keith Burns, Interim Assistant Director, Commissioning	Signature: <i>Keith Burns</i>	Date: 05 January 2022
Improvement action plan signed off by Director/ Head of Service	John Morgan, Interim Director, Community and Housing	Signature: <i>John Morgan</i>	Date: 06 January 2022

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DRAFT MTFS 2023-27:				
	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
Departmental Base Budget 2021/22	173,022	173,022	173,022	173,022
Inflation (Pay, Prices)	14,877	19,753	24,099	28,447
NI increase	(1,001)	(1,013)	(1,025)	(1,038)
Pension Fund Revaluation	(452)	(428)	(404)	(380)
FYE – Previous Years Savings	(2,218)	(2,166)	(2,063)	(2,072)
FYE – Previous Years Growth	390	390	390	390
Amendments to previously agreed savings/growth	50	50	50	50
Change in Net Appropriations to/(from) Reserves	(3,226)	(3,226)	(3,676)	(3,676)
Taxi card/Concessionary Fares	769	3,474	5,648	7,822
Social Care - Additional Spend offset by grant/precept	1,948	(505)	(505)	(505)
Growth	3,365	3,010	3,033	3,033
DSG Safety Valve	0	0	0	0
Provision - DSG Deficit	2,540	1,130	700	(3,600)
Contract increases	0	0	2,700	2,700
Other	4,819	289	369	449
Re-Priced Departmental Budget	194,883	193,780	202,338	204,642
Treasury/Capital financing	5,543	6,633	7,352	11,193
Pensions	0	0	0	0
Other Corporate items	(20,404)	(20,667)	(21,002)	(20,679)
Levies	611	611	611	611
Sub-total: Corporate provisions	(14,250)	(13,423)	(13,039)	(8,875)
Sub-total: Repriced Departmental Budget + Corporate Provisions	180,632	180,357	189,299	195,766
Savings/Income Proposals 2022/23	(4,290)	(4,657)	(5,259)	(5,289)
Sub-total	176,342	175,700	184,040	190,477
Appropriation to/from departmental reserves	(752)	(752)	(302)	(302)
Appropriation to/from Balancing the Budget Reserve	(1,391)	1,979	(1,001)	(1,000)
ONGOING IMPACT OF COVID-19 (NET)	505	0	0	0
BUDGET REQUIREMENT	174,704	176,926	182,737	189,175
Funded by:				
Revenue Support Grant/Covid RNF & LCTS grant	0	0	0	0
Business Rates (inc. Section 31 grant)	(41,216)	(41,658)	(42,105)	(42,556)
Adult Social Care Grants inc. BCF	(5,010)	(5,010)	(5,010)	(5,010)
Social Care Grant	(10,430)	(7,217)	(7,217)	(7,217)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(300)	(300)	(300)	(300)
Council Tax inc. WPC	(113,024)	(117,944)	(120,785)	(123,437)
Targeted Council Tax Discount	830	0	0	0
Collection Fund – (Surplus)/Deficit	3,093	0	0	0
ASC Market Sustainability and Improvement Fund	(1,751)	0	0	0
ASC Discharge Fund	(702)	0	0	0
Services Grant	(1,397)	0	0	0
TOTAL FUNDING	(174,704)	(176,926)	(180,214)	(183,316)
GAP including Use of Reserves (Cumulative)	0	0	2,523	5,859

Cost Centre Narrative	Project Narrative	Priority	Scrutiny	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Business Improvement							
Customer Contact Programme	Customer Contact Programme	4	OSC	1,000	0	1,000	1,000
Customer Contact Programme	Web Content Management System	4	OSC	0	100	0	0
Business Systems	Ancillary System	4	OSC	0	0	0	50
Business Systems	Youth Justice	4	OSC	0	0	100	0
Business Systems	Parking System	4	OSC	270	400	0	0
Business Systems	Payroll System	4	OSC	0	0	0	160
Business Systems	Invoice Scanning SCIS/FIS	4	OSC	150	0	0	0
Business Systems	Environmental Asset Management	4	OSC	240	250	0	0
Business Systems	Housing System (Capita Housing)	4	OSC	0	0	120	0
Business Systems	Revenue & Benefits	4	OSC	300	400	0	0
Business Systems	Payments project	4	OSC	0	150	0	0
Business Systems	GIS Mapping (Spectrum Spatial Analyst Replac	4	OSC	100	0	200	300
Business Systems	LLPG&LSG System ((Gazetteer Management S	4	OSC	0	0	0	100
Business Systems	Planning&Public Protection Sys	4	OSC	241	550	0	0
Business Systems	Exacom	4	OSC	0	40	0	0
Business Systems	Safer Merton Case Management	4	OSC	0	60	0	0
Business Systems	Transport Management System	4	OSC	0	0	150	0
Replacement SC System	Replacement SC System	4	OSC	819	1,000	0	0
Replacement SC System	SEN Case Management	4	OSC	0	0	0	170
Facilities Management							
Works to Other Buildings	Repair and Maintenance	4	OSC	650	650	650	650
Works to Other Buildings	Replacement Boilers	4	OSC	367	0	0	0
Civic Centre	Civic Centre Cycle Parking	2	OSC	60	0	0	0
Civic Centre	Electrical Incomer	4	OSC	20	177	0	0
Civic Centre	Workplace design	4	OSC	530	530	0	0
Invest to Save	Project General	2	OSC	300	300	300	300
Invest to Save	Photovoltaics	2	OSC	50	0	0	0
Information Technology							
Planned Replacement Programr	Project General	4	OSC	770	1,405	1,060	970
Resources							
Financial Systems	Improving Financial Systems	4	OSC	700	0	0	0
Corporate Budgets							
Multi-Functioning Device (MFI	Multi-Functioning Device (MFD) - Finance Leas	5	OSC	0	600	0	0
Acquisitions Budget	Acquisitions Budget	5	OSC	0	0	0	6,316
Capital Bidding Fund	Capital Bidding Fund	5	OSC	0	0	0	1,000
Corporate Capital Contingency	Corporate Capital Contingency	5	OSC	0	0	0	1,681
Westminster Coroners Court	Westminster Coroners Court	5	OSC	379	0	0	0
Governance	New Election Booths	5	OSC	45	0	0	0
Compulsory Purchase Order	Clarion - CPO	2	OSC	13,934	0	0	0
Total Corporate Services				20,925	6,612	3,580	12,697

Cost Centre Narrative	Project Narrative	Priority	Scrutiny	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Housing							
Disabled Facilities Grant	Project General	2	SC/HCOP	827	827	827	0
Major Projects Affordable Hou	Empty Homes Strategy	2	SC/HCOP	125	375	375	375
Major Projects Affordable Hou	Affordable Housing Fund	2	SC/HCOP	5,000	5,000	10,000	9,000
Major Projects Social Care H	LD Supported Living	2	SC/HCOP	0	4,900	4,900	0
Libraries							
Library Enhancement Works	West Barnes Re-Fit	2	SC	0	200	0	0
Libraries IT	Library Management System	2	SC	0	140	0	0
Library Major Projects	Library Self Service	2	SC	0	0	350	0
Total Community and Housing				5,952	11,442	16,452	9,375

Cost Centre Narrative	Project Narrative	Priority	Scrutiny	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Primary Schools							
Hollymount	School Capital Maintenance	1	CYP	50	0	0	0
Hatfeild School	School Capital Maintenance	1	CYP	35	0	0	0
Joseph Hood School	School Capital Maintenance	1	CYP	66	0	0	0
Wimbleton Park	School Capital Maintenance	1	CYP	50	0	0	0
Sherwood	School Capital Maintenance	1	CYP	8	0	0	0
William Morris School	School Capital Maintenance	1	CYP	10	0	0	0
Unlocated Primary School Proj.	School Capital Maintenance	1	CYP	2,864	2,500	2,500	2,500
Special Schools							
Perseid School	School Capital Maintenance	1	CYP	50	0	0	0
Unlocated SEN	Medical PRU	1	CYP	30	0	0	0
Mainstream SEN (ARP)	West Wimbledon Primary ARP expansion	1	CYP	235	0	0	0
Mainstream SEN (ARP)	Cranmer Primary School New ARP	1	CYP	623	0	0	0
Mainstream SEN (ARP)	Further Primary School ARP expansion	1	CYP	200	216	0	0
Mainstream SEN (ARP)	Raynes Park school ARP expansion 1	1	CYP	1,015	1,019	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 2	1	CYP	300	576	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 3	1	CYP	500	1,209	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 4	1	CYP	30	700	979	0
Mainstream SEN (ARP)	Safety Valve - New ARP	1	CYP	0	0	0	900
Perseid Lower School	Perseid School Expansion	1	CYP	1,580	2,517	0	0
Other							
Children's Centres	Bond Road Family Centre	1	CYP	30	0	0	0
Children's Centres	Family Hubs	1	CYP	15	0	0	0
Youth Provision	Pollards Hill Digital Divide	1	CYP	276	0	0	0
Other	Care Leaving Accommodation	1	CYP	66	0	0	0
Total Children, Schools & Families				8,033	8,737	3,479	3,400

Cost Centre Narrative	Project Narrative	Priority	Scrutiny	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Public Protection and Development							
On Street Parking - P&D	Pay and Display Machines/emissions	4	SC	107	0	0	0
On Street Parking - P&D	Replacement ANPR cameras with air quality / tr	1	SC	300	300	300	300
Off Street Parking - P&D	Car Park Upgrades	4	SC	675	0	0	0
Off Street Parking - P&D	Peel House Car Park	4	SC	700	0	0	0
CCTV Investment	CCTV cameras and infrastructure upgrade	1	SC	1,052	0	0	0
CCTV Investment	CCTV business continuity and resilience Dark F	1	SC	173	0	0	0
CCTV Investment	Rapid deployment cameras	1	SC	0	0	45	45
CCTV Investment	5 new permanent cameras per year, and enhance	1	SC	135	100	100	100
CCTV Investment	Designing out crime for ASB, violence and incre	1	SC	35	20	20	0
Public Protection and Developm	Upgrade and Replace the Boroughs Automated	2	SC	250	0	0	0
Public Protection and Developm	Noise Monitoring Equipment	2	SC	70	0	0	0
Public Protection and Developm	Project General	2	SC	0	0	0	35
Street Scene and Waste							
Fleet Vehicles	Replacement of Fleet Vehicles	2	SC	300	0	1,212	0
Alley Gating Scheme	Project General	1	SC	24	24	24	24
Waste SLWP	Project General	1	SC	0	0	42	0
Waste SLWP	Replacement of Fleet Vehicles	2	SC	0	0	15,000	0
Waste SLWP	Waste Transfer Station	1	SC	0	1,000	4,500	500
Waste SLWP	Electricity Sub Station	2	SC	0	0	0	0
Sustainable Communities							
Street Trees	Street Tree Programme	2	SC	60	60	60	60
Highways & Footways	Street Lighting Replacement Pr	2	SC	290	290	290	290
Highways & Footways	Traffic Schemes	1	SC	150	150	150	150
Highways & Footways	Surface Water Drainage	1	SC	100	100	100	60
Highways & Footways	Repairs to Footways	1	SC	1,300	1,300	1,300	1,300
Highways & Footways	Maintain AntiSkid and Coloured	1	SC	60	60	60	60
Highways & Footways	Borough Roads Maintenance	1	SC	2,200	2,200	2,200	1,800
Highways & Footways	Highways bridges & structures	1	SC	626	260	260	260
Highways & Footways	Motspur Park Station Access for All	2	SC	500	0	0	0
Highways & Footways	Haydons Road Access for All	2	SC	100	0	0	0
Highways & Footways	Various Culverts Strengthening & Upgrade	2	SC	208	0	0	0
Highways & Footways	Residential Secure Cycle Storage	2	SC	26	0	0	0
Highways & Footways	Pollards Hill Cycling & Active Travel	2	SC	200	750	850	0
Cycle Route Improvements	Cycle Access/Parking TfL	2	SC	45	0	0	0
Cycle Route Improvements	Haydons Rd Bridge cycle lane	2	SC	135	0	0	0

Cost Centre Narrative	Project Narrative	Priority	Scrutiny	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Mitcham Area Regeneration	Rowan Park Community Facility Match Funding	2	SC	150	0	0	0
Mitcham Area Regeneration	Pollards Hill Bus Shelter/Toilets Refurbishment	1	SC	250	0	0	0
Wimbledon Area Regeneration	Crowded Places/Hostile Vehicle Mitigation	1	SC	180	0	0	0
Wimbledon Area Regeneration	Wimbledon Public Realm Implementation	1	SC	475	0	0	0
Wimbledon Area Regeneration	Wimbledon Village - Heritage Led Public Realm	1	SC	800	0	0	0
Morden Area Regeneration	Morden Town Centre Improvements	1	SC	200	0	0	0
Morden Area Regeneration	Morden TC Regen Match Funding	2	SC	0	2,000	2,000	2,000
Borough Regeneration	Lost Rivers Repairs	2	SC	300	0	0	0
Borough Regeneration	42 Graham Rd Mitcham	5	SC	50	0	0	0
Borough Regeneration	Civic Pride Public Realm Improvements	1	SC	50	1,500	1,500	0
Borough Regeneration	Shopping Parade Improvements	1	SC	260	800	460	0
Borough Regeneration	Carbon Offset Funding	2	SC	50	0	0	0
Morden Leisure Centre	New Running Track	3	SC	400	1,500	850	0
Wimbledon Park	New Wimbledon Park lakeview building - includ	3	SC	0	0	500	2,000
Sports Facilities	Leisure Centre Plant & Machine	3	SC	300	250	250	280
Sports Facilities	Canons New Sports Hall Equipment	3	SC	0	0	0	0
Parks Investment	Parks Investment	3	SC	300	300	300	300
Parks Investment	Sports Drainage	3	SC	150	0	0	0
Parks Investment	Refurbishment of Mertons Multi Use Sports Are	3	SC	175	0	0	0
Parks Investment	Tennis Court Refurbishments	3	SC	150	75	75	75
Parks Investment	New interactive water play feature at Wimbledon	3	SC	0	183	0	0
Parks Investment	22. Bridges and Structures	1	SC	36	80	80	80
Parks Investment	23. Existing Green Flag Improvement Program	3	SC	50	150	100	0
Parks Investment	24. New Green Flag Improvement Programme	3	SC	50	150	100	0
Parks Investment	28. Parks Security Measures & Traveller Preven	1	SC	75	50	50	0
Parks Investment	29. Playground Priority Upgrades Programme	3	SC	350	350	350	350
Parks Investment	30. Wandle Tree Trail Safety & Management Pr	2	SC	60	60	60	0
Parks Investment	Paddling Pools (borough wide) OPTION 1	3	SC	70	0	0	0
Mortuary Provision	Project General	5	SC	0	100	100	100
Total Environment & Regeneration				15,031	14,362	33,488	10,169
Total Capital				49,941	41,153	56,999	35,641

CABINET

Date: 16 January 2023

Subject: Financial Report 2022/23 – Period 8 November 2022

Lead officer: Roger Kershaw

Lead member: Councillor Billy Christie

Urgent report:

Reason for urgency: The chairman has approved the submission of this report as a matter of urgency as it provides the latest details on the Council's current year expenditure and income and forecast outturn for 2022/23. It is important that this consideration is not delayed in order that the Council can review and discuss the information in the report and take into account any potential implications for the budget 2023/24 and MTFs 2023-2027

Recommendations:

- A. That Cabinet note the financial reporting data for month 8, November 2022, relating to revenue budgetary control, showing a forecast net favourable variance at 30 November on service expenditure of £0.183m when corporate and funding items are included.
- B. That CMT note the contents of Section 5 and approve the adjustments to the Capital Programme contained in Appendix 5b
That Cabinet note the contents of Section 5 and Appendix 5b of the report and approve the adjustments to the Capital Programme in the Table below:

	Budget 2022-23	Budget 2023-24	Narrative
	£	£	
Corporate Services			
Customer Contact	(160,000)		Vired to a separate project within customer contact
Customer Contacts - Complaints System	160,000		Vired from the general project code for a separate project
Civic Centre - Workplace Design Project	(1)	473,000	Elements of Project funded from Revenue Reserve
Invest to Save- Photovoltaics & Energy Conserv	(50,000)	50,000	Reprofiled in accordance with Projected Spend
Community and Housing			
Disabled Facilities Grant- Project General	181,200		Funding to match Forecast
Children, Schools and Families			
Hollymount Capital Maintenance	(50,000)	50,000	Virement and re-profiling of schemes within the Schools Capital Maintenance programme to provide for new schemes within the approved grant sum and to reflect anticipated and actual final accounts on schemes.
Hatfeild Capital Maintenance	(35,000)	35,000	
Dundonald Capital Maintenance	(5,000)		
Merton Park Capital Maintenance	(14,500)		
Wimbledon Park Capital Maintenance	(50,000)	50,000	
Abbotsbury Capital Maintenance	(10,000)		
Bond Capital Maintenance	(6,000)		
Gorringe Park Capital Maintenance	(4,500)		
St Marks Capital Maintenance	10,000		
Lonesome Capital Maintenance	(19,000)		
Sherwood Capital Maintenance	(40,000)	8,000	
Links capital maintenance	16,000		
Hillcross capital maintenance	16,000		
William Morris Capital Maintenance	(10,000)	10,000	
Perseid Upper Capital Maintenance	(50,000)	50,000	
Cricket Green Capital Maintenance	(7,080)		
Melrose Whatley Avenue Capital Maintenance	56,080		
Perseid Lower - School Expansion	(30,000)	30,000	Reprofiled in accordance with Projected Spend
CSF Schemes - Devolved Formula Capital	728,250		Additional Government Grant to be passported directly to schools
Children's Centres - Bond Road Family Centre	(30,000)	30,000	Reprofiled in accordance with Projected Spend
Children's Centres - Family Hubs	15,000	15,000	New Dof E Grant for Family Hubs

Continued.....

