

Merton Council
**Sustainable Communities Overview and
Scrutiny Panel**

Date: 1 November 2016

Time: 7.15 pm

Venue: Committee rooms C, D & E - Merton Civic Centre, London Road, Morden
SM4 5DX



AGENDA

Page Number

1	Apologies for absence	
2	Declarations of pecuniary interest	
3	Minutes of the previous meeting	1 - 6
4	Circle Housing Merton Priory: questions regarding repairs and regeneration	7 - 20
	Attendees from Circle Housing:	
	• Jackie Andrews, Director of Housing (South)	
	• Jane Bolton, Head of Housing	
	• Simon Gagen, Head of Reactive Repairs	
	• Christian O'Mahoney, Head of Property	
	• Paul Quinn, Director of Regeneration	
5	Elected Member portfolio priorities: Cabinet Members for Community and Culture and Cleanliness and Parking	
6	Budget and business plan (round 1)	21 - 72
7	Pre-decision scrutiny: planning shared service	73 - 82
8	Performance monitoring	83 - 86
9	Commercialisation task group: draft final report	87 - 110
10	Work Programme	111 - 122
	• Public Transport Liaison Committee update	
	• Wimbledon Park master plan update	
	• Car club proposal	
	• Member training	

**This is a public meeting – members of the public are very welcome to attend.
The meeting room will be open to members of the public from 7.00 p.m.**

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Sustainable Communities Overview and Scrutiny Panel Membership

Councillors:

Abigail Jones (Chair)
Daniel Holden (Vice-Chair)
Stan Anderson
Michael Bull
David Chung
Russell Makin
John Sargeant
Imran Uddin

Substitute Members:

Laxmi Attawar
Mike Brunt
Janice Howard
Abdul Latif
Edward Foley

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non-pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Assistant Director of Corporate Governance.

What is Overview and Scrutiny?

Overview and Scrutiny describes the way Merton's scrutiny councillors hold the Council's Executive (the Cabinet) to account to make sure that they take the right decisions for the Borough. Scrutiny panels also carry out reviews of Council services or issues to identify ways the Council can improve or develop new policy to meet the needs of local people. From May 2008, the Overview & Scrutiny Commission and Panels have been restructured and the Panels renamed to reflect the Local Area Agreement strategic themes.

Scrutiny's work falls into four broad areas:

- ⇒ **Call-in:** If three (non-executive) councillors feel that a decision made by the Cabinet is inappropriate they can 'call the decision in' after it has been made to prevent the decision taking immediate effect. They can then interview the Cabinet Member or Council Officers and make recommendations to the decision-maker suggesting improvements.
- ⇒ **Policy Reviews:** The panels carry out detailed, evidence-based assessments of Council services or issues that affect the lives of local people. At the end of the review the panels issue a report setting out their findings and recommendations for improvement and present it to Cabinet and other partner agencies. During the reviews, panels will gather information, evidence and opinions from Council officers, external bodies and organisations and members of the public to help them understand the key issues relating to the review topic.
- ⇒ **One-Off Reviews:** Panels often want to have a quick, one-off review of a topic and will ask Council officers to come and speak to them about a particular service or issue before making recommendations to the Cabinet.
- ⇒ **Scrutiny of Council Documents:** Panels also examine key Council documents, such as the budget, the Business Plan and the Best Value Performance Plan.

Scrutiny panels need the help of local people, partners and community groups to make sure that Merton delivers effective services. If you think there is something that scrutiny should look at, or have views on current reviews being carried out by scrutiny, let us know.

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Agenda Item 3

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SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY PANEL

7 SEPTEMBER 2016

(7.15 pm - 9.30 pm)

PRESENT: Councillors Abigail Jones (in the Chair), Daniel Holden, David Chung, Russell Makin, John Sargeant, Imran Uddin, Laxmi Attawar and Abdul Latif

ALSO PRESENT: Councillor Martin Whelton (Cabinet Member for Regeneration, Environment and Housing), Jason Andrews (Environmental Health Pollution Manager), Paul Foster (Head of the Regulatory Services Partnership), Chris Lee (Director of Environment and Regeneration), James McGinlay (Head of Sustainable Communities), Jim Rogers (Business and Customer Services Manager), Cormac Stokes (Head of Street Scene and Waste) and Simon Williams (Director, Community & Housing Department)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Councillors Anderson and Bull gave their apologies for the meeting.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of pecuniary interest.

