

Merton Council Council

1 March 2017

Supplementary agenda – proposed amendments

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BUDGET COUNCIL MEETING – WEDNESDAY 1 MARCH 2017

CONSERVATIVE GROUP AMENDMENT – AGENDA ITEM 4

That after Recommendation 1 a new Recommendation 2 below be added and the following Recommendations be renumbered accordingly:

“2. That the Cabinet re-draft its underlying Budget Strategy by introducing a new set of core principles that are applicable to the circumstances prevailing in 2017/18 which include (but not exclusively):

- An approach to setting council tax which takes account of:
 - our partnership responsibilities e.g. Adult Social Care
 - the assumptions made by Central Government in the calculation of revenue support (including NNDR retention)
 - prevailing levels of inflation in comparison with increases to base line benefits such as State Pensions
- A robust review and active management of the accumulation and use of reserves and balances, that smooth the transition from year to year without creating peaks and troughs and is aligned to the medium term financial risk assumptions year on year.
- The re-introduction of a member-led transformation programme with identifiable savings to impact beneficially the potential MTFS budget gap.
- To set an expectation that income from our locally determined fees and charges will be raised annually unless a specific decision is taken to do otherwise and, in particular, it will apply to the new provision to increase fees associated with planning applications (to reflect not only the cost of service provision but also engender a more realistic approach to the planning process and act as a deterrent to multiple amendments).
- The introduction of a new council tax support scheme based on the principle that everyone should pay something and at least 10% of the tax due.
- A commercial approach to sweat the council’s assets through use of special purpose companies and generation of substantial income.”

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Budget Council – 1 March 2017
Liberal Democrat Budget Amendment 1 - Dementia Nurses

This Council notes the projected 16% increase in dementia sufferers (65 and over) in Merton from 2015 to 2020 (page 109 of the Business Plan).

This Council notes the increased financial strain on both Adult Social Care services and the NHS for the care of dementia sufferers.

This Council also notes that the care provided to dementia sufferers in Sutton has improved by employing specialist dementia nurses, producing financial savings for both Sutton Council and the NHS.

This Council asks Cabinet to explore using up to £250,000 of the uplift in the social care budget to invest in new dementia nurses in partnership with the CCG to coincide with the relaunch of the Dementia Action Alliance (Public Health Project 10 - p118 of the Business Plan).

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Budget Council 1 March 2017 Liberal Democrat Budget Amendment 2 – Affordable Housing

This Council notes that the availability of housing, to buy or rent by those on modest incomes, is becoming increasingly scarce across London.

This Council notes that the Scrutiny Review of Housing Supply in Merton (with a focus on affordable housing) was produced in September 2015.

At the time of the report's publication it was noted that there were over 8000 people on Merton's housing register, and that housing prices had risen by 42% and that private rents risen by 22% in the three years to 2015.

One of the 17 recommendations was that

“That the Council consider the proposal for a Housing Development Company in Merton and ensure that it meets Council policy on affordable housing, encouraging where possible, given that it is a Council owned vehicle that it provides above and beyond the baseline of 40% affordable housing.

Section 13.16 of the report stated that

“The business case for this model will need to be taken through the appropriate decision making channels to seek agreement to the method of procurement for the formation of a company, the design and construction mechanism for the houses, and the managing agents for the stock. Cabinet will consider this late 2015. Should agreement be sought for this model, design and construction procurement would begin in winter 2015 and planning approval would be sought in spring 2016. Phase 1 construction would commence in autumn 2016 and the first round of housing development could be completed by autumn 2017.”

The report and recommendations were then discussed by Cabinet on 4th October 2015 and it was resolved that

- “1) endorses the report arising from the scrutiny review of housing supply;*
- 2) notes the Government's recent proposed changes to affordable housing rules and financing and that these may impact on the recommendations in the report;*
- 3) agrees to fully investigate the government's recent changes and submit an executive response and action plan to the Sustainable Communities scrutiny panel at their meeting in January 2016, outlining the impact of these changes and their responses to the report and decisions taken regarding the recommendations made, including actions to implement the agreed recommendations.*

The minutes of the Sustainable Communities Overview and Scrutiny panel noted the Executive response and Action Plan on 7th January 2016. The Panel was updated on the 12th January 2016 and was told that

“Cabinet Officers in Sustainable Communities took a paper to CMT in December 2016 which will then be considered by Cabinet in January 2017 to establish a housing company. Should this be approved, the housing company would be established during 2017.”

This council notes that establishing a housing company is not present in the Cabinet minutes for January or February 2017.

This Council urges Cabinet to establish a housing company without delay so that our residents can soon benefit from decent affordable housing, funded by £2,000,000 from appropriate reserves.