	Budget 2022-23	Budget 2023-24	Narrative
<u>Environment and Regeneration</u>			
On Street Parking - P&D - ANPR Cams Air Qual & Traf Sens	86,000		Scheme Funded from Revenue Contributions
Off Street Parking - P&D - Car Park Upgrades	(130,000)	130,000	Reprofiled in accordance with Projected Spend
CCTV Investment - CCTV Cameras and Infrastructure Upgrade	(497,770)	497,770	Reprofiled in accordance with Projected Spend
CCTV Investment - Willow Lane Bridge Improvements	(27,280)	27,280	Reprofiled in accordance with Projected Spend
CCTV Investment - Brangwyn Cres/Cside East Improvements	(52,430)	52,430	Reprofiled in accordance with Projected Spend
Highways & Footways - Vivacity Monitors	(39,180)		Budget being moved to revenue along with S106 funding
Mitcham Area Regeneration - Pollards Hill Bus Shelter	(50,000)	50,000	Reprofiled in accordance with Projected Spend
Sports Facilities - Leisure Centre Plant & Machine	(50,000)	50,000	Matchfunding for playzone £50k 22/23 and £50k 23/24
Total	323,790	1,135,480	

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 This is the Period 8 monitoring report for 2022/23 presented in line with the financial reporting timetable.

This financial monitoring report provides -

- 1.1.1 A full year forecast projection as at period .
- 1.1.2 An update on the financial impact of Covid-19
- 1.1.3 An update on the capital programme and detailed monitoring information;
- 1.1.4 An update on Corporate Items in the budget 2022/23;
- 1.1.5 Progress on the delivery of the 2022/23 revenue savings

2. THE FINANCIAL REPORTING PROCESS

2.1 The Council's services are still under pressure due to the need to support businesses and residents, particularly vulnerable groups in need of social care and there has been a major reduction in the Council's income which is expected to continue for some time. The detrimental impact of Covid-19 continues to be monitored closely given its impact on service delivery.

2.2 The Council is also facing significant inflationary pressures in the supply of goods and services to the Council, energy costs, cost of borrowing and potential wage increases against budget add to the Council's financial challenges in 2022/23 and future years. Whereas higher interest rates will have a positive impact on our investment returns these will be overshadowed by the inflationary pressures the Council faces together with the potential for increased demands for some of the Council's services due to the cost of living crisis.

2.3 There are also significant pressures on the Dedicated Schools Grant (DSG) which are being monitored. The cumulative deficit at the end of 2021/22 was £26.930m and the deficit is forecast to continue to increase to £33.681m by the end of 2022/23 after the second tranche of Safety Valve funding. The Safety Valve programme is starting to have a positive impact, but progress is currently behind the agreed target.

2.4 Chief Officers, together with budget managers with support from Service Financial Advisers are responsible for keeping budgets under scrutiny and ensuring that expenditure within areas which are above budget is being actively and vigorously controlled and where budgets have favourable variances, these are retained until year end. Any final overall adverse variance on the General Fund will result in a call on balances.

3. 2022/23 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

Executive Summary – At period 8 (to 30 November 2022), the year-end forecast is a net adverse variance of £8.492m on Net Service Expenditure; a favourable variance of £8.334m on Corporate Provisions; and a small adverse variance of £0.089m relating to Covid-19. With a favourable forecast variance of £0.429 in funding, the Net Forecast Variance at year end is a favourable variance of £0.183m. A summary is provided on the following details and more detailed analysis by Department is set out in Section 4 of the report.

The current level of GF balances is £14.0m and the minimum level reported to Council for this is £14.0m.

Covid-19 Financial

Summary Position as at 30th November 2022

	Current Budget 2022/23 £000s	Year to Date Budget (Nov) £000s	Year to Date Actual (Nov) £000s	Full Year Forecast (Nov) £000s	Forecast Variance at year end (Nov) £000s	Forecast Variance at year end (Oct) £000s	Outturn Variance 2021/22 £000s
Department							
Corporate Services	31,984	20,683	24,780	33,456	1,472	1,093	645
Children, Schools and Families	62,112	34,600	31,267	63,229	1,117	1,356	2,426
Community and Housing	68,040	52,626	44,839	68,792	752	830	(699)
Public Health	(162)	1,302	(5,298)	(162)	0	0	
Environment & Regeneration	13,508	2,224	(4,720)	18,659	5,151	4,820	3,431
Overheads	(272)			(272)	0	272	
NET SERVICE EXPENDITURE	175,211	111,435	90,868	183,702	8,492	8,371	5,803
			6				
Corporate Items							
Impact of Capital on revenue budget	11,066	6,455	3,723	10,947	(119)	(119)	(235)
Other Central budgets	(20,484)	2,522	(668)	(28,700)	(8,215)	(6,922)	(17,298)
Levies	988	494	747	988	0	0	0
TOTAL CORPORATE PROVISIONS	(8,430)	9,471	3,803	(16,765)	(8,334)	(7,041)	(17,533)
Covid-19	0	0	89	89	89	89	176
TOTAL GENERAL FUND	166,781	120,906	94,671	167,026	246	1,418	(11,730)
FUNDING							
Revenue Support Grant	(5,350)	(2,675)	(3,638)	(5,350)	0	0	
Business Rates	(31,856)	0	(29,330)	(31,856)	0	0	
Other Grants	(25,602)	(12,801)	(17,926)	(26,031)	(429)	(429)	
Council Tax and Collection Fund	(103,973)	0	(103,973)	(103,973)	0	0	
COVID-19 emergency funding	0	0	(442)	0	0	0	710
Income compensation for SFC	0	0	0	0	0	0	
FUNDING	(166,781)	(15,476)	(155,308)	(167,210)	(429)	(429)	710
NET	0	105,430	(60,637)	(183)	(183)	989	(11,020)

Impact

The ongoing situation continues to make forecasting difficult as it is unclear if or when some service areas will see activity return to pre-Covid levels.

Covid Expenditure

Covid expenditure which is incremental is reported centrally on Corporate Items – Covid Costs. These are the incremental costs not covered by specific Covid grants.

Income shortfall

Income budgets are included within departments so the impact of Covid-19 on lost income is reflected in departmental forecasts.

Savings unachieved

Departmental budgets are adjusted for the agreed savings targets for 2022/23 as part of the budget setting process. The savings which are now under pressure due to inflation and other factors are included in the forecast of the departments. This is inclusive of 2021/22 savings which are still under pressure where they have not been adjusted for. Further details are set out in Appendix 6.

Cashflow

The Covid-19 outbreak created pressure on the council's cash-flow, but the position has stabilised since the middle of 2021. Through prudent treasury cash flow management, the Council continues to meet any additional expenditure from its cash in balances in the bank and primarily from liquid cash balances held in Money Market Funds (MMFs).

From Summer 2021, with the stability and the confidence seen in the UK economy the fixed deposit rates started to go up and as a result the Council started to return to medium term fixed deposit to earn interest income from any short-term excess cash balances.

Since December 2021, the Bank of England has steadily increased the base rate from 0.10% to 2.25% in September 2022. Further increases are expected given the current forecasts for inflation and the Bank's overarching brief to bring inflation down to 2.0% over the medium-term. As a result of this policy the Council can expect to receive additional interest income on deposits, although much of this additional income has already been expected in the 2022/23 budget.

The Council still has a strong position on its liquidity and where the opportunity arises places excess cash in short-term deposits to generate income.

Cash flow is monitored daily, and the current forecast shows the Council has sufficient funds to meet its payment needs going forward over the medium term, but there still is a concern over the longer term in the context of the DSG deficit, subject to the use of Safety Valve funding. However, if a cash shortfall occurs, the Council has the option to borrow from the market to meet its needs.

4. DEPARTMENTAL SUMMARY OF CURRENT POSITION

Corporate Services

Division	Current Budget £000	Full year Forecast (November) £000	Full Year Forecast Variance (November) £000	Full Year Forecast Variance (October) £000	Outturn Variance 2021/22 £000
Customers, Policy & Improvement	5,669	5,857	188	97	(191)
Infrastructure & Technology	13,205	13,673	468	334	80
Corporate Governance	2,697	2,657	(41)	(45)	141
Resources	6,321	6,721	399	412	13
Human Resources	2,266	2,476	209	160	214
Corporate Other	1,825	2,074	248	135	388
Total (Controllable)	31,984	33,456	1,472	1,093	645

Overview

Corporate Services is currently forecasting an adverse variance of £1.472m at year end. This has moved adversely by £343k since period 7. Corporate Governance is forecasting a positive contribution towards the overall adverse variance with an underspend of (£41k). The main areas of adverse variances are Infrastructure & Technology; Resources; Human Resources; Customers, Policy & Improvement and Corporate other with agency staff costs being one of the key contributors. This is being addressed by aiming to recruit more permanent staff. Other contributing factors are unachievable income targets, increased inflationary costs for services, materials and equipment. Corporate Services are managing some of the budget pressures by holding vacancies open in the short term. We shall also continue to work on reducing our agency spend where practical.

Customers, Policy and Improvement - £188k adverse variance

The variance for CPI has moved adversely by £55k since period 7.

Adverse variances within the division include:

- £317k within Press and Publications owing to use of agency staffing over establishment and unachievable income targets.
- £46k increase in IT costs for Customer Contact
- £42k within the Marketing and Communications team due to staffing and printing costs
- £37k in Translations services due to under-achievement against the income budget and increased interpretation costs.
- £25k increase in IT costs for a third party to assist with clearing the backlog within the Blue Badge service

- £17k Policy, Strategy and Partnerships overspend within its staffing budget lines, this will be funded by underspend in Programme Office
- £10k for Reg of Birth, Deaths & Marriages increased costs

Above adverse variances are partly offset by favourable variances as follows:

- (£129k) within the AD due to a vacancy being held pending recruitment.
- (£78k) Programme Office due to vacancies of which £51k will be used to fund a MIB funded post now that this funding has been exhausted.
- (£43k) Voluntary Sector Coordination - reduced grants expenditure
- (£28k) due to an over-achievement against the cash collection saving
- (£19k) in the Merton Link team and
- (£15k) in the Community Engagement team due to staffing underspends and various running costs less than budget.
- (£10k) decrease in staff costs within Complaints team.

Infrastructure & Technology - £468k adverse variance

The adverse variance has moved adversely by £134k since period 7.

Many of the adverse variances within the division are due to reduced recharges resulting from the changes in working arrangements surrounding the covid-19 pandemic.

These adverse variances include:

- £183k on the Corporate Print Strategy.
- The FM External account is also forecasting a £125k adverse variance due to the lack of commissions since the pandemic began, though the forecast is significantly improved on the outturn position for 2021/22.
- £123k increased costs for Garth Road archive storage due to cancellation of unpaid income invoices to Veolia total £85k and NNDR internal recharge of £40k
- £120k on the PDC (Chaucer Centre). These are reviewed throughout the year and adjusted depending on the level of room bookings.
- There is an adverse variance of £67k on Corporate Contracts due to 2020/21 savings for reducing cleaning in corporate buildings remaining unachievable within the current circumstances.
- A further £49k adverse variance is within the Client Financial Affairs team, mainly relating to the unachieved saving (reference 2019-20 CS23) for the introduction of a charging scheme and the cost of agency cover for maternity leave.
- Printing and photocopying team is forecasting £50k overspend. This will be offset by underspend from Post services.
- Security Services is also forecasting an adverse variance of £34k due to the contract cost being higher than the budget.
- Civic centre increased repairs and maintenance of £23k. This is likely to increase as Facilities have now almost exhausted the remaining budget for repairs and maintenance. Only very high priority repairs and maintenance is now being carried and each purchase order is being approved directly by the Assistant Director.
- IT Service Delivery £25k owing to the use of agency staff covering vacant posts.
- £10k increase in Corporate services buildings costs

There are also multiple favourable variances within the division, such as

- the Microsoft EA (Enterprise Agreement) which is forecasted less than budget by (£135k)
- (£110k) underspend for Postal Services. This offsets the forecast overspends on Printing and Photocopying where income targets are not expected to be achieved.
- A lag in recruitment has also resulted in a (£41k) favourable variance within Facilities.
- (£38k) in Safety Services due to recruitment lag as well as contingency not expected to be spent in year
- Transactional services have a (£34k) staffing underspend due to a part vacant post.

Corporate Governance – (£41k) favourable variance

The variance has changed adversely by £4k since period 7.

- Local Election expenses is forecasting an overspend of 21K of which £9k is increase in premises related expenses - miscoded external lighting costs for Canons LC.
- SLLP (South London Legal Partnership) is currently forecasting £247k deficit overall, £43k is forecast to be LBM's Share. Therefore, a decrease of £38k for Merton's shared SLLP costs.
- LBM Legal services is projecting a (£31k) favourable variance from external charges.
- Members Allowances is projecting an underspend of (£31k),
- Information Team underspend of (£20k) due to a lag in recruitment.

Resources - £399k adverse variance

Overall Resources forecast variance has changed favourably by (£13k) since P7.

There are multiple budgets forecasting adverse variances due to Covid-19.

- Enforcement Agents' service forecasted to overspend by £322k (inclusive of the shared service element) as a result of unachieved income which will continue to be monitored as the circumstances around the pandemic improve. The service has been able to operate more fully in the last 2 / 3 months.
- The Local Taxation Service has a £192k adverse variance due to staff overtime, anticipated under recovery action was suspended from April until the end of July 2022, as a result of administering the energy grant payments (as explained previously). The normal recovery timetable has been reinstated from October 2022 and this should result in an increase in costs collected including those costs related to enforcement agents' action.
- A further adverse variance of £179k within AD resources due to consultancy costs for e5 upgrade.
- £73k within the budget management team due to use of agency cover for existing vacancies.
- Corporate Accountancy is forecasting £81k overspend of which over £100k is an uplift in external audit fees
- Financial Systems Team is forecasting a £15k adverse variance owing to salary budget pressure as well as revenue costs for upgrading the financial system planned for later this year.

Favourable variances within Resources are:

- (£219k) in Benefits Administration services which is largely due to grant receipts from DWP.
- Revenues and Benefits Support team (£121k) favourable variance mainly against staffing costs. This is due to vacancies in the team, recruitment to some of the vacant posts will commence before the end of the year.
- (£59k) in Treasury & Insurance, (£30k) Insurance premiums and Funding.