3 MINUTES OF THE PREVIOUS MEETINGS (Agenda Item 3)

The minutes of the call-in meeting (2 June 2016) and of the last Panel meeting (9 June 2016) were approved as an accurate record.

Matters arising:

- The Chair reported she had presented the reference to Cabinet that was agreed by the Panel as a result of its pre-decision scrutiny of the South London Waste Partnership procurement of waste collection and related environment services (the period of 'Preferred Bidder Fine Tuning' should be used to determine how many households would experience significant difficulty in storage and/or presentation of wheeled bins for regular emptying). This was accepted by Cabinet and will be actioned; and
- The Chair noted the South London Waste Partnership procurement of waste collection and related environment services was subject to a call-in (heard by the Overview and Scrutiny Commission because the Sustainable Communities Overview and Scrutiny Panel had already considered this issue at pre-decision stage). The outcome of the call-in was a resolution not to refer the decision back to Cabinet and as a result the decision took effect immediately.

4 ELECTED MEMBER PORTFOLIO PRIORITIES: CABINET MEMBER FOR REGENERATION, ENVIRONMENT AND HOUSING (Agenda Item 4)

Councillor Martin Whelton outlined his portfolio priorities for members:

- Regeneration of the borough: regeneration of estates is a key priority - consultation with residents on plans for High Path, Ravensbury and Eastfields will take place shortly. The Morden town centre redevelopment is ambitious and a major priority; this is about growth, jobs and housing. Crossrail2 will have a fundamental impact on the development of Wimbledon town centre but the first proposal was unacceptable – the council will not support this at any cost. The council is now working closely with Crossrail2 including to ensure effective engagement on the next round of consultation;
- Economic development: the council is working to make the borough attractive to business bringing the benefit of investment and jobs. For example, the Wimbledon master plan includes additional office capacity - this will exploit the prestige of the Wimbledon name, location and the available well educated population; and
- Housing: the degradation of the repairs service has been noted and is not acceptable. The council is ensuring the requirement that 40% of all developments are affordable homes is achieved.

In response to member questions, the Councillor also clarified:

- The regeneration priority also includes a focus on sustainability and the environment. This is demonstrated by the diesel levy as a key means of improving air quality;
- The need to address the disparity between the east and west of the borough is informing Cabinet's priorities. This is shown by the regeneration of Mitcham town centre which will bring additional jobs and is based on the engagement of a broad range of communities. The Councillor is aware this has had previous false starts and highlighted the need to work in partnership with key stakeholders such as Transport for London; and
- There is a need to strike a balance between the views of residents and businesses including addressing resident discontent around commercial planning applications by getting the planning framework right.

5 CIRCLE HOUSING MERTON PRIORY: QUESTIONS REGARDING MERGER WITH AFFINITY SUTTON (Agenda Item 5)

Austen Reid, Chief Operating Officer of Circle Housing Group and Neil McCall, Group Operations Director of Affinity Sutton, appeared before the Panel to answer questions on the forthcoming merger of the two organisations. The merger was introduced as necessary because of the end of the public subsidy and the on-going need for substantial additional housing in London and England. The consent of the Homes and Community Association (HAS) to the merger is anticipated this month and the legal merger is expected in November 2016.

The merger will allow 50,000 new homes to be built over the next decade; efficiencies will be achieved through the two organisations coming together which will allow investment in affordable housing. Additionally, the commercial sale of housing will be used to cross subsidise the development of affordable housing.