- (£56k) for Director of Corporate Services time lag between the current director retiring and new director coming into post,
- (£19k) on purchase card project and (£10k) Business Rates bids.

Human Resources – £209k adverse variance

HR's forecast variance has changed adversely since P7 by £49k.

The net adverse variance is primarily due to

- £140k within Learning & Development owing to the use of agency cover,
- £106k agency cover in place against the AD budget,
- £30k relating to the HR Transactions budget for the shared payroll system and iTrent client team charges from Kingston.

Favourable variances forecasted within HR are as follows:

- (£16k) Payroll,
- (£16k) Occupational Health,
- (£15k), Graduates & Apprentices and
- (£22k) Business partnerships.

Corporate Items - £248k adverse variance

Corporate items forecast variance has moved adversely since P7 by £113k.

This is primarily due to an adverse variance in

- Housing Benefits Rent allowance subsidies of £746 and
- £143k spend on consultants within Project Chaplin.

The above adverse variances are partly offset by

- (£272k) underspend in redundancy payments.
- In addition to this, Coroners Courts received a (£273k) reimbursement from the Westminster Bridge Inquest resulting in a (£277k) projected underspend,
- (£46k) decrease in Corporately funded items
- (£31k) underspend Democratic Rep & Man and (£12k) underspend in Staff groups.

Environment & Regeneration

Division	Current Budget	Full year Forecast (November)	Full Year Forecast Variance (November)	Full Year Forecast Variance (October)	Outturn Variance 2021/22
	£000	£000	£000	£000	£'00
Public Protection	(15,094)	(11,730)	3,364	3,069	4,142
Public Space	17,797	18,914	1,117	1,165	157
Senior Management	1,319	1,381	62	62	(192)
Sustainable Communities	9,486	10,093	608	524	(675)
Total (Controllable)	13,508	18,659	5,151	4,820	3,432

Description	2022/23 Current Budget	Forecast Variance at year end (November)	Forecast Variance year (October) at end	2021/22 Variance at year end
	£000	£000	£000	£000
Regulatory Services	699	243	300	38
Parking Services	(17,175)	3,026	2,656	4,181
Safer Merton & CCTV	1,382	95	112	-77
Total for Public Protection	(15,094)	3,364	3,069	4142
Waste Services	15,344	478	467	390
Leisure & Culture	602	366	403	-210
Greenspaces	2,421	133	190	-93
Transport Services	(569)	139	106	70
Total for Public Space	17,797	1,117	1,165	157
Senior Management & Support	1,319	62	62	-192
Total for Senior Management	1,319	62	62	-192
Future Merton	12,022	451	281	-708
Building & Development Control	172	336	408	335
Property Management	(2,709)	(179)	(165)	-303
Total for Sustainable Communities	9,486	608	524	-676
Total Excluding Overheads	13,508	5,151	4,820	3,431

Overview

The department is currently forecasting an adverse variance of £5.151m at year end. The main areas of variance are Parking Services income, Waste, Future Merton, Leisure & Culture, Development & Building Control, Regulatory services, Transport, Greenspaces and Safer Merton. The primary reasons are the reduced revenue within Parking Services of £2.647m, a projected utility budget overspend of approximately £1.236m and increased inflationary costs for services, materials and equipment.

Public Protection

Regulatory Services adverse variance of £243k

This Adverse variance is a combination of (£105k) net underspend within the Shared partnership services with Richmond and Wandsworth and an overspend of £348k for non-shared areas. The section has cumulative income savings of £275k relating to historic savings targets the department has been unable to achieve to date. These have contributed to the Non RSP income under recovery of £379k.

Current forecasts of adverse variances are within

- Licensing team of £164k of which 151k is unachievable income target
- Environmental health pollution of £50k of which £41k is unachievable income target
- Health & Safety EH Commercial net overspend £14k which includes £41k unachievable income target
- Street Market net overspend £39k – includes £34k unachievable income and £14k increased electricity costs.
- Trading standards £67k of which £95k is unachievable income targets

The service is facing cost pressures resulting from the removal of LIP funding.

Parking Services adverse variance of £3.026m

The parking services variance increased adversely by £370k from last month but is partly balanced by increases in permit income, and some cost reductions.

The main contributors to this adverse movement were as follows:

£257k decrease in PCN income caused by improved compliance with moving traffic, school street and keep clear restrictions

£298k decrease in parking PCN income yield, although PCN issuance remains high

£27k increase in transport (sla recharges) costs

£87k increase in IT licence costs due to insufficient budget in IT

The in-depth review and analysis of all sources of parking income continues to indicate improvements since July, attributable to more robust and improved forecasting, increased parking PCN charges to the higher Band A level, the successful pilot to employ additional CEOs, and improvements to the management and efficiency of parking enforcement operations. Issuance of Parking PCNs is forecast to be apx. 79,000 this year, compared to an original forecast of just over 66,000.

It is assumed that the cost of restoring Peel House car park ground floor, and project management of the renovation of Peel House and other car parks, can be met from either the Parking revenue reserve or capital.

It should be noted that there are unachieved income savings within this service that have contributed to the current adverse variance, such as £637k from a forecast made in 2020 that moving traffic, school street and LTN PCN issuance would not decline over time. The reality is that compliance has significantly improved over time. In addition, there was a £360k income expectation of volume growth in permit income, which has not taken place.

The end of November forecast shows the key adverse variances on parking income, from across the various categories, as follows.

Source of Income	Estimated 2022/23 Deficit (£...,000) P8
Car Parks and Season Tickets	936
Moving Traffic, School Street and SKC PCNs	950
Parking PCN yield	340
Resident and Visitor Parking Permits	764
On-Street bay income	96

Action is underway which could help to reduce this deficit over time:

- a) Capital investment in Peel House car park is being considered which could restore income to nearer the level expected in the Parking base budget. However, if the repayment of the capital works were to be funded from parking revenue there would be no improvement in the service's revenue position until repayment was completed.
- b) Consideration of the closure of St Mark's car park, which is a £35k p.a. loss-making facility. This would require a negotiated agreement on surrender of the lease, which is being led by Future Merton.
- c) Planned investment in car park infrastructure may increase demand and income, following completion of the review of leased and owned car parks
- d) Management control of essential expenditure whilst maintaining paid-for services
- e) Where moving traffic, school street or keep clear cameras are issuing less than 10 PCNs per month, relocation of these cameras to higher priority locations with more contraventions will be considered
- f) A review of vehicle provision for the service will examine the business case for moving to a much smaller, electric, fleet and eliminating the use of hire vehicles.

The service is also seeking to sustain the growth in parking enforcement activity and improved operational efficiency through mainstreaming the successful pilot deployment of additional CEOs.

Longer term options could also be considered, for example an inflation- and efficiency-led increase in permit prices, and the introduction of a surcharge for the highest CO₂-emitting vehicles. The service also intends to review charges for bay suspensions to ensure that our costs are being covered.

Safer Merton is forecasting an adverse variance of £95k

This variance has changed from P7 by (£17k) due to a vacant post.

Efforts have been made to reduce agency costs. Within the ASB team the manager will commence a 12-month fixed term contract at the end of January and two ASB officer posts, 6-month fixed term contracts. Apart from HoS, which has now been recruited to on a permanent basis. only one agency worker remains whose contract expires end March. This is also a grant funded post.

Safer Merton are waiting payment from Clarion for this year's SLA and waiting for confirmation on a longer-term SLA for up to 6 years. Upgrading the CCTV cameras in the New Year will be a priority and with that opportunities for further income generation. Examples include: The South- West Business Partnership 12K and ongoing work with National Trust to link CCTV cameras to the CCTV control room.

Following a request from the Home Office a Domestic Homicide Review has been commissioned via The Safer Stronger Executive Board anticipated costs 10-15K.

Public Space

Waste Services has an adverse variance of £478k

Favourable variances include (£57k) on the Council's Environmental Enforcement services in respect of the number of enforced cases and the issuing of Fix Penalty Notices for fly-tipping and littering, (£116k) on employee related spend and (£37k) reduction in building improvement costs.

Included in this section are the achievement of the savings target of £104k (ENV2022-23 01) for disposal processing savings (Food Waste Recyclate). The service is projecting to deliver these savings.

The forecast has changed from P7 adversely by £12k due to:

- Decrease in staff cost (£7k)
- Increase in suppliers and services £4
- Increase on Phase C cost £18k

An adverse variance of £189k is being forecast in relation to the Household, Reuse, Recycling Centre (HRRC), mainly as a result of extending the current contract during 2020/21, via a contract variation, to both minimise future costs and to align the contract period with the other SLWP boroughs. The service is currently exploring alternative access for residents to neighbouring sites along with implementing improvements to the current booking system which has contributed to the management of waste volumes. To date there are no planned service changes, and we note that any significant change to the provision of this service will first be presented to Cabinet for consideration.

There is an additional adverse variance of £141k being forecast against the SLWP management fee associated with consultants and advisor cost in year.

Waste and street cleansing (Phase C) budgets remain under pressure due to above contract services being implemented including the two additional fly-tipping crews, evening economy crew in the second half of the year. A growth bid has been submitted to cover this revenue cost in 2023/24. In addition, the service covered the cost of two one off large-scale fly tipping clearances including Willow Lane and Commonsides East. The current forecast variance for Phase C is £750k.

Waste Services adverse variances are partly offset by favourable variance on disposal costs of (£380k) due to new favourable gate fees for food waste & green associated. Note the service has delivered in excess of £750k in disposal savings in recent years. The current forecast is at par with last year's actuals despite changes to our residents' working arrangements, where we have seen a greater increase in the number of households now working from home post pandemic resulting in an increase in overall domestic waste across all kerbside collection services. This section will continue to be closely monitored and the service is currently supporting SLWP in the planning of the re-procurement of both the Food and Garden waste processing services which currently expire this financial year. Further analysis is being done to establish how much of the overspend may be funded from Your Merton.

Leisure & Culture adverse variance of £366k

The adverse variance is partly offset by favourable variances on employees (£93k), Leisure centre income (£76k) and supplies and services (£19k).

The service is expecting the following adverse movements:

- A £45k under recovery in income from water sports at Wimbledon sailing base
 - The Watersport centre has under recovered mainly because of lake work causing an Easter closure, but also because some schools are budgeting cautiously
- An unprecedented increase in energy bills. The service is currently forecasting to spend double its leisure centre utilities budget resulting in a variance of £429k.
- Under recovery of £31k lettings income from Morden Assembly Hall.
- £11k premises costs

There is currently an action plan for the Leisure Centre to reduce utility costs

- Air-con only on at peak times
- 50% of lights off where possible
- Hourly meter information to access peaks and troughs
- We have spent 30k on LED light replacements and bought new pool covers
- Both Canons and Wimbledon are having roof work done to make the centres waterproof and reduce utility costs

Morden Assembly Hall is currently being used as a Covid Vaccination Centre.

Greenspaces adverse variance of £133k

The adverse variance has moved favourably by £33k since October.

The change in variance are as follows:

- (£63k) decrease in net costs for Phase C
- (£50k) increase in parks income
- (£63k) decrease in net costs for Phase C
- (£54k) decrease in fireworks costs
- £35k increase in Tree works costs
- £61k increase in highway grounds mtce costs of which 30k is agency staff costs
- £11k increase in bridge inspection costs

The net variance of £133k is made up of favourable variances in Events (£106k), supplies and services (£9k) and general income (£120k).

These are helping to offset the following adverse variances although the service is starting to recover from historical legacy issues.

- Phase C £40k
- Premises £126k
- Employees £80k
- Pay & Display income £45k
- Rental income £38k
- Tree works £17k
- Third party payments £18k

Sustainable Communities

Future Merton net adverse variance of £451k

Adverse variances are partly offset by the following favourable variances:

- CPZs = (£174k)
- CIL/s106 = (£79k)
- Income = (£85k)
- Streetworks/permitting = (£159k)
- Temp. traffic orders = (£190k)
- Winter maintenance = (£13k)
- Employees = (£103k)

The movement in variance between November and October is a net increase of £170k due to:

- £190k increase in cost of Street lighting
- (£36k) increase in street works income
- (£10k) decrease in staff costs
- £36k increase in supplies and services of which £20k is for highways maintenance/footpaths

The net adverse variance consists of the following:

- Street lighting = £530k: due to the significant increase in energy costs, Facilities faced challenges when securing a new Street Lighting electricity supplier. We were therefore on an “out of contract rate” at the start of the financial year, which was triple the rate of last year. The rates on the new contract, which commenced in mid-May are twice as high as last year.
- Bishopsford Bridge = £83k: we are still incurring legal costs for the litigation in relation to the bridge collapse, for which there is no budget.
- Highways & footways main. £200k (400890/400892). This is due to the Highways Maintenance contract inflation rate of 205 since the start of the contract in 2019.
- JC Decaux = £13k. This is a small under-achievement of the expected contract income due to historical legacy issues related delay of the digital installations.
- Vestry Hall = £46k due to the increase in utility costs and security services
- Supplies and services = £274k. £150k of this is on Local Plan Fees. This to pay the Planning Inspectorate for their work on the Local Plan
- Merantun = £100k unachievable income target for staff recharges to Merantun Developments

Property Management favourable variance of (£179k)

The forecast has moved favourably by (£14k) since October. This is primarily due to decrease in consultants' costs.

The main reasons for the favourable variance are:

- An underspend of (£149k) salaries costs against a budget of £320k.
- Commercial rental income expectations by (£290k) due to rent reviews in line with the tenancy agreements.

The above favourable variances are being offset by adverse variances as follows:

- £76k premises related expenditure- for example, building improvements, utilities, repairs & maintenance costs
- £120k supplies & services related expenditure - for example, employment of consultants to progress rent reviews due to lack of internal resource, and valuations to support asset valuations and potential disposals.
- £64k for Stouthall

Building Control (BC) and Building Control Enforcement (BCE) net adverse variance of £47k

- BC £29k
- BC enforcement £18k of which £17k is staffing

The BC variance is primarily due to:

£163k under achievement of income

£24k supplies and services (largely consultancy and marketing)

Offset by:

(£136k) savings on staff costs

Explanation for BC Adverse Variance

The income target for BC has not been met for a number of years, usually under achieving by approx. £200k. This is due to the fact that there are many vacancies and the team is operating with limited staff. They are therefore losing market share to Approved Inspectors. BC is currently carrying out a review with the intention of recruiting to the vacancies. This review will be in line with any new requirements and to meet any legislation and regulations. This should enable the income target to be met in future. It will also enable the team to better deal with statutory response emergency incidents such as Lewis Road; Spur House; Britannia Point; and Galpin Road where additional BC and Surveyor support has needed to be purchased from the private sector and other local authorities at a high cost.

Development Control (DC) and Development Control Enforcement (DCE) adverse variance of £287k

DC = £342k and DCE = (£55k)

DC variance is made up of: £525k staff costs, £18k supplies and services (consultants) and (£200k) income

DCE variance is made up of £134k employee costs and (£185k) income

The Development Management Team in particular is overdependent on Agency workers. This is due to a historical set of circumstances whereby 16 full time planning officers left the team between February 2020 and the arrival of the current Interim Head of Development Management and Building Control in June 2022. Every time one of those officers left the council the remaining caseload had to be reallocated to colleagues creating unmanageable workloads. Approximately 100 applications which had been written up for sign off have been in a backlog which is still being worked on. High numbers of Agency staff have had to be brought in and retained to avoid the service falling over.

Furthermore, there is the unusual situation whereby a Principal Planner is solely working on one planning application for the All England Lawn Tennis Club to extend into Wimbledon Park Golf Club. A Principal Planner would usually handle a mix of 50 major and difficult minor planning applications and would coach junior members of staff when signing their cases off. The tennis application has been registered since August 2021 and will not be presented to the Planning Applications Committee until at least February 2022, after which there will be much more work to do around the GLA referral process. The length of time taken is due to the complexity of the proposals and this has been beyond the Council's control. At an informal meeting of the Cabinet on Friday 11th November 2022 Members were very clear to Officers that this work needs to be properly resourced and Directors should be advised of the requirements. Additional Agency staff have been retained for longer than initially forecasted to handle the work that the dedicated Case Officer cannot pick up. This is contributing significantly to the overspend but it is essential and statutory work of huge importance to the organisation.

A piece of work has commenced around benchmarking with other London authorities such as Camden which appears to have a much more extensive and robust Planning staff structure. A report will be prepared on this. It is also difficult to attract external candidates to permanent positions as the salaries being offered are not as competitive as those provided by neighbouring Councils. Nevertheless, other solutions are underway. The interim Head of Development Management and Building Control has converted from a temporary post to a permanent position which has created a significant saving, and conversations have also taken place with other Agency workers about this opportunity for them. This could save a further £47,000. Following the recent successful recruitment of a graduate Planner the team is keen to bring in more colleagues at that junior level.

Income targets are being increased via pre-application charges (an Equalities Impact Analysis has just been provided to the Cabinet Member for this), Planning Performance Agreement fees and other administrative services to mitigate against the overspend by approximately £200,000.

Children Schools and Families

Children, Schools and Families (£000's)	2022/23 Current Budget	Full Year Forecast	Forecast Variance November	Forecast Variance October	2021-22 Year Variance
<u>Education</u>					
Education Budgets	£ 19,533	£ 20,586	£ 1,053	£ 1,077	£ 394
Depreciation	£ 9,801	£ 9,801	£ -	£ -	£ -
Other Education Budgets	£ 135	£ 135	£ -	£ -	£ (114)
Education Services Grant	-£ (1,062)	-£ (1,062)	£ -	£ -	-£ (12)
Education Sub-total	£ 28,407	£ 29,460	£ 1,053	£ 1,077	£ 268
<u>Other CSF</u>					
Child Social Care & Youth Inclusion	£ 22,762	£ 23,861	£ 1,099	£ 1,309	£ 2,009
Cross Department	£ 910	£ 601	-£ (310)	-£ (310)	£ -
PFI Unitary Costs	£ 8,409	£ 8,409	£ -	£ -	£ 766
Pension and Redundancy Costs	£ 1,624	£ 900	-£ (724)	-£ (720)	-£ (617)
Other CSF Sub-total	£ 33,705	£ 33,771	£ 65	£ 279	£ 2,158
Grand Total	£ 62,112	£ 63,231	£ 1,118	£ 1,356	£ 2,426

Director's' Summary

There are a number of challenges facing the department including a constantly changing national policy environment. We are still awaiting the Government's response to the National Review of Children's Social Care and their implementation plan for the SEND Green Paper. The Schools' Bill has been pulled from its parliamentary process and it is not yet clear which elements will still be taken forward, and in what way.

Demand for services post-Covid continues to remain high. October saw an increased number of requests for service received into the Children and Families Hub, and numbers of assessments undertaken, and children with a Child in Need plan remain higher than pre-pandemic. However, the number of children with child protection plans is now back to levels seen pre-pandemic. Schools are reporting increasing numbers of children requiring additional support to stay in mainstream education. Inflation is affecting schools significantly as it is all services.

We continue to bear down on the use of agency staff and have reduced usage particularly in social work teams, through growing our own, direct recruitment and persuading agency social workers to accept permanent contracts. The number of agency social workers has reduced from a peak of 92 last year, to 62 in May and now to 50 as at the end of November.

We are making good progress against the Safety Valve programme which has seen the in-year deficit reduced by £3.5m so far this year. Lobbying by local government has resulted in an improved settlement in relation to the High Needs Block which funds SEND support. For Merton this means an additional £1.8m more than originally notified for 2023/24 and again for 2024/25, which will help us meet demand, manage inflation and get back to balance ahead of plan.

Forecast Summary

The departmental position continues to improve gradually, the forecast overspend has reduced by £238k to £1.1m. The main area of improvement was Children's Social Care with some reduction in

staffing and placement costs. Most other budget forecasts either improved a little or are stable. There continues to be a focus on agency staff, particularly agency social workers. There was a small reduction in the costs of home to school transport, which pays for transport for children with special education needs and disabilities. This is despite the fact that recent rounds of route tendering have resulted in significantly higher prices per journey. However, this has been offset due demand management action, including the implementation of the new policy agreed last year.

Local Authority Services

Local Authority Funded Services (£000's)	Budget	November Variance	October Variance	2021/22 Outturn Variance
Child Social Care and Youth Inclusion				
Senior Management	£ 303	-£ (12)	-£ (72)	£ 429
Head of Help & Family Assessment	£ 3,070	-£ (561)	-£ (561)	-£ (676)
Head of Family Support & Safeguarding	£ 4,382	£ 775	£ 582	£ 2,019
Head of Corporate Parenting	£ 12,461	£ 1,461	£ 1,577	£ 809
Head of Adolescent and Safeguarding	£ 1,968	-£ (565)	-£ (218)	-£ (572)
CSC & Youth Incl Total	22,184	1,098	1,308	2,009
Education				
Contracts, Proc & School Org	£ 7,854	£ 1,566	£ 1,576	£ 409
Early Years & Children Centres	£ 4,191	-£ (205)	-£ (205)	-£ (311)
Education - School Improvement	£ 64	£ 49	£ 21	-£ (1)
Education Inclusion	£ 1,815	£ 15	-£ (13)	-£ (131)
Schools Delegated Budget	£ -	£ -	£ -	-£ (3)
SEN & Disability Integrat Serv	£ 2,622	£ 10	£ 19	£ 49
Senior Management	£ 1,400	-£ (288)	-£ (228)	£ 364
Policy, Planning & Performance	£ 749	-£ (50)	-£ (50)	£ 75
Departmental Business Support	£ 216	-£ (43)	-£ (43)	-£ (57)
Education Total	£ 18,911	£ 1,054	£ 1,077	£ 394
Other CSF				
Joint Commissioning & Partnrsh	£ 910	-£ (310)	-£ (310)	£ 0
PFI Unitary Charges	£ 8,409	£ -	£ -	£ 766
Depreciation	£ 9,801	£ -	£ -	-£ (0)
Other Education Budgets	£ 135	£ -	£ -	-£ (114)
Education Services Grant	-£ (1,062)	£ -	£ -	-£ (12)
Pension & Redundancy Costs	£ 1,624	-£ (724)	-£ (720)	-£ (617)
Education Total	£ 19,817	-£ (1,034)	-£ (1,030)	£ 23
LA Total	£ 60,912	£ 1,118	£ 1,355	£ 2,426

Child Social Care & Youth Inclusion

The forecast overspend has reduced by £210k on last period, due to reductions in staffing and placement costs.

Agency social work posts remain at 50, the same as last period. Permanent recruitment activity continues, and we have new starters in early 2023. Following the successful growth bid from April 2023, and pay benchmarking activity by HR, a market supplement will be added to social worker and team manager salaries which will be included in revised advertising from Jan 2023, alongside a focussed campaign for Assessment teams where we have a high proportion of agency staff. This is expected to yield positive results later in the year.

The London region of the Association of Directors of Children's Services (ADCS) report that use of agency social workers has increased in the past year in four of the five sub-regions. Southwest London is the only sub-region to have shown a decrease, which is in large part due to the significant reduction in agency usage in Merton from a peak of 92 to now 50.

Education

The forecast is fairly static compared to last month, with a small reduction in management costs.

SEND transport costs remain an issue. We are managing demand through our new policy and the work done through the Safety Valve programme. However, where we have been forced to retender routes due to provider withdrawal, we have seen significant increases in the cost of journeys of around 30% due to driver shortages, fuel costs and general inflation. This cost is offsetting the reductions through demand management.

There are 22 agency workers in the Education and Early Help division. For two of these posts substantive appointments are being finalised. Six of the agency workers were in Lavender Nursery to maintain staff ratios, and two of these have left since the reporting date. The majority of others are covering posts which are currently hard to recruit to, and there is a rolling programme of recruitment underway to maximise the use of permanent staff. This includes seeking applicants from abroad for posts requiring particular specialisms, and where there is a national shortage, for example Speech and Language Therapists.

Other CSF

The forecast for other budgets remains stable. There are nine agency workers in central and support services. Three of these posts relate to the Safety Valve programme, although we will go out to permanent recruitment for two of these posts in the New Year and one of these agency assignments will cease at the end of January as the worker has accepted another assignment. Three of the remaining six are project roles, one ending in January 2023 and another at the end of February 2023. The remaining three agency workers are in business analyst roles which have proved difficult to recruit to. These will go back out for recruitment early in the New Year.

Dedicated Schools Budget (£000's)	Budget	November Variance	October Variance	2021/22 Outturn Variance
<u>Education</u>				
Contracts, Proc & School Org	£ 286	£ 14	£ 14	-£ (16)
Early Years & Children Centres	£ 15,823	£ 757	£ 757	-£ (3,348)
Education - School Improvement	£ 1,120	-£ (4)	-£ (4)	-£ (41)
Education Inclusion	£ 1,464	-£ (20)	-£ (20)	£ 99
SEN & Disability Integrat Serv	£ 24,075	£ 8,056	£ 8,056	£ 13,899
Sub-total	£ 42,768	£ 8,803	£ 8,803	£ 10,593
<u>CSC & Youth Inclusion</u>				
DSG - Child Social Care & Youth Incl	£ 42	£ -	£ -	-£ (7)
Sub-total	£ 42	£ -	£ -	-£ (7)
<u>Schools Delegated Budget</u>				
DSG Reserve	£ -	-£ (1,200)	-£ (1,200)	-£ (2)
Retained Schools Budgets	£ 2,828	-£ (1,549)	-£ (1,549)	-£ (417)
Schools Delegated Budget	-£ (45,683)	£ 3,910	£ 3,910	£ 3,387
Sub-total	-£ (42,855)	£ 1,161	£ 1,161	£ 2,967
DSG Total	-£ (45)	£ 9,964	£ 9,964	£ 13,553

Dedicated Schools Grant (DSG) and Safety Valve

The in-year deficit has come down by £3.6m since the start of the year as a result of the extensive actions taken to deliver the Safety Valve plan. The plan agreed with DfE requires us to bring the DSG into balance no later than 2026/27. With the settlement for the High Needs Block announced for the next two years we are in a good position to be on track with the plan and to achieve balance

ahead of that deadline.

The key areas of action in the plan are around managing demand and developing more in-borough special educational capacity. Demand is measured through the number of current Education Health & Care Plans.

The number of Education Health & Care Plans (EHCPs) has stabilised. In previous years we had seen an increase of 300 EHCPs per year and the plan agreed with the DfE assumed an increase of 313 plans per year without action. As at the end of November we had only 2 more plans than the same period last year. However, we have continued to ensure we assess and meet needs through new EHCPs where this is appropriate. Since April, we have carried out 263 assessments and agreed 180 new plans, but we have also ceased 156 plans (where it is no longer necessary for special educational provision to be made for the child or young person in accordance with an EHCP) and have had a net movement out of the borough of 46 children.

Behind the headline figures there has been a great deal of work with partners across the SEND system to ensure needs are met well before an EHCP is required, through the ordinarily available support provided by schools to meet additional needs, and through the SEND Support Offer. The Council has invested in additional capacity to support our schools in this. We are also increasing our presence at reviews, to ensure that EHCPs are still required and are still appropriate to meet need.

In-borough capacity has been a significant factor in the deficit. In September we opened the Whatley Avenue Campus (part of Melrose School) with 40 pupils starting in September, with capacity to grow to 80 over the next couple of years. The site has been developed with the potential for a further 40 post-16 places. We expanded the Additionally Resourced Provision (ARPs) at West Wimbledon and Hatfield schools and opened the new ARP at Cranmer School.

We have plans for further expansion of in-borough capacity, including at Perseid School and plans to develop secondary ARPs. We also have a proposal for a new Special Free School. We have submitted our application to DfE and await the outcome.

Community and Housing Summary Position

Overview

Community and Housing (C&H) is forecasting £752k unfavourable variance as of November 2022. This is an overall reduction of £78k since October.

At this stage in during 2021/22 C&H was showing a favourable position overall. The combination on increase numbers in temporary accommodation, increase in placement cost and complex cases has resulted in the current unfavourable position.

Favourable positions on other budget lines within Community and Housing such as employee budget lines relating to recruitment lag/delays are assisting with the overall position. Client contribution income was updated in the current period.

Table A C&H Summary Position

Community & Housing	2022/23 Current Budget	2022/23 Full Year Forecast	2022/23 Full Year Variance	2022/23 Full Year Variance	2022/23 Outturn Variance
	£ 'm	£ 'm	£'m	£'m	£'m
		(Nov)	(Nov)	(Oct)	(Mar'22)
Adult Social Care	62,018	62,442	424	260	(881)
Libraries and Heritage	2,499	2,530	31	16	105
Merton Adult Learning	4	4	0	0	0
Housing General Fund	3,519	3,816	297	554	77
Public Health	(162)	(162)	0	0	0
Total Favourable/ Unfavourable	68,040	68,792	752	830	(699)

Director's' Summary

The overall position of Community & Housing (C&H) for November was an adverse variance of £752; with a favourable reduction of £78k in comparison to October 2022. This is in the context of when the department is experiencing inflationary pressures due to the cost-of-living crisis as well as rising demand on statutory services.

C&H comprises of Adult Social Care, Libraries, Merton Adult Learning, Housing and Public Health. The service areas with the most challenges at present are Adult Social Care and Housing. This is due to increasing demand on both areas as well as clients presenting with increasing levels of complexity in adult social care.

In terms of Adult Social Care, the challenges are in increasing placements (domiciliary care packages at home as well as 24 hr care in residential or nursing provision). Adult social care has also seen an increase in complexity of need which has resulted in an increase in cost of care packages as well as a shift from domiciliary care (where we keep people independent in their own homes with a care package) to a need for 24 hr nursing or residential care. Adult social care is also seeing an increase in clients with mental health problems requiring specialist supported living. It should be noted that there is usually a 'spike' in placements between November and January as this is the busy winter period and there tends to be a greater number of hospital admissions and discharges with residents requiring access to services.

To manage the demand within Adult Social Care, we have increased our capacity within our reablement teams to maximise independence and improve outcomes for residents. We have also utilised one off winter funds from central government to increase social work capacity in the hospital to home team in improve hospital discharge.

The Housing team is experiencing an increase in numbers of people presenting requiring temporary

accommodation. They are also having greater difficulties sourcing suitable accommodation in Merton due to a lack of suitable supply to meet the needs of these people. There are plans in progress to provide additional capacity in the team to expedite the move on process from temporary accommodation to permanent housing to address this and we have also sourced 'capital letters' to help us locate suitable housing within Merton. The recent announcement of additional funding for Adult Social Care for 2023/24 could alleviate some of the Adult Social Care pressures but it is not guaranteed as the conditions of these grants are unknown and whether there will be new statutory duties for adult social care.

Adult Social Care

Adult Social Care is currently forecasting an unfavourable variance at year end of £424k. This is due in part to the ongoing impact of an increase in overall demand and, more significantly, the increasing complexity of needs being assessed and the resulting need for larger packages of care. Inflation pressures in relation to third-party provider costs remain significant. Also, between October and November underspend on equipment reduced by £86k which is to be investigated, additionally salary forecasts increased. The overall numbers of packages appear to be stabilising over the last two months because of the actions reported in previous monitoring reports. This change, assuming it is maintained, will have a positive impact on the overall budgetary position but it will take time to return to a balanced position. The placement forecast is based on Mosaic expenditure data to November 2022 and income is based on current available data.

In terms of the new customers the majority were in long stay residential, supported living and a move from domiciliary care to residential nursing care. Additionally, there is a steady increase in mental health customers which is also the trend seen in the neighbouring boroughs. The current placement forecast includes several high-cost transitions customers which the service is currently seeking clarification regarding contributions from external parties.

Pressure on the Financial Assessment Team has been reported in previous months' monitoring reports. Recruitment of permanent and temporary staff is alleviating this situation and the risk of under-collection of income continues to reduce as a result.

Hospital discharge activity is expected to remain under severe pressure into 2022/23 as general hospital activity is at record levels, compounded by additional recent Covid admissions, together with an ever-growing backlog of elective procedures.