In response to member questions, Mr Reid and Mr McCall clarified:

- The business case for the merger was agreed by both boards in December 2015. Residents were consulted in January 2016 with the boards of both organisations considering the outcomes of this exercise;
- This is a merger: the two companies will come together with no money changing hands. Circle will actually be merged into Affinity but this will be a completely new organisation with a new name and brand which isn't yet approved and therefore cannot be announced;
- Based on Affinity's prior experience of managing housing stock in Bromley and Sutton, it has been established that it is best to provide a local and in-house maintenance and repairs service (excluding gas servicing). This will be a key outcome of the merger. Mr Reid noted he had been specifically appointed to address delivery issues and that he sees the merger as the key means of achieving a solution. He noted Affinity's strong track record on repairs;
- The consultation on the nature of the merger didn't receive much interest from residents; their interest is in repairs, security of tenure and what organisation is their landlord;
- Noted they have responded to Stephen Hammond MP and are happy to meet with him and the High Path Residents Association;
- Gave reassurance that the new organisation will have customer service at its core. It will undertake 1,000 repairs a day and have an open and transparent culture with a commitment to service;
- Feel it is important to have an in-house repairs service and to move away from a schedule of rates which typically adds time and costs to the repair process – confidence is provided where those undertaking repairs are doing so as your employees;
- All emergency repairs will be completed within 24 hours. All others will be achieved through making an appointment with the resident and subsequent planning;
- Whilst the promises made to Merton as part of the stock transfer process are coming to an end, the new organisation does want to retain its relationship with the council. How this relationship will be structured is not fully understood as discussions are on-going about putting in place a regional board for the South London boroughs. This will feature local representation;
- Acknowledged the need to improve the response to enquires made by Councillors and avoid the need for discussion of individual cases at Panels such as Sustainable Communities. This will be specifically examined as part of the merger process; and
- Discussions are on-going with the council about what involvement the new organisation can have in the borough's regeneration plans. The High Path regeneration is seen as just the start of what is possible. Noted that councils are beginning to work with housing associations on regeneration projects as their capacity develops and they gain experience in managing the risk involved.

Members asked to be kept informed of the new organisation's developing strategy so that this can be scrutinised. The scrutiny officer will ensure that once the new organisation is established, members will be informed of how to make contact and raise issues on behalf of residents in their wards.

6 PRE-DECISION SCRUTINY: DIESEL PREMIUM REPORT (Agenda Item 6)

Members were asked to comment on the principle of imposing a levy on the most polluting vehicles through a differentiated cost for resident parking permits for diesel vehicles. Additionally, they were asked to comment on the level of the levy to be applied.

There was consensus amongst members in supporting the principle of a diesel levy in recognition of the seriousness of the air quality issue in Merton and diesel vehicles being the most polluting. Members also agreed that there is need for officers to give further consideration to how the diesel levy is going to be communicated; members expressed their concern about residents not being given sufficient notice (of at least a year) so they have a chance to change their behaviour before the levy is imposed. (It was noted diesel vehicles were previously thought to be the least polluting.) Members asked that more should be understood about the imposition of similar policies by other London boroughs, the variation and the extent to which these have and haven't been successful.

The precise value of the levy to be imposed was not discussed in detail. However, there was disagreement amongst members about the recommendation that parking permits should be free for electric cars. Some thought that given the costs of setting up Controlled Parking Zones, especially where these feature charging points for electric cars, then there should be a charge for parking permits for electric cars. However, others thought more should be done to promote the use of electric cars for which making parking permits free would be one option. It was explained to members that differentiated charging based on engine type is not considered appropriate given it isn't possible to rely on manufacturer specifications. It was suggested that officers consider a differentiated cost for parking permits where households have more than one vehicle.

In response to member questions, it was established the council has the legal authority to introduce this policy. Currently there are more Controlled Parking Zones in the west of the borough but that demand for these is growing in the east. This will mean the impact of this policy will be uneven initially but will become more equal over time. Also, that the highest pollution in the borough is associated with through-roads/red routes and that this policy won't impact on drivers using these roads, (efforts by the Mayor of London to address this issue were noted). Members called on officers to consider other options to address pollution from diesel vehicles that currently aren't parked within Controlled Parking Zones.

7 PRE-DECISION SCRUTINY: HIGHWAYS MAINTENANCE CONTRACT (Agenda Item 7)

The Panel unanimously supported the recommendation that the existing contract with FM Conway be extended for a further two years until 31 August 2019. This was determined on the basis of FM Conway's strong performance against existing indicators, re-procurement at this time being likely to result in increased costs, FM Conway having already provided cost savings with discussions happening on how to

secure additional efficiency and cash savings during the two year extension and there being a number of works on-going that are at a critical stage.