Merton has a high rate of emergency hospital admissions for people aged 65+ diagnosed with dementia compared with London and England. The overarching message is that most older people are healthy and an asset; however, an aging population leads to increasing complexity of need due to several long-term conditions (co-morbidities) and dementia, sensory impairment, frailty, and loneliness/isolation. The Merton Story 2021 highlighted the issues of multi-morbidity and increased complexity as people age.

Table B Summary of Movements in Placements from April '22 to November '22.

Service Type	New Clients		Deceased Clients		Closed		Total	
	TOTAL EXPENDITURE	TOTAL No	Total Decrease in Expenditure	TOTAL No	Total Decrease in Expenditure	TOTAL No	Net Increase/Decrease in Expenditure	TOTAL No
	£		£		£		£	
Carer Support	£25,878	13	-£2,065	-5	-£9,591	-4	14,222	4
Day Care	£48,589	4	£0	0	-£11,826	-3	36,763	1
Direct Payments	£135,381	14	-£186,406	-13	-£75,993	-14	-127,017	-13
Domiciliary Care	£1,206,149	176	-£782,790	-72	-£756,651	-110	-333,292	-6
Domiciliary Care (COVID)	£513,640	59	-£32,451	-3	-£127,692	-23	353,496	33
Domiciliary Care (Intermediate)	£103,076	6	-£2,998	-1	-£52,107	-6	47,971	-1
Long Stay Nursing Care	£1,299,861	31	-£1,592,020	-52	-£427,563	-12	-719,722	-33
Long Stay Residential Care	£652,672	18	-£542,422	-18	-£63,682	-4	46,568	-4
Shared Lives	£22,354	1	£0	0	£0	0	22,354	1
Respite Res/Nursing	£26,814	9	£0	0	-£11,119	-6	15,695	3
Intermediate Res/Nursing Care	£0	0	£0	0	£0	0	0	0
Short Stay Res/Nursing	£322,777	22	-£10,895	-5	-£207,120	-21	104,763	-4
Short Stay Res/Nursing (COVID)	£47,098	14	£0	0	-£7,998	-1	39,100	13
Other general expenses	£2,612	2	£0	0	£0	-1	2,612	1
Supported Living	£510,969	14	£0	0	-£83,504	-2	427,465	12
Supported Accommodation	£64,257	4	£0	0	-£18,767	-3	45,490	1
Total	£4,982,127	387	-£3,152,047	-169	-£1,853,613	-210	-23,533	8
Average Cost per Nursing client	£41,931		£30,616		£35,630			
Average Cost per Residential client	£36,260		£30,135		£15,920			
Average Cost per client-all other services	£8,963		£10,279		£7,023			

The table diagram shows expenditure, numbers of customers that were new, deceased or closed to date. The data shows that the average cost for all new nursing packages increased by 37% as opposed to deceased customers, and in the case of residential care that increase is 17%.

Table C Description of Pathways: -

<p>Pathway 0- 50 % of Clients</p> <ul style="list-style-type: none"> • People discharged requiring minimal support, or interventions from health and social care services.
<p>Pathway 1- 45% of clients</p> <ul style="list-style-type: none"> • People who are discharged and able to return home with a new, additional or a restarted package of care.
<p>Pathway 2- 4% of clients</p> <ul style="list-style-type: none"> • People who discharged with a short term intensive support package at a 24 hour bed based setting before returning home.
<p>Pathway 3-1% of clients</p> <ul style="list-style-type: none"> • People who require 24 hours bed based care

Comparison of Discharge Activities to November 2021

Discharge Activities April to November 2021/22

Week Commencing	Pathway 1	Pathway 2	Pathway 3	Grand Total
Grand Total	1214	271	108	1593
Average	35	8	3	46

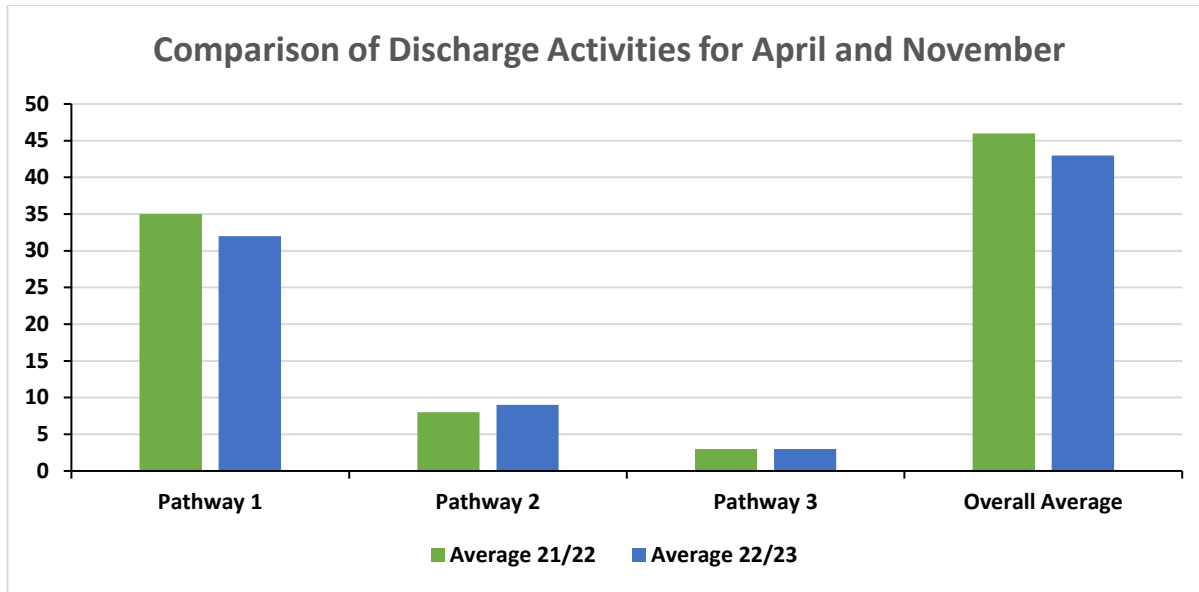
Discharge Activities April to November 2022/23

Week Commencing	Pathway 1	Pathway 2	Pathway 3	Grand Total
Grand Total	1117	316	86	1 519
Average	32	9	3	43

NB: No information on pathway 0 for both years

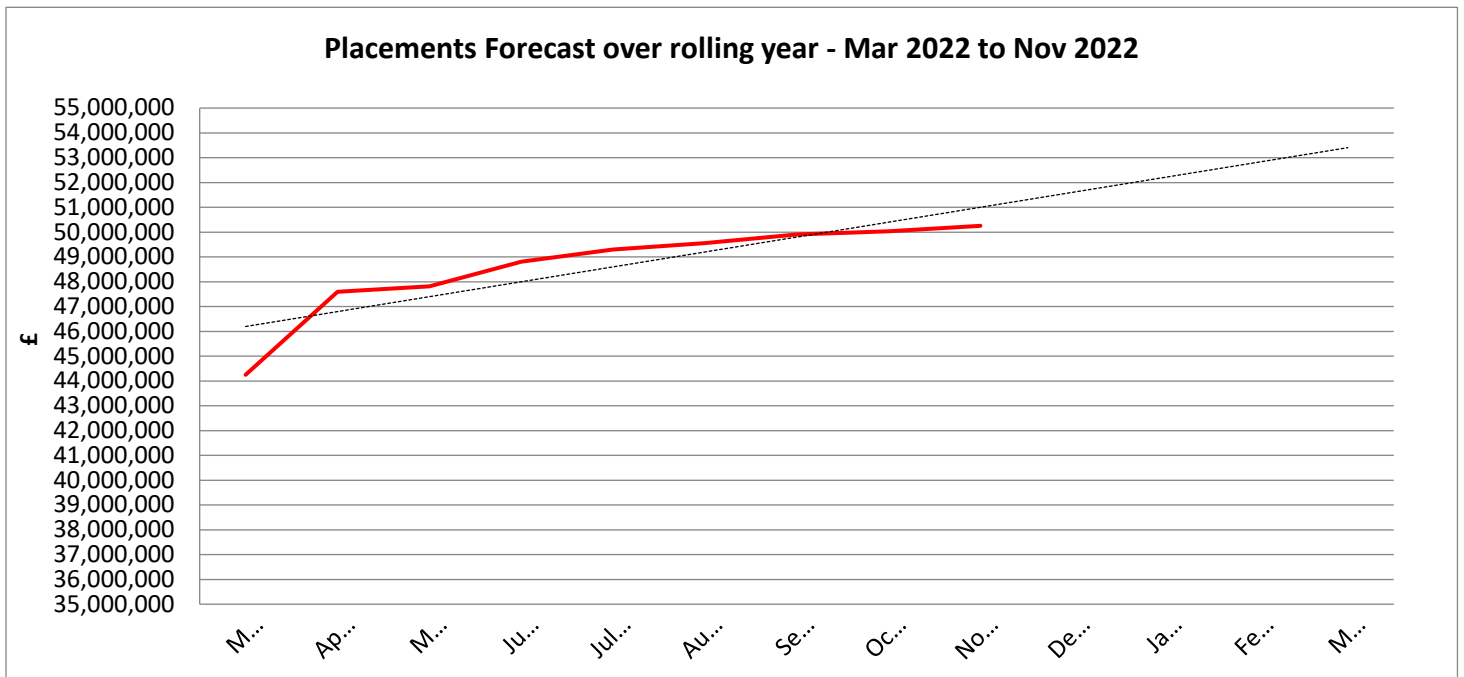
The above tables shows that although the overall average has reduced pathway 2 has increased by 15% as compared to 2021/22 which is reflected in the number of short-term placements coming through the system since April 2022.

Bar Chart below is a comparison of the average discharge activities between April to November 2021/22 and 2022/23



The above bar chart shows that discharge to November for 2021/22 and 2022/23.

The graph below shows placements expenditure from March 2022 to November 2022.



The above graph shows an increase from March to April then a rise from June to October but seems to increasing at a lower rate since.

Adult Social Care Internal Provision –favourable Variance - £40k

Direct Provision unfavourable forecast was reduced from £42k to a favourable variance of £40k between October and November. The service is keeping several posts vacant in light of the future plans for the division.

The service continues to deal with a small number of long - term sickness cases in key areas, exacerbated by a shortage of available bank staff to cover some of the 24/7 shifts, which has led to staff working overtime to ensure safe staffing levels. A recruitment campaign is seeking to add more bank staff and therefore reduce overtime expenditure. All rotas are reviewed on a weekly basis to maximise efficiency. There is additional spending in the Merton Employment Team to support the Employment Pilot, and this will be balanced by the additional funding which has been agreed. The decrease of £40k in the forecast spend for November, has been due to modest reductions in salary spend across the service including those staff reducing hours, vacancies etc. along with incorrectly coded salaries being transferred elsewhere within the department. Some non-pay predictions have also been reduced this month. An increase of income prediction at the Eastway day centre, due to higher levels of attendance of self-funders has also contributed to this reduction.

Library & Heritage Service- unfavourable Variance - £31k

This service is forecasting an unfavourable variance of £31k in November 2022, which is an increase of £15k since October. There have been some issues with the monthly salary counters that have led to the change in value and the Head of Service is going to undertake additional analysis of salaries in time for December's budget monitoring where the value is expected to lower.

New services have been launched including new Health & Wellbeing Zones with ongoing Cost of Living events to support residents. Libraries are also established as warm banks that provide shelter and warmth for residents during the winter months.

Adult Learning- Breakeven position

Adult Learning continues to forecast a breakeven position. Merton Adult Learning is fully funded by external grants from the GLA (Greater London Authority) and ESFA (Education and Skills Funding Agency).

New funding streams are being allocated to enhance curriculum provision around mathematics (Multiply government initiative) and green skills.

The service will be bringing its revised Adult Learning Strategy and delivery plan for 2023 to 2026 to Cabinet in January 2023. The strategy will include objectives such as a commitment to increasing courses in priority areas in the borough to address inequalities and supporting more residents into 'good' work.

Housing General Fund- unfavourable variance - £297k

This service is currently forecasting an unfavourable variance of £297k which is a reduction of £257k since October. The current reduction in the unfavourable variance is due to receipt of an additional grant, no change in forecasted expenditure, and a reduction in subsidy shortfall.

However, the service has seen a significant increase in TA numbers to November. This is expected to increase further during the Christmas period thus may result in additional pressure on the TA budget.

In the long-term there is also the added issues regarding the end of the current Home for the Ukraine project. There has also been an increase in cases granted status from the home office and being asked to leave the accommodation provided which results in a homeless application. In these cases, it is far more difficult to take preventative steps as notice period are likely to be short.

There is also likely to be pressure on nightly rates in the months ahead for new and existing cases because of inflationary pressures from providers. This is being tackled at a regional and sub-regional level in terms of a strategic response to managing this issue.

The service is continuing to work on data to ascertain outstanding from Housing Benefit which could affect the forecast positively. A meeting with colleagues in benefits is being set up for January 2023.

Table D Analysis of Housing and Temporary Accommodation Expenditure to November 2022.

Housing	Total Budget 2022/23	Forecast Expenditure (Nov'22)	Forecast Variance (Nov'22)	Forecast Variance (Oct'22)	Outturn Variance (March'22)
	£000	£'000	£'000	£'000	£000
Temporary Accommodation-Expenditure	2,544	4,456	1,912	1,912	1,346
Temporary Accommodation-Client Contribution	(140)	(240)	(100)	(100)	(177)
Temporary Accommodation-Housing Benefit Income	(2,087)	(3,550)	(1,463)	(1,464)	(465)
Temporary Accommodation-Subsidy Shortfall	322	1,563	1,241	1,315	838
Temporary Accommodation-Grant	0	(1,185)	(1,185)	(978)	(1,514)
Subtotal Temporary Accommodation	639	1,044	405	685	28
Housing Other Budgets	2,880	2,772	(108)	(131)	49
Total Controllable (Favourable)/Unfavourable Variance	3,519	3,816	297	554	77

Table E Number of Households in Temporary Accommodation in Previous years

Previous Financial Years (Month' Year)	Annual Numbers at Financial Year End
Mar'17	186
Mar'18	165
Mar'19	174
Mar'20	199
Mar'21	197
Mar'22	230

Table F Net Movement to date In Temporary Accommodation

The total numbers in temporary accommodation (TA) in March 2022 was 230 as mentioned in **Table E** which is an overall increase of 17% on March 2021.

The numbers in (TA) continues to increase since March as demonstrated below. TA numbers to November were 324 which is an increase of 41% since March 2022.

Current Financial Years (Month' Year)	Numbers In	Numbers Out	Net Movement
Apr'22	18	15	233
May'22	28	7	254
June'22	21	16	259
July'22	19	8	270
Aug'22	26	12	284
Sept'22	20	19	285
Oct'22	23	15	293
Nov'22	40	9	324

Table F above shows the total numbers in temporary accommodation (TA) to November 2022. This is a net increase of 91 since April 2022 which equates to a 39% increase between April and November. TA numbers in November 2021 was 216 and November 2020 it was 208.

Table G Numbers in Temporary Accommodation as of June 2022 in neighbouring boroughs: -

Boroughs	Numbers in TA- March'22	Numbers in TA- June'22	Increase/(Decrease)
Sutton	844	846	2
Kingston	837	Not Provided	N/A
Richmond	314	349	35
Croydon	1988	1951	37
Bromley	1653	1598	(55)
Wandsworth	2894	2985	91

Statistical Data from Department of Levelling up, Housing and Communities (Extract- March and June22)

Feedback from other boroughs is that this situation is London wide since January and in some cases, there has been a doubling of homelessness applications. Other authorities are reporting heavy use of expensive hotel accommodation which has not been necessary in Merton. In Merton there have been a notably increases in applications since June as demonstrated by the figures.

Government data from the Ministry of Justice shows that during the period from June 22 to September 22 there was an 89% increase in private sector evictions across the UK compared to same quarter the previous year with 25,000 evictions up from 13,000.

On a more positive note, there have been more properties becoming available via Capital letters which showed a significant improvement from the period August to September.

Public Health –Breakeven position

The service is forecasting a breakeven position to November 2022.