Panel members took the opportunity to encourage officers to use the two year period of the extension to position the Council as strongly as possible for a new tendering process. James McGinlay, Head of Sustainable Communities, agreed it will be important to consider in detail the tender specification and the timing of when this happens to ensure a smooth handover of any on-going works. There will also be exploration of whether it would be possible to work with other boroughs to secure a highways contractor.

8 PERFORMANCE MONITORING (Agenda Item 8)

Chris Lee, the Director for Environment and Regeneration, introduced the department's performance monitoring report by highlighting three issues:

- CRP 044: parking revenues are below target but the Automated Number Plate Recognition (APNR) system has been launched. This is still in its infancy making it difficult to understand the impact this is having/will have on revenues and driver behaviour;
- SP 065: the amount of household waste is increasing and the percentage of this that is recycled is static or decreasing. The cost of waste disposal is therefore increasing. As a result, the new arrangements for waste disposal to be provided by the South London Waste Partnership are incredibly important; and
- SP 114/115/116: incorrect values are being reported on the number of planning applications being determined within 8 weeks (data for July is currently missing). Revised figures are being manually produced but as these are yet to be verified they cannot be publicly reported although it appears performance isn't as far below the target as is currently indicated. Additional resource was placed in the planning team last year and has been maintained. Processes are currently being reviewed to ensure these are as efficient as possible. There is no risk at the current time of Government intervention on major planning applications but there is a risk around minors. It is thought though this would result in a request for an improvement process.

Additionally, in response to a member question, it was reported that the recent cancellation of the Wimbledon Park Live event incurred a cost to the council of £25K which will not be recovered.

9 COMMERCIALISATION TASK GROUP: VERBAL UPDATE FROM TASK GROUP CHAIR (Agenda Item 9)

Councillor Makin provided the Panel with an update on the work of the task group. Meetings have been held to understand more about the opportunities for the council to benefit from commercialisation. These include with other councils (Croydon and Harrow). An opportunity linked to street lighting has been identified and an external offer of funding has been made. A meeting has been held with the Cabinet member to discuss the draft report. Recommendations on the commercial use of the Merton brand and building office space owned by the council have been initially rejected.

Panel members agreed that a further meeting should be held with the Cabinet Member and Chris Lee to try and reach a resolution. It was agreed that the task group report should not be abandoned and that Cabinet would ultimately have to respond to the Panel on any recommendations it does not support. The draft of the report should be distributed to all members for their informal feedback.

10 TASK GROUP (2016/2017): SCOPING DOCUMENT (Agenda Item 10)

Members agreed to establish a task group that would focus on how to improve air quality in Merton through measures additional to the diesel levy. The terms of reference of the task group will be considered in detail and agreed by the task group members at its first meeting.

Councillors Imran Uddin and Daniel Holden volunteer to become members of the task group. It was agreed that all other councillors will be invited to join the group and an initial meeting will be organised for Councillors Uddin and Holden with the relevant officers.

RESOLVED: to establish an air quality task group.

11 WORK PROGRAMME (Agenda Item 11)

The following items were discussed with regard to the work programme:

- Public Transport Liaison Committee: James McGinlay confirmed that a meeting of the Committee is currently being organised by his team and is anticipated to happen in late autumn/early winter. It is likely that Crossrail2 will comprise a large part of the agenda. Its forthcoming further consultation round is likely to inform the precise date of the meeting;
- Wimbledon Park master plan: it was agreed this should come to the Panel. James McGinlay will consult with the lead officer (Christine Parsloe) and discuss the timing with the scrutiny officer;
- Housing company proposal: this will go to Cabinet in October and Full Council in November. The timing therefore means it is unlikely to come to the Panel. Members express their disappointment and highlighted Full Council does not provide the opportunity for a detailed discussion;
- Changes to the planning process: members enquired when this issue would return to the Panel. It was highlighted that this will be considered next as part of the pre-decision item at the November meeting on the proposed shared planning service;
- Agenda for the next (November) meeting: it was highlighted that the agenda for the next meeting is very full. This will be reviewed by the Chair and the scrutiny officer outside of the meeting; and
- Co-opted members: members agreed that they would co-opt members to the Panel where specific expertise is identified as needed.