Potential Cost pressures

The service has agreed a financial position for CLCH (Central London Community Health) Integrated Sexual health services to March 2024 and a financial position for CLCH children's contract (health visitors and school nurses) to March 2023. Further negotiations are required on the financial agreement for the 2023/24 children's contracts (health visiting and school nursing), including any potential inflationary increases and managing cost pressures on service.

Covid-19 Related Programmes

The team continues with the Covid-19 resilience programme, funded by the Contain Outbreak Management Fund (COMF) in 2022/23. COMF will be utilised in line with terms and conditions of the grant by March 2023.

Substance Misuse

The service also secured additional funding which is the Supplemental Substance Misuse Treatment and Recovery grant for 2022-2025 for the Department of Health and Social Care. This funding is being used in line with the grant conditions for drug and alcohol treatment and recovery. At this stage, only the 2022-23 allocation is confirmed with future years investment subject to DHSC confirmation.

CORPORATE ITEMS

The details comparing actual expenditure up to 30 November 2022 against budget are contained in Appendix 1. COVID-19 corporate expenditure is again shown on a separate line but it is intended that in future all covid related expenditure will be charged to the appropriate service:-

Corporate Items	Current Budget 2022/23 £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	Outturn Variance 2021/22 £000s
Impact of Capital on revenue budget	11,066	10,947	(119)	(119)	(235)
Investment Income	(396)	(1,343)	(947)	(947)	(143)
Pension Fund	503	503	0	0	0
Pay and Price Inflation	1,550	1,260	(290)	(290)	(1,945)
Contingencies and provisions	19,482	12,609	(6,873)	(5,580)	(17,212)
Income Items	(4,223)	(4,223)	0	0	10
Appropriations/Transfers	(11,806)	(11,912)	(106)	(106)	1,972
Central Items	5,109	(3,107)	(8,216)	(6,923)	(17,318)
Levies	988	988	0	0	0
Depreciation and Impairment	(25,593)	(25,593)	0	0	20
TOTAL CORPORATE PROVISIONS	(8,430)	(16,765)	(8,335)	(7,042)	(17,533)
COVID-19 Emergency expenditure	0	89	89	89	235
TOTAL CORPORATE EXPENDITURE inc. COVID-19	(8,430)	(16,676)	(8,246)	(6,953)	(17,298)

Based on expenditure to 30 November 2022, a favourable variance of £8.246m including Covid (£8.335m excluding covid) is forecast for corporate expenditure items. This is a favourable movement of £1.293m including Covid (£1.293m excluding Covid) on the October forecast and the reasons for this are:-

- a) It is forecast that the budget allocated to undertake an internal review will be underutilised by £1m at year end and is available to offset the forecast unfavourable variance in service department budgets.
- b) The budget provided for the negative impact of Covid-19 on council income will not be utilised and an additional favourable variance of £0.293m will be available to offset the forecast unfavourable variance in service department budgets.

5 Capital Programme 2022-26

5.1 The Table below shows the movement in the 2022/26 corporate capital programme since the last monitoring report:

Depts	Current Budget 22/23	Variance	Revised Budget 22/23	Current Budget 2023-24	Variance	Revised Budget 23/24	Current Budget 2024-25	Variance	Revised Budget 24/25	Current Budget 2025-26	Variance	Revised Budget 25/26
Corporate Services	6,592	423	7,015	20,280	50	20,330	5,155		5,155	12,427		12,427
Community & Housing	914	181	1,095	827		827	2,895		2,895	1,177		1,177
Children Schools & Families	8,612	480	9,092	7,689	278	7,967	8,737		8,737	3,479		3,479
Environment and Regeneration	13,532	(761)	12,772	10,587	807	11,395	6,297		6,297	24,913		24,913
Total	29,650	324	29,974	39,383	1,135	40,519	23,084	0	23,084	41,996	0	41,996

5.2 The table below summarises the position in respect of the 2022/23 Capital Programme as at November 2022. The detail is shown in Appendix 5a.

Capital Budget Monitoring - November 2022

Department	Actuals	Year to Date Budget	Variance	Final Budget 2022-23	Forecast Outturn 2022-23	Forecast Variance 2022-23
Corporate Services	1,442,571	2,418,434	(975,863)	7,014,760	7,014,410	(350)
Community and Housing	556,294	528,480	27,814	1,095,330	1,095,330	0
Children Schools & Families	4,990,998	5,216,561	(225,562)	9,092,470	9,091,930	(540)
Environment and Regeneration	5,519,647	6,465,920	(946,273)	12,771,610	12,709,947	(61,663)
Total	12,509,510	14,629,394	(2,119,884)	29,974,170	29,911,617	(62,553)

a) Corporate Services – After the adjustments in the Table below budget managers are projecting full spend on all budgets.

<u>Corporate Services</u>		Budget 2022-23	Budget 2023-24	Narrative
		£	£	
Customer Contact	(1)	(160,000)		Vired to a separate project within customer contact
Customer Contacts - Complaints System	(1)	160,000		Vired from the general project code for a separate project
Civic Centre - Workplace Design Project	(1)	473,000		Elements of Project funded from Revenue Reserve
Invest to Save - Photovoltaics & Energy Conserv	(1)	(50,000)	50,000	Reprofiled in accordance with Projected Spend
Total		423,000	50,000	

(1) Requires Cabinet approval

b) Community and Housing – After the adjustments in the Table below budget managers are projecting full spend on all budgets.

<u>Community and Housing</u>		Budget 2022-23	Budget 2023-24	Narrative
		£	£	
Disabled Facilities Grant- Project General	(1)	181,200		Funding to match Forecast

c) Children, Schools and Families – After the adjustments in the Table below budget managers are under-forecasting full spend on all budgets.

<u>Children, Schools and Families</u>		Budget 2022-23	Budget 2023-24	Narrative
		£	£	
Hollymount Capital Maintenance	(1)	(50,000)	50,000	Virement and re-profiling of schemes within the Schools Capital Maintenance programme to provide for new schemes within the approved grant sum and to reflect anticipated and actual final accounts on schemes
Hatfeild Capital Maintenance	(1)	(35,000)	35,000	
Dundonald Capital Maintenance	(1)	(5,000)		
Merton Park Capital Maintenance	(1)	(14,500)		
Wimbledon Park Capital Maintenance	(1)	(50,000)	50,000	
Abbotsbury Capital Maintenance	(1)	(10,000)		
Bond Capital Maintenance	(1)	(6,000)		
Gorringe Park Capital Maintenance	(1)	(4,500)		
St Marks Capital Maintenance	(1)	10,000		
Lonesome Capital Maintenance	(1)	(19,000)		
Sherwood Capital Maintenance	(1)	(40,000)	8,000	
Links capital maintenance	(1)	16,000		
Hillcross capital maintenance	(1)	16,000		
William Morris Capital Maintenance	(1)	(10,000)	10,000	
Perseid Upper Capital Maintenance	(1)	(50,000)	50,000	
Cricket Green Capital Maintenance	(1)	(7,080)		
Melrose Whatley Avenue Capital Maintenance	(1)	56,080		
Perseid Lower - School Expansion	(1)	(30,000)	30,000	Reprofiled in accordance with Projected Spend
CSF Schemes - Devolved Formula Capital	(1)	728,250		Additional Government Grant to be passported directly to schools
Children's Centres - Bond Road Family Centre	(1)	(30,000)	30,000	Reprofiled in accordance with Projected Spend
Children's Centres - Family Hubs	(1)	15,000	15,000	New Dof E Grant for Family Hubs
Total		480,250	278,000	

(1) Requires Cabinet approval

The council utilises the 'School Condition Allocation' grant from the DfE to enable the council to provide a rolling programme of capital maintenance schemes in schools. A number of movements between schemes (but within the overall programme) are requested this month to reflect updated scheme costs.

There are two major completed schemes that are still subject to final account agreement, at Melrose School and the Harris Academy Wimbledon new school facilitation project (Merton Hall). Once there is agreement any further costs will require further budget approval.

The DfE has recently provided an additional £728,250 of 'Devolved Formula Capital' grant to the council which must be passed directly by formula to schools, to be targeted for energy efficiency schemes.

The council has been awarded a capital grant of £30,000 for "Family hubs" to be added to the council's capital programme. Family Hubs is a way of joining up services locally for families to navigate the services that they need. The capital grant is to improve some local buildings (existing Youth centres and Children's Centres) to meet this aim.

- d. Environment and Regeneration – After the adjustments in the Table below budget managers are forecasting a negative variance of £62k on their budgets. This forecast represents two over-spends and one under-spend.

The forecast over-spends are caused by the projects below:

- Highways & Footways- This is due to inflation of approx. 20% under the terms of the highways maintenance contract. It is expected that the overspend will be funded from 2023-24 block budgets within the highways area
- Waste SLWP – officers are currently reviewing the outturn position on this project. A spend of £60k anticipated for this financial year which will leave a forecast £59k underspend at year end. Officers are currently identifying prior year spend which should have been capitalised to offset the remainder of the £119k

The forecast underspend is caused by the project below:

- Mitcham Area Regeneration (Canons- Park for the People) - we are forecasting an underspend, however work needs to be done to reconcile the HLF and SCIL funding to confirm this underspend. The final account with both contractors has now been agreed.

Final accounts are still outstanding with some contractors on Bishopsford (Mitcham) Bridge.

<u>Environment and Regeneration</u>		Budget 2022-23	Budget 2023-24	Narrative
		£	£	
On Street Parking - P&D - ANPR Cams Air Qual & Traf Sens	(1)	86,000		Scheme Funded from Revenue Contributions
Off Street Parking - P&D - Car Park Upgrades	(1)	(130,000)	130,000	Reprofiled in accordance with Projected Spend
CCTV Investment - CCTV Cameras and Infrastructure Upgrade	(1)	(497,770)	497,770	Reprofiled in accordance with Projected Spend
CCTV Investment - Willow Lane Bridge Improvements	(1)	(27,280)	27,280	Reprofiled in accordance with Projected Spend
CCTV Investment - Brangwyn Cres/Cside East Improvements	(1)	(52,430)	52,430	Reprofiled in accordance with Projected Spend
Highways & Footways - Vivacity Monitors	(1)	(39,180)		Budget being moved to revenue along with S106 funding
Mitcham Area Regeneration - Pollards Hill Bus Shelter	(1)	(50,000)	50,000	Reprofiled in accordance with Projected Spend
Sports Facilities - Leisure Centre Plant & Machine	(1)	(50,000)	50,000	Matchfunding for playzone £50k 22/23 and £50k 23/24
Total		(760,660)	807,480	

(1) Requires Cabinet approval

- 5.3 Finance officers will continue to review the projected outturn with budget managers, as their forecast is currently too high. Based on expenditure patterns in previous financial years and known spending to year end, they predict an outturn of around £23.5m.
- 5.4 Appendix 5c shows the revised funding of the proposed budget for 2022/25

5.5 The table below summarises the movement in the Capital Programme for 2022/23 since its approval in March 2022 (£000s):

Depts.	Original Budget 22/23	Net Slippage from 2021/22	Adjustments	New External Funding	New Internal Funding	Re-profiling to Future Years	Revised Budget 22/23
Corporate Services	8,522	5,454		610	161	(7,732)	7,015
Community & Housing	2,530	87		181	50	(1,753)	1,096
Children Schools & Families	6,441	888	422	3,230		(1,869)	9,112
Environment and Regeneration	15,118	3,489	(290)	1,601	1,225	(8,391)	12,751
Total	32,611	9,919	132	5,622	1,435	(19,745)	29,974

5.6 The table below compares capital expenditure (£000s) to November 2022 to that in previous years':

Depts.	Spend To November 2019	Spend To November 2020	Spend to November 2021	Spend to November 2022	Variance 2019 to 2022	Variance 2020 to 2022	Variance 2021 to 2022
CS	1,753	1,022	891	1,443	(311)	420	552
C&H	557	249	840	556	(1)	307	(283)
CSF	6,391	1,146	4,719	4,991	(1,400)	3,845	272
E&R	5,058	5,821	6,605	5,520	461	(301)	(1,086)
Total Capital	13,760	8,238	13,055	12,510	(1,251)	4,271	(545)

Outturn £000s	23,161	16,930	21,776	
Budget £000s				29,973
Projected Spend November 2022 £000s				29,912
Percentage Spend to Budget				41.74%
% Spend to Outturn/Projection	59.41%	48.66%	59.95%	41.82%
Monthly Spend to Achieve Projected Outturn £000s				3,926

5.7 November is two thirds into the financial year and departments have spent just under 43% of the budget. Spend to date is higher than one of the three previous financial years.

Department	Spend To October 2022 £	Spend To November 2022 £	Increase £
CS	1,139,713	1,442,571	302,858
C&H	460,597	556,294	95,697
CSF	4,273,492	4,990,998	717,507
E&R	4,841,297	5,519,647	678,351
Total Capital	10,715,098	12,509,510	1,794,413

5.8 During November 2022 officers spent just under £1.8 million, to achieve the forecast year end spend of budget managers approximately £4 million would need to be spent each month to year end.

5. DELIVERY OF 2022/23 SAVINGS

Department	Target Savings 2022/23	Projected Savings 2022/23	2022/23 Expected Shortfall
	£000	£000	£000
Corporate Services	465	380	85
Children Schools and Families	378	178	200
Community and Housing	1,659	405	1,254
Environment and Regeneration	523	393	130
Total	3,025	1,356	1,669

Appendix 6 provides a breakdown on Directorate savings.

1) CONSULTATION UNDERTAKEN OR PROPOSED

- All relevant bodies have been consulted.

2) TIMETABLE

- Following current financial reporting timetables.

3) FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- All relevant implications have been addressed in the report.

4) LEGAL AND STATUTORY IMPLICATIONS

- All relevant implications have been addressed in the report.

5) HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- Not applicable

6) CRIME AND DISORDER IMPLICATIONS

- Not applicable

7) RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- The risk of part non-delivery of savings is already contained on the key strategic risk register and will be kept under review.

○ **APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

- Appendix 1- Detailed Corporate Items table
- Appendix 2 – Pay and Price Inflation
- Appendix 3 – Treasury Management: Outlook
- Appendix 4 - Next Report in Period 9
- Appendix 5a – Current Capital Programme
- Appendix 5b - Detail of Virements
- Appendix 5c - Summary of Capital Programme Funding
- Appendix 6- Progress on Savings 2022/23 (revised and simplified format)

8) BACKGROUND PAPERS

- Budgetary Control files held in the Corporate Services department.

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APPENDIX 1

3E. Corporate Items	Council 2022/23 £000s	Current Budget 2022/23 £000s	Year to Date Budget (Nov.) £000s	Year to Date Actual (Nov.) £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	Outturn Variance 2021/22 £000s
Cost of Borrowing	11,066	11,066	6,455	3,723	10,947	(119)	(119)	(235)
Use for Capital Programme						0	0	0
Impact of Capital on revenue budget	11,066	11,066	6,455	3,723	10,947	(119)	(119)	(235)
Investment Income	(396)	(396)	(231)	(913)	(1,343)	(947)	(947)	(143)
Pension Fund	503	503	251	0	503	0	0	0
Corporate Provision for Pay Award	3,468	(2,450)	(1,225)	0	(490)	1,960	1,960	(195)
Corporate Provision for National Minimum Wage	1,500	1,500	750	0	250	(1,250)	(1,250)	(1,500)
Provision for excess inflation	2,500	2,500	1,250	0	1,500	(1,000)	(1,000)	(250)
Pay and Price Inflation	7,468	1,550	775	0	1,260	(290)	(290)	(1,945)
Contingency	1,500	958	479	0	418	(540)	(540)	(488)
Bad Debt Provision	1,500	1,500	750	0	1,500	0	0	(2,397)
Loss of income arising from P3/P4	400	400	200	0	200	(200)	(200)	(200)
Loss of HB Admin grant	23	23	11	0	23	0	0	(23)
Apprenticeship Levy	450	450	225	127	450	0	0	(69)
Revenuisation and miscellaneous	6,028	5,608	2,804	412	2,215	(3,393)	(2,100)	(3,153)
Growth - Provision against DSG	10,543	10,543	5,272	0	7,803	(2,740)	(2,740)	(10,882)
Contingencies and provisions	20,444	19,482	9,741	540	12,609	(6,873)	(5,580)	(17,212)
Other income	0	0	0	(14)	0	0	0	10
CHAS IP/Dividend	(2,223)	(4,223)	(2,112)	(2,240)	(4,223)	0	0	0
Income items	(2,223)	(4,223)	(2,112)	(2,254)	(4,223)	0	0	10
Appropriations: CS Reserves	(2,167)	(3,135)	(1,568)	0	(3,135)	0	0	0
Appropriations: E&R Reserves	(1,314)	(1,496)	(748)	0	(1,496)	0	0	0
Appropriations: CSF Reserves	(300)	(340)	(170)	(40)	(340)	0	0	0
Appropriations: C&H Reserves	(104)	(104)	(52)	0	(104)	0	0	0
Appropriations: Public Health	(93)	(93)	(47)	0	(93)	0	0	0
Appropriations: Corporate Reserves	(8,636)	(6,636)	(3,318)	2,000	(6,742)	(106)	(106)	1,972
Appropriations/Transfers	(12,615)	(11,806)	(5,903)	1,960	(11,912)	(106)	(106)	1,972
Depreciation and Impairment	(25,593)	(25,593)	0	0	(25,593)	0	0	20
Central Items	(1,347)	(9,418)	8,977	3,056	(17,753)	(8,334)	(7,042)	(17,533)
Levies	988	988	494	747	988	0	0	0
TOTAL CORPORATE PROVISIONS	(359)	(8,430)	9,471	3,803	(16,765)	(8,334)	(7,042)	(17,533)
COVID-19 expenditure	0	0	0	89	89	89	89	235
TOTAL CORPORATE EXPENDITURE inc. COVID-19	(359)	(8,430)	9,471	3,892	(16,676)	(8,246)	(6,953)	(17,298)

Pay and Price Inflation as at November 2022 Monitoring

In 2022/23, the budget includes 2% for increases in pay and 2.5% for increases in general prices, with an additional amount of £2.5m which will be held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. With CPI inflation currently at 10.7% and RPI at 14.0% and the Council's overall revenue budget under extreme pressure, this budget will be retained as cover and only released in exceptional circumstances.

Pay:

As reported to Cabinet in December 2022, for 2022/23 the final pay award has now been agreed based on the National Employers' one-year (1 April 2022 to 31 March 2023), final offer. Although 2% was included in the approved budget 2022/23, it was clear that this would be insufficient given the current cost of living and high inflation rates and the agreed pay award of c.6% is estimated to cost an additional £3.960m

Prices:

The Consumer Prices Index (CPI) rose by 10.7% in the 12 months to November 2022, down from 11.1% in October. CPI rose by 0.4% in November 2022, compared with a rise of 0.7% in November 2021. The largest downward contribution to the change in both the CPIH and CPI annual inflation rates between October and November 2022 came from transport, particularly motor fuels, with rising prices in restaurants, cafes and pubs making the largest, partially offsetting, upward contribution. The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 9.3% in the 12 months to November 2022, down from 9.6% in October. The largest upward contributions to the annual CPIH inflation rate in October 2022 came from housing and household services (principally from electricity, gas, and other fuels), and food and non-alcoholic beverages.

The RPI rate for November 2022 was 14.0%, down from 14.2% in October 2022.

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. The MPC currently uses two main monetary policy tools. First, they set the interest rate that banks and building societies earn on deposits, or 'reserves', placed with the Bank of England – this is Bank Rate. Second, the MPC can buy government and corporate bonds, financed by the issuance of central bank reserves – this is asset purchases or quantitative easing.

At its meeting ending on 14 December 2022, the MPC voted by a majority of 6-3 to increase Bank Rate by 0.5 percentage points, to 3.5%. Two members preferred to maintain Bank Rate at 3%, and one member preferred to increase Bank Rate by 0.75 percentage points, to 3.75%.

In the minutes to the meeting, the MPC state that In the "November Monetary Policy Report projections, conditioned on the elevated path of market interest rates at that time, the UK economy was expected to be in recession for a prolonged period and CPI inflation was expected to remain very high in the near term. Inflation was expected to fall sharply from mid-2023, to some way below the 2% target in years two and three of the projection. This reflected a negative contribution from energy prices, as well as the emergence of an increasing degree of economic slack and a steadily rising unemployment rate. The risks around that declining path for inflation were judged to be to the upside. Domestic wage and price pressures are elevated. There has been limited news in other domestic and global economic data relative to the November Report projections.

The MPC has concerns about domestic wage and price pressures which it describes as elevated. In underlining their decision to increase the Base Rate by 0.5% the MPC say that “both services price inflation and private sector regular wage growth had increased significantly over the second half of the year, with the latter continuing to surprise on the upside since the November Report. There remained a risk that, following a protracted period of high inflation, inflation expectations could be slow to adjust downwards to target-consistent levels once external cost pressures had passed. Although activity in the economy was clearly weakening, there were some signs that it was more resilient than had been expected and it was therefore uncertain how quickly the labour market would loosen.”

The next MPC decision on the Bank Base Rate will be on 2 February 2023.

In its November 2022 Monetary Policy Report the MPC has provided the following forecast for CPI inflation up to the end of 2025 based on its latest assessment of the economic outlook:-

Bank of England (MPC) Quarterly Central Projection - CPI Inflation (November 2022)

%	2022 Qtr.4	2023 Qtr.1	2023 Qtr.2	2023 Qtr.3	2023 Qtr.4	2024 Qtr.1	2024 Qtr.2	2024 Qtr.3	2024 Qtr.4	2025 Qtr.1	2025 Qtr.2	2025 Qtr.3	2025 Qtr.4
CPI	10.9	10.1	9.5	7.9	5.2	4.0	1.1	1.2	1.4	1.2	0.8	0.6	0.0

The latest inflation and unemployment forecasts for the UK economy, based on a summary of independent forecasts are set out in the following table:-

Table: Forecasts for the UK Economy

Source: HM Treasury - Forecasts for the UK Economy (November 2022)			
	Lowest %	Highest %	Average %
2022 (Quarter 4)			
CPI	9.6	14.0	10.5
RPI	11.3	14.5	12.9
LFS Unemployment Rate	3.4	4.2	3.8
2023 (Quarter 4)			
CPI	2.2	7.4	5.0
RPI	2.6	11.0	6.7
LFS Unemployment Rate	3.2	5.4	4.4

Note the wide range between highest and lowest forecasts which reflects the volatility and uncertainty arising from volatile fuel and utility costs impacting on the cost of living and the difficulty of forecasting how the situation will evolve. Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2022 to 2026 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (November 2022)					
	2022	2023	2024	2025	2026
	%	%	%	%	%
CPI	9.0	7.4	3.2	2.6	2.7
RPI	10.4	9.0	4.1	4.0	3.9
LFS Unemployment Rate	3.7	4.2	4.3	4.1	4.2

Treasury Management: Outlook

The Bank's Monetary Policy Committee (MPC) sets monetary policy to keep inflation low and stable, which supports growth and jobs. Subject to maintaining price stability, the MPC is also required to support the Government's economic policy. The Government has set the MPC a target for the 12-month increase in the Consumer Prices Index of 2%.

The MPC currently uses two main monetary policy tools.

1. setting the interest rate that banks and building societies earn on deposits, or 'reserves', placed with the Bank of England — this is Bank Rate.
2. buying government and corporate bonds, financed by the issuance of central bank reserves — this is asset purchases or quantitative easing.

At its meeting ending on 14 December 2022, the MPC voted by a majority of 6-3 to increase Bank Rate by 0.5 percentage points, to 3.5%. Two members preferred to maintain Bank Rate at 3%, and one member preferred to increase Bank Rate by 0.75 percentage points, to 3.75%.

The next Bank of England MPC base rate decision is on 2 February 2023.

At the same time as announcing the November Base Rate decision, the MPC also published the November Monetary Policy Report, in which the MPC's updated projections for activity and inflation describe a very challenging outlook for the UK economy.

In terms of the outlook the MPC's view is that "most indicators of global supply chain bottlenecks have eased, but global inflationary pressures remain elevated. Advanced-economy government bond yields have fallen, particularly at longer maturities. The sterling effective exchange rate has appreciated by around 2¾%. There has been some reduction in UK fixed-term mortgage rates since the Committee's previous meeting, but rates remain materially higher than in the summer."

The MPC will continue to use interest rates as its key weapon in their efforts to return inflation to its target of 2% and state that "

In the November 2022 Monetary Policy Report, the MPC's overall forecast summary is as follows:-

	2022(Qtr.4)	2023(Qtr.4)	2024(Qtr.4)	2025(Qtr.4)
	%	%	%	%
GDP	0.2	-1.9	-0.1	0.2
CPI	10.9	5.2	1.4	0.0
LFS Unemployment Rate	3.7	4.9	5.9	6.4
Excess supply/Excess demand	0.75	-2.5	-3.0	-3.0
Bank Rate	3.0	5.2	4.7	4.4

In producing their forecast, the MPC have included the following key judgements and risks:-

Key judgement 1: there has been a material tightening in financial conditions, including the elevated path of market interest rates. In addition, high energy prices continue to weigh on spending, despite an assumption of some fiscal support for household energy bills over the next two years. As a result, the UK economy is expected to remain in recession throughout 2023 and

2024 H1, and GDP is expected to recover only gradually thereafter.

Key judgement 2: although there is judged to be a greater margin of excess demand currently, continued weakness in spending leads to an increasing degree of economic slack emerging from 2023 H1, including a rising unemployment rate.

Key judgement 3: despite a decline in global price pressures and a significant fall in the contribution of household energy prices to CPI inflation, domestic inflationary pressures remain strong over the next year. But an increasing degree of economic slack depresses domestic pressures further out. Conditioned on the elevated path of market interest rates, CPI inflation declines to below the 2% target in the medium term, although the Committee judges that the risks to the inflation projections are skewed to the upside.

Capital Budget Monitoring – November 2022

Description	Actuals	Year to Date Budget	Variance	Current Budget 2022-23	Forecast Outturn 2022-23	Forecast Variance 2022-23
Capital	12,509,510	14,629,394	(2,119,884)	29,974,170	29,911,617	(62,553)
Corporate Services	1,442,571	2,418,434	(975,863)	7,014,760	7,014,410	(350)
Customer Contact Programme	47,060	0	47,060	1,339,000	1,339,000	0
Works to other buildings	309,650	557,438	(247,788)	822,570	775,702	(46,868)
Civic Centre	28,497	180,000	(151,503)	773,000	819,864	46,864
Invest to Save schemes	296,449	539,024	(242,575)	804,560	804,214	(346)
Business Systems	34,702	310,000	(275,298)	612,940	612,940	0
Social Care IT System	0	0	0	281,000	281,000	0
Disaster recovery site	81,771	94,080	(12,309)	94,080	94,080	0
Planned Replacement Programme	174,581	737,892	(563,311)	1,229,820	1,229,820	0
Acquisitions Budget	469,860	0	469,860	469,050	469,050	0
Westminster Ccl Coroners Court	0	0	0	588,740	588,740	0
Community and Housing	556,294	528,480	27,814	1,095,330	1,095,330	0
Disabled Facilities Grant	556,294	523,680	32,614	1,066,330	1,066,330	0
Major Library Projects	0	0	0	5,000	5,000	0
Libraries IT	0	4,800	(4,800)	24,000	24,000	0

Capital Budget Monitoring – November 2022

Description	Actuals	Year to Date Budget	Variance	Current Budget 2022-23	Forecast Outturn 2022-23	Forecast Variance 2022-23
Children Schools & Families	4,990,998	5,216,561	(225,562)	9,092,470	9,091,930	(540)
Primary Schools	1,166,731	2,104,395	(937,664)	2,602,210	2,602,120	(90)
Hollymount	40	105,000	(104,960)	55,000	55,000	0
West Wimbledon	99,030	110,360	(11,330)	140,000	140,000	0
Hatfeild	68,601	153,840	(85,239)	120,090	120,000	(90)
Hillcross	92,819	110,500	(17,681)	186,000	186,000	0
Joseph Hood	2,591	53,000	(50,409)	53,000	53,000	0
Dundonald	7,548	1,000	6,548	10,000	10,000	0
Merton Park	(809)	14,500	(15,309)	0	0	0
Pelham	83,229	89,055	(5,826)	110,000	110,000	0
Poplar	3,055	30,000	(26,945)	40,000	40,000	0
Wimbledon Chase	91,096	102,000	(10,904)	210,000	210,000	0
Wimbledon Park	48,034	156,280	(108,246)	130,030	130,030	0
Abbotsbury	103,778	104,208	(430)	127,000	127,000	0
Malmesbury	34,356	36,383	(2,026)	47,000	47,000	0
Morden	13,117	56,250	(43,133)	75,000	75,000	0
Bond	42,239	37,970	4,269	46,000	46,000	0
Cranmer	62,611	184,080	(121,469)	250,830	250,830	0
Gorringe Park	55,801	45,000	10,801	55,500	55,500	0
Haslemere	25,140	239,040	(213,900)	304,040	304,040	0
Liberty	(487)	0	(487)	80,490	80,490	0
Links	76,993	62,750	14,243	98,000	98,000	0
Singlegate	103,235	95,000	8,235	105,000	105,000	0
St Marks	1,268	13,760	(12,492)	45,060	45,060	0
Lonesome	143,938	158,000	(14,062)	171,000	171,000	0
Sherwood	12,678	114,400	(101,722)	110,150	110,150	0
William Morris	(3,170)	32,020	(35,190)	33,020	33,020	0
Unlocated Primary School Proj	0	0	0	0	0	0

Capital Budget Monitoring – November 2022

Description	Actuals	Year to Date Budget	Variance	Current Budget 2022-23	Forecast Outturn 2022-23	Forecast Variance 2022-23
Secondary	100,081	178,550	(78,469)	288,510	288,060	(450)
Harris Academy Morden	0	50,000	(50,000)	135,000	135,000	0
Harris Academy Merton	0	34,170	(34,170)	34,170	34,170	0
Raynes Park	70,358	34,750	35,608	74,000	74,000	0
Ricards Lodge	14,040	21,610	(7,570)	15,200	15,200	0
Rutlish	13,964	23,080	(9,116)	15,200	15,200	0
Harris Academy Wimbledon	1,720	14,940	(13,220)	14,940	14,490	(450)
SEN	3,483,741	2,611,186	872,555	4,986,160	4,986,160	0
Perseid	140,098	222,610	(82,512)	249,490	249,490	0
Cricket Green	(15,000)	46,120	(61,120)	39,040	39,040	0
Melrose	368,918	72,750	296,168	589,000	589,000	0
Melrose Whatley Ave SEN	2,116	50,000	(47,884)	106,080	106,080	0
Unlocated SEN	2,224,245	1,525,073	699,172	2,972,940	2,972,940	0
Melbury College - Smart Centre	138,521	124,500	14,021	155,000	155,000	0
Medical PRU	340,864	201,700	139,164	431,700	431,700	0
Mainstream SEN (ARP)	283,979	318,433	(34,454)	422,910	422,910	0
Perseid Lower School	0	50,000	(50,000)	20,000	20,000	0
Other	240,445	322,430	(81,985)	1,215,590	1,215,590	0
CSF Safeguarding	295	14,000	(13,705)	66,000	66,000	0
Devolved Formula Capital	235,816	235,830	(14)	1,081,990	1,081,990	0
Children's Centres	279	55,000	(54,721)	40,000	40,000	0
Youth Provision	4,055	17,600	(13,545)	27,600	27,600	0