Circle Housing: Questions on Repairs and Regeneration Sustainable Communities Overview and Scrutiny Panel London Borough of Merton

Regeneration Projects

- 1. If, after the merger, the financial market were to take a downturn for any reason, what guarantees will the new combined Group give on minimising the length of time during which the regeneration projects are suspended and will Circle state what the maximum timescale for the three regeneration projects will actually be?**

The project's Business Plan performs best if the works are completed promptly and without delay. The main source of any potential delay is likely to be housing market downturn or other external economic changes. Any delay would depend on the nature and magnitude of the market change but the phasing plans for all three neighbourhoods are designed to rehouse existing residents first wherever possible.

The Circle Housing business plan makes allowance for market fluctuation and we understand that we will be working on regeneration for at least one housing market cycle.

Our current programme assumes that the proposed regeneration would be complete by the end of 2027.

- 2. Initial planning applications have been submitted for some small subplots of land on the regeneration estates. What is the timeline for development of the main bulk of the land?**

It has been agreed with the Council that for the full regeneration project to be delivered changes would need to be made to the Local Plan. As a result LBM have been developing the Merton Estates Plan, with a view to putting this to the Planning Inspectorate in the New Year.

We are submitting outline planning applications to the Council in December 2016. However if these applications are successful, they can only be acted upon after the Council have agreed to these changes to the Local Plan.

If our planning applications are successful we anticipate regeneration would be complete by the end of 2027.

- 3. How does Circle and its successor organisation expect residents to have confidence that they can successfully regenerate the three estates (High Path, Eastfields and Ravensbury) when the organisation often appears to struggle to deal with basic repairs and maintenance complaints?**

One of the main drivers behind regeneration is to replace poor quality social rented homes with new, modern, energy efficient homes which will provide high quality accommodation for decades to come.

4. Can Circle guarantee that under each phase of the proposed regeneration 40% of housing stock will be affordable?

Circle is proposing to replace all of the existing affordable housing as well as offering a Replacement Home Option for all qualifying homeowners in line with the Residents Offer published in May 2015. At the same time we will address the overcrowding issues which are particularly severe on Eastfields and High Path.

We plan to build homes for existing residents as quickly as possible. This means that in the early phases all or most of the homes will be existing CHMP tenants or resident homeowners who have accepted a Replacement Home. For example all 21 homes in Ravensbury Phase 1 and all 134 homes in High Path phase 1 will be offered to residents already living in those neighbourhoods – none are for sale. If we were to build only 40% affordable housing in the early phases it would mean existing residents waiting much longer for their new homes than is proposed in our current plans.

This approach enables us to rehouse residents early and in line with the 10 Commitments agreed by LBM and Circle Housing and our commitments to residents set out in our residents' offer of 2015.

5. If regeneration does take place can Circle commit now to ensuring that residents will be able to manage maintenance and cleaning contracts and that these will be accountable to them?

We are currently exploring ways in which residents can play a more active role in the future management and care of the new neighbourhoods. With the project moving forward and the construction of the first homes about to get underway, there is scope to extend what has been a community engagement process to date into one where residents help shape and take responsibility for their homes and surroundings.

This will become a major focus of our work over the coming few years, helping build up the capacity within the neighbourhoods and voluntary sector organisations to support us in the delivery of sustainable regeneration and communities.

6. What guarantees will Circle make that if regeneration goes ahead properties will meet building regulations and there will be no poor build quality as seen at other Circle developments?

All new development has to meet building regulations. The Council's own Building Control services will also have a role to play in this process.

The homes planned for the three neighbourhoods are being designed to an exceptionally high standard. We have retained some of the UK's leading architects, planning advisors and project managers to ensure we can deliver high quality homes.

We do not accept that poor build quality is an issue in Circle developments. We do accept that there are sometimes building defects and we work hard to put this right once any problems have been identified. We currently build circa 650 new homes a year across the UK to a very high standard.

7. Will Circle commit to ensure that decent homes standards are met across all estates and street properties? Regeneration will take at least 10 years and therefore many residents will be left in housing that does not meet this standard for another decade.

We have shared with LBM's officers the programme for ensuring we meet decent home standards across the three neighbourhoods during the regeneration programme. That programme includes anticipating where systems and materials will need to be replaced in the future.