Capital Budget Monitoring – November 2022

Description	Actuals	Year to Date Budget	Variance	Current Budget 2022-23	Forecast Outturn 2022-23	Forecast Variance 2022-23
Environment and Regeneration	5,519,647	6,465,920	(946,273)	12,771,610	12,709,947	(61,663)
On Street Parking - P&D	157,235	188,000	(30,765)	386,000	386,000	0
Off Street Parking - P&D	53,171	124,000	(70,829)	100,000	100,000	0
CCTV Investment	106,180	503,702	(397,522)	265,860	265,860	0
Public Protection and Developm	0	25,000	(25,000)	50,000	50,000	0
Fleet Vehicles	0	0	0	0	0	0
Alley Gating Scheme	0	20,000	(20,000)	46,000	46,000	0
Waste SLWP	219,259	204,000	15,259	340,000	398,432	58,432
Street Trees	33,273	0	33,273	103,990	103,990	0
Raynes Park Area Roads	5,457	0	5,457	43,500	43,500	0
Highways & Footways	3,098,936	2,883,154	215,782	6,112,010	6,191,915	79,905
Cycle Route Improvements	235,335	236,214	(879)	837,640	837,640	0
Mitcham Area Regeneration	219,895	429,370	(209,475)	648,950	448,950	(200,000)
Wimbledon Area Regeneration	348,150	581,778	(233,628)	1,035,870	1,035,870	0
Morden Area Regeneration	0	0	0	150,000	150,000	0
Borough Regeneration	284,222	219,684	64,538	507,140	507,140	0
Property Management Enhancement	0	10,000	(10,000)	35,000	35,000	0
Wimbledon Park Lake and Waters	402,745	312,126	90,619	530,210	530,210	0
Sports Facilities	25,783	189,132	(163,349)	265,220	265,220	0
Parks	330,006	539,760	(209,754)	1,314,220	1,314,220	0

Virement, Re-profiling and New Funding - November 2022

Appendix 5b

		2022/23 Budget	Virements	Funding Adjustments	Reprofiling	Revised 2022/23 Budget	2023/24 Budget	Movement	Revised 2023/24 Budget	Narrative
		£	£		£	£	£		£	
Corporate Services										
Customer Contact- Customer Contact Programme	(1)	304,190	(160,000)			144,190	1,000,000		1,000,000	Vired to a separate project within customer contact
Customer Contacts - Complaints System	(1)	0	160,000			160,000	0		0	Vired from the general project code for a separate project
Civic Centre - Workplace Design Project	(1)	0		473,000		0			0	Elements of Project funded from Revenue Reserve
Invest to Save - Photovoltaics & Energy Conserv	(1)	50,000			(50,000)	0	0	50,000	50,000	Reprofiled in accordance with Projected Spend
Community and Housing										
Disabled Facilities Grant- Project General	(1)	872,800		181,200		1,054,000			0	Funding to match Forecast
Children, Schools and Families										
Hollymount Capital Maintenance	(1)	105,000			(50,000)	55,000		50,000	50,000	Virement and re-profiling of schemes within the Schools Capital Maintenance programme to provide for new schemes within the approved grant sum and to reflect anticipated and actual final accounts on schemes.
Hatfield Capital Maintenance	(1)	155,000			(35,000)	120,000		35,000	35,000	
Dundonald Capital Maintenance	(1)	15,000	(5,000)			10,000			0	
Merton Park Capital Maintenance	(1)	14,500	(14,500)			0			0	
Wimbledon Park Capital Maintenance	(1)	180,030			(50,000)	130,030		50,000	50,000	
Abbotsbury Capital Maintenance	(1)	137,000	(10,000)			127,000			0	
Bond Capital Maintenance	(1)	52,000	(6,000)			46,000			0	
Gorringe Park Capital Maintenance	(1)	60,000	(4,500)			55,500			0	
St Marks Capital Maintenance	(1)	35,060	10,000			45,060			0	
Lonesome Capital Maintenance	(1)	190,000	(19,000)			171,000			0	
Sherwood Capital Maintenance	(1)	150,150	(32,000)		(8,000)	110,150		8,000	8,000	
Links capital maintenance	(1)	82,000	16,000			98,000			0	
Hillcross capital maintenance	(1)	170,000	16,000			186,000			0	
William Morris Capital Maintenance	(1)	43,020			(10,000)	33,020		10,000	10,000	
Perseid Upper Capital Maintenance	(1)	290,360			(50,000)	240,360		50,000	50,000	
Cricket Green Capital Maintenance	(1)	7,080	(7,080)			0			0	
Melrose Whatkey Avenue Capital Maintenance	(1)	50,000	56,080			106,080			0	
Perseid Lower - School Expansion	(1)	50,000			(30,000)	20,000	1,550,000	30,000	1,580,000	Reprofiled in accordance with Projected Spend
CSF Schemes - Devolved Formula Capital	(1)	353,740		728,250		1,081,990	0		0	Additional Government Grant to be passported directly to sc
Children's Centres - Bond Road Family Centre	(1)	55,000			(30,000)	25,000		30,000	30,000	Reprofiled in accordance with Projected Spend
Children's Centres - Family Hubs	(1)	0		15,000		15,000		15,000	15,000	New Dof E Grant for Family Hubs
Environment and Regeneration										
On Street Parking - P&D - ANPR Cams Air Qual & Traf Sens	(1)	0		86,000		86,000	300,000	0	300,000	Scheme Funded from Revenue Contributions
Off Street Parking - P&D - Car Park Upgrades	(1)	230,000			(130,000)	100,000	544,510	130,000	674,510	Reprofiled in accordance with Projected Spend
CCTV Investment - CCTV Cameras and Infrastructure Upgrade	(1)	697,770			(497,770)	200,000	554,470	497,770	1,052,240	Reprofiled in accordance with Projected Spend
CCTV Investment - Willow Lane Bridge Improvements	(1)	39,040			(27,280)	11,760		27,280	27,280	Reprofiled in accordance with Projected Spend
CCTV Investment - Brangwyn Cres/Cside East Improvements	(1)	52,430			(52,430)	0		52,430	52,430	Reprofiled in accordance with Projected Spend
Highways & Footways - Vivacity Monitors	(1)	39,180		(39,180)		0			0	Budget being moved to revenue along with S106 funding
Mitcham Area Regeneration - Pollards Hill Bus Shelter	(1)	50,000			(50,000)	0	200,000	50,000	250,000	Reprofiled in accordance with Projected Spend
Sports Facilities - Leisure Centre Plant & Machine	(1)	315,220			(50,000)	265,220	250,000	50,000	300,000	Matchfunding for playzone £50k 22/23 and £50k 23/24
Total		4,845,570	0	1,444,270	(1,120,480)	4,696,360	4,398,980	1,135,480	5,534,460	

(1) Requires Cabinet approval

(2) Requires Council Approval

Capital Programme Funding Summary 2022/23

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
October Monitoring	11,215	18,436	29,650
<u>Corporate Services</u>			
Civic Centre - Workplace Design Project	473	0	473
Invest to Save - Photovoltaics & Energy Conserv	(50)	0	(50)
<u>Community and Housing</u>			
Disabled Facilities Grant- Project General	0	181	181
<u>Children, Schools and Families</u>			
Hollymount Capital Maintenance	0	(50)	(50)
Hatfeild Capital Maintenance	0	(35)	(35)
Wimbledon Park Capital Maintenance	0	(50)	(50)
Sherwood Capital Maintenance	0	(8)	(8)
William Morris Capital Maintenance	0	(10)	(10)
Perseid Upper Capital Maintenance	0	(50)	(50)
Perseid Lower - School Expansion	0	(30)	(30)
CSF Schemes - Devolved Formula Capital	0	728	728
Children's Centres - Bond Road Family Centre	(30)	0	(30)
Children's Centres - Family Hubs	0	15	15
<u>Environment and Regeneration</u>			
On Street Parking - P&D - ANPR Cams Air Qual & Traf Sens	86	0	86
Off Street Parking - P&D - Car Park Upgrades	(130)	0	(130)
CCTV Investment - CCTV Cameras and Infrastructure Upgrade	(498)	0	(498)
CCTV Investment - Willow Lane Bridge Improvements	(27)	0	(27)
CCTV Investment - Brangwyn Cres/Cside East Improvements	(52)	0	(52)
Highways & Footways - Vivacity Monitors	(39)	0	(39)
Mitcham Area Regeneration - Pollards Hill Bus Shelter	(50)	0	(50)
Sports Facilities - Leisure Centre Plant & Machine	(50)	0	(50)
Proposed November Monitoring	10,847	19,127	29,974

Capital Programme Funding Summary 2023/24

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
October Monitoring	13,360	26,023	39,383
<u>Corporate Services</u>			
Invest to Save - Photovoltaics & Energy Conserv	50	0	50
<u>Children, Schools and Families</u>			
Hollymount Capital Maintenance	0	50	50
Hatfeild Capital Maintenance	0	35	35
Wimbledon Park Capital Maintenance	0	50	50
Sherwood Capital Maintenance	0	8	8
William Morris Capital Maintenance	0	10	10
Perseid Upper Capital Maintenance	0	50	50
Perseid Lower - School Expansion	0	30	30
Children's Centres - Bond Road Family Centre	30	0	30
Children's Centres - Family Hubs	0	15	15
<u>Environment and Regeneration</u>			
Off Street Parking - P&D - Car Park Upgrades	130	0	130
CCTV Investment - CCTV Cameras and Infrastructure Upgrade	498	0	498
CCTV Investment - Willow Lane Bridge Improvements	27	0	27
CCTV Investment - Brangwyn Cres/Cside East Improvements	52	0	52
Mitcham Area Regeneration - Pollards Hill Bus Shelter	50	0	50
Sports Facilities - Leisure Centre Plant & Machine	50	0	50
Proposed November Monitoring	14,248	26,271	40,519

PROGRESS ON SAVINGS IN THE MTFS

Department	Target Savings 2022/23	Projected Savings 2022/23	2022/23 Expected Shortfall
	£000	£000	£000
Corporate Services	465	380	85
Children Schools and Families	378	178	200
Community and Housing	1,659	405	1,254
Environment and Regeneration	523	393	130
Total	3,025	1,356	1,669

PROGRESS ON SAVINGS IN THE MTF5

DEPARTMENT: CORPORATE SERVICES SAVINGS PROGRESS 2022/23

Ref	Description of Saving	2022/23 Savings Required £000	2022/23 Savings Forecast £000	Shortfall	RAG	Comments
Savings due in 22/23						
2019-20 CS04	Reduce strategic partner grant by 10%	78	78	0	G	
2019-20 CS28	Cash collection reduction	13	13	0	G	
2020-21 CS7	Staff reductions	75	75	0	G	
2022-23 CS5	Customer, Policy & Improvement – Registrars Service	32	32	0	G	
2022-23 CS6	Customer, Policy & Improvement – Cash Collection	20	20	0	G	
2022-23 CS8	Customer, Policy & Improvement – Customer Contact	15	15	0	G	
2020-21 CS11	Commercial Services - restructure	50	0	50	R	This saving will not be achieved and is being written out of the MTF5 as included in the Business Plan report.
2018-19 CS08	Increase in income from Enforcement Service	20	0	20	R	Deferred to 2023/24. Not achievable in year due to covid.
2022-23 CS1	Resources - AD budget	10	10	0	G	
2022-23 CS2	Resources - AD budget	15	15	0	G	
2022-23 CS3	Resources - Insurance	25	25	0	G	
2022-23 CS4	HR - Payroll	15	0	15	R	The payroll savings won't be achieved this year as we have been unable to get the last remaining staff that receive paper payslips onto e-payslips. This is because they are typically passenger transport employees who do not have e-mail addresses and we are finding it difficult to find an electronic solution for them.
2022-23 CS9	Corporate Governance - AD Budget	3	3	0	G	
2022-23 CS10	Corporate Governance - Electoral Services and Democratic services	15	15	0	G	
2022-23 CS12	Corporate Governance - Information Team	29	29	0	G	
2022-23 CS13	Corporate items	50	50	0	G	
Total CS Savings for 2022/23		465	380	85		

PROGRESS ON SAVINGS IN THE MTFS

CHILDREN, SCHOOLS AND FAMILIES SAVINGS PROGRESS: 2022-23

Ref	Description of Saving	2022/23 Savings Required £000	2022/23 Savings Achieved/ Expected £000	Shortfall	RAG
Savings due in 22/23					
CSF1-22/23	School Meals PFI	100	100	0	G
CSF2-22/23	Education - Office Efficiencies	50	50	0	G
CSF3-22/23	Education Inclusion - Streamlined Activities	28	28	0	G
CSF4-22/23	CSC Placements - Demand Management and Commissioning			0	n/a
Prior Year savings not delivered in 2021/22					
2021-22 CSF02	rationalisation of Children's Centres	200	0	200	G
	Total Children, Schools and Families Savings 2022/23	378	178	200	

PROGRESS ON SAVINGS IN THE MTFS			Updated Nov'22 (P8)				
DEPARTMENT: Community & Housing Savings Progress 2022/23							
Ref	Description of Saving	Division	2022/23 Savings Required £000	2022/23 Savings Forecasted £000	Shortfall	RAG	Comments
(Nov'20)CH100	Review of in-house day care provision	Adult Social Care	700	0	700	R	Saving deferred to 2023/24 as additional time required to finalise proposals and stakeholder consultation
(Nov'20)CH101	Review of in-house LD Residential provision	Adult Social Care	544	0	544	R	Saving deferred to 2023/24 as additional time required to finalise proposals and stakeholder consultation
(Nov'20)CH102	Dementia hub re-commissioning	Adult Social Care	55	55	0	G	Future budgetary requirement being reviewed in context of proposed closure of Eastways.
(Oct'21) CH105	Commissioning and Market Development – Increasing take up of Direct Payments	Adult Social Care	100	100	0	G	Closer collaboration with operational teams to promote uptake is delivering increased number of Direct Payments.
(Oct'21) CH106	Community & Housing - Housekeeping – review of ancillary budget lines	Adult Social Care	50	50	0	G	Achieved
(Oct'21)CH109	Adult Social Care - Placements	Adult Social Care	100	100	0	G	Achieved by means of budget being removed at start of year. Continued pressure on budget as a result of rising demand and work ongoing to mitigate.
Oct'21) CH110	Commissioning and Market Development – Commissioning efficiencies arising from re-procuring a high cost service	Adult Social Care	50	40	10	A	Provider has been asked to reprice based on LLW applying. Likely to reduce level of saving delivered.
	Subtotal Adult Social Care		1,599	345	1,254		
(Jan'20) CH97	Increase income and better use of technology	Libraries	60	60	0	G	Achieved through increased income
	Subtotal Libraries		60	60	0		
	Total C & H Savings for 2022/23		1,659	405	1,254		

PROGRESS ON SAVINGS IN THE MTFS

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DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2022-23

Ref	Description of Saving	2022/23 Savings Required £000	2022/23 Savings Achieved £000	Shortfall	RAG	Comments
Savings due in 22/23						
ENV2021-07	Property Management - Increase residential (former Service tenancies) rent (increased income)	100	100	0	G	
ENV2021-10	Development Control/Building Control - Savings as a result of the 'Assure' M3 upgrade	15	0	15	R	The "Assure" M3 upgrade may now not take place. Terraquest has been appointed to review this as there may be more suitable alternative systems available.
ENV2022-23 05	Highways; Increased income from street permitting through enforcement of utility works.	40	40	0	G	
ENV2022-23 07	Future Merton, Policy team: Additional income from planning performance agreements (PPA)	50	0	50	R	This income is dependent on the pre-app and PPA fees which are set by Development Control; the additional income won't be met until the fees and charges are reviewed and income spread across the teams.
ENV1819-04	Parking: Reduction in the number of pay & display machines required.	14	14	0	G	
ENV2021-08	Parking - Activity to improve On Street parking compliance.	100	100	0	G	
E1	Regulatory Services: Investigate potential commercial opportunities	65	0	65	R	This saving target will not be met in 2022/23. Continued service uplift has been observed across key service areas within the RSP. The service forecasts a total overspend of £225k owing chiefly to unsupported legacy income targets (totalling £275k) loaded into RSP cost centres. A management structure is now in place following key departures over the last 12 months and will be investigating new commercial opportunities to be developed in the new financial year.
ENV2022-23 01	Public Space - Waste services: Disposal processing savings (Food Waste Recyclate)	104	104	0	G	
ENV2022-23 02	Public Space – Greenspaces: Raynes Park Sports Ground - new lease arrangement	35	35	0	G	
Total Environment and Regeneration Savings 2022/23		523	393	130		