We are committed to ensuring that all homes across our stock including those identified for regeneration are maintained as per residents' tenancy and leaseholder agreements. Any required repairs will be remedied within the current contractual timescales in accordance with the nature and urgency of the repair. In addition Circle carry out independent quality checks of repairs undertaken and routine property checks will be ongoing throughout the regeneration programme.

Where it is mandatory Circle Housing will continue to ensure serviceable items are inspected and certified safe within the required periodic timeframe to ensure statutory and regulatory requirements are adhered to. In addition periodic inspections and assessments will continue, with associated identified actions and or consequential works tracked and managed.

As noted previously, the phasing plan for the regeneration project allows us to rehouse existing residents early in the project. If the programme proceeds against the timelines we have set out all existing residents will be rehomed well before the final phases of development.

8. What is Circle doing to ensure that, through its housing stock and any potential regeneration, healthy outcomes for residents are embedded? Can Circle commit now to any health related outputs as part of proposed regeneration plans?

There are many aspects of the regeneration project which will make a positive contribution to residents' health and wellbeing.

- The new homes will be built to a modern standard, more energy efficient and not prone to the issues of condensation which affect many of the existing homes.
- Their lower energy consumption will help residents avoid fuel poverty issues.
- The regeneration project includes hundreds of new jobs in bespoke commercial buildings, retail and service sector accommodation. The importance of employment in helping generate and maintain healthy communities is well documented.
- Circle already have well developed apprenticeship programmes which will be extended to include employment and training opportunities for local residents and young people throughout the Merton Regeneration Project
- We will be introducing new high quality public spaces including parks, community gardens and courtyards and new play facilities.
- People will be housed in a home of the appropriate size, which in many cases will mean they are no longer living in overcrowded conditions.

- The High Path plans have previously been submitted as a Healthy Towns bid, drafted by Circle's Merton Regeneration Team on behalf of LBM and other stakeholders. There have also been discussions with colleagues in Public Health about tracking benefits through a before and after survey, analysing health and wellbeing improvements.

9. Focus has been on the three estates earmarked for regeneration but many of the issues across the borough come from street properties. Can Circle provide assurances on how it is supporting lone properties and smaller blocks?

We were not familiar with the term 'lone properties', however, Circle Housing have an Asset Database which holds a record of all properties and components, including when they were installed and expected remaining serviceable life. This database informs the planned maintenance programme for replacing components to ensure the whole housing stock is maintained to an appropriate standard.

10. Has Circle engaged with the Mayor of London on his best practice plans for estate redevelopment? Will Circle commit now to compiling with these when they are released?

Yes. Circle has had extensive contact with the GLA on developing best practice for estate redevelopment, though the Mayor has not yet published his recommendations. We have contributed to those guidelines directly, offering our Merton project's Residents Offer as best practice and attending GLA-organised workshops as part of their preparations for the guidelines. The Director of Merton Regeneration is part of the working group reviewing those guidelines ahead of publication.

We have also presented the Merton Regeneration Project to DCLG officers and Lord Heseltine, with a particular emphasis on our plans to retain the existing community in situ, our support for homeowners and the cross-subsidy at the heart of our business plan.

11. Can Circle clarify that any new homes will be the same size if not bigger than current properties – including garages and gardens?

Under our plans all of the new homes will have private outdoor space – most currently have no outdoor space at all. Every home will have a garden, balcony or roof terrace and all will be designed to meet the Mayor's standards as a minimum.

We have undertaken extensive surveys of the existing homes across all three estates to measure the room sizes and internal areas. No new home will be smaller than the home it replaces – most will be larger.

The provision of garages will depend upon the type of home the tenant or homeowner is offered and accepts. Some homes have integral garages, some will have car ports, and others will have dedicated parking undercroft parking. Most parking, however, will remain on street, as is the case now.

Major works

- 1. Why does CMPH impose major works on residents in their properties with no opportunity to question the need for the works, their costs or the contractor doing the work? The bills can run into many thousands of pounds for each household.**

Circle Housing has an obligation to maintain its' housing stock and prevent damage and deterioration. Works are undertaken only when they are required. Our asset database informs the programme of what work is expected to be required. However, validation surveys are then undertaken which informs the required scope of works, which are then priced. Leaseholder consultation is undertaken in accordance with Section 20 of the Landlord and Tenant Act 1985, giving leaseholders the opportunity to submit any observations prior to work being undertaken.

We do however acknowledge that there have been instances where the validation of works and subsequent consultation has fallen short of our expected standard, particularly relating to roofing and electrics

- 2. In relation to major repairs, to what extent is Circle able to provide payment plans or other schemes to assist leaseholders who are required to pay a share of the works?**

A 2 year interest free payment option for major works formed part of the promises made to leaseholders at the time of transfer from Merton Council to Circle Housing Merton Priory in March 2010. This applies to all leaseholders at the time of the stock transfer who are not absentee landlords. We are unable to offer any further extended payment terms.

Implementing and Monitoring Repairs

- 1. Is Circle in control of contractors? Whilst KPI's show that there is an improving picture local experience shows that appointments are regularly missed, that repairs are not complete and that residents regularly give up on the whole system.**

Appointment keeping has vastly improved consistently over the past 18 months, and is in tolerance or better in relation to the target of 90% performance for all urgent and routine works. On a weekly basis we review the appointments that were not kept to identify any lessons to be learnt.

More jobs are also being completed on time than was the position two years ago. In September this year, 95.2% of Routine jobs were completed within target time, which is more than 15% better than the same month in 2014.

- 2. What has the impact of moving the repairs and customer services team to Kent been and how are historic repairs issues being managed?**

The customer repairs calls were moved to the Kent Call Centre in July, however we have retained a local presence at the Grange as a transition, and this has helped

maintain the service levels over the period. The remainder of the repairs delivery remains at the Grange where our responsive repairs Technical Officers (surveyors) are co-located with Keepmoat staff. All complaints and issues are still managed until they are complete.

3. What plans does the new housing association group have to put into action in-house repairs for what were previously CHMP homes?

There are no plans at this stage to change the contractual arrangements in place at CHMP. As merger progresses this will be discussed and any proposals will be shared with LBM.

4. What strategy is currently in place in order to examine individual cases of serious and prolonged disrepair or neglect, prioritise them in the system, monitor implementation of that strategy and the quality of the outcomes? What changes to this policy are anticipated following the merger?

CHMP manage any issues of disrepair proactively, and visit any property at the earliest stage when any allegation or issue is presented us. Once identified that the issue can be dealt with as a responsive repair, we aim to resolve these within the target time of 28 days. We also work proactively with the London Borough of Merton if there is any report of Environmental Health or other statutory nuisance, and we can confirm that there are no formal notices in this area.

Specific repairs/maintenance issues

1. Why can't Circle organise straight forward repairs, such as replacing clothes dryers, deep cleaning staircases, making safe trip hazards, quickly and efficiently? If contractors are used, why isn't their work being monitored by Circle staff? Residents, whether rent-paying tenants or leaseholders paying service charge, are not getting an acceptable level of service.

Each of our Contracts (including the responsive repairs contract with Keepmoat) is monitored for quality and cost by our Technical Officers. These technical officers inspect around 10% of all repairs, and in addition the contractor inspects around 5% themselves. If a complaint is received we inspect all orders related to the complaint. We review the operations of the contract on a fortnightly basis, and include problem solving of any issue, to prevent re-occurrence. We produce a monthly set of Key Performance Indicators that are reviewed and actioned a Core Group meeting between Circle, Keepmoat and a resident representative.

In respect of the door entry system at Byfield Court, this particular door entry panel has been damaged by a blunt instrument on two occasions, and is currently being repaired again.

(Background to this question is provided by Councillor Jeanes with regard to Byfield Court: a fault with the entry phone on the door for the staircase to flats 14-22 was reported to Circle in mid-February. Despite a few attempts by contractors, the problem is still unresolved in mid-September. As a ward councillor,

Councillor Jeanes attends the "estate inspections" which happen four times a year. At each inspection, the list of problems that have been recorded at previous inspections but still await repair is gone through. If it would be of assistance, Councillor Jeanes can forward recent inspection reports to show that the same things are listed again and again.)

- 2. Councillor Neep reports there has been a significant reduction in the standard of cleaning on the High Path Estate mostly driven by the reduction in staff. Can Circle provide an action plan as to how it is going to improve standards and maintain them in the face of a proposed regeneration?**

Cllr Neep has recently met with Jane Bolton and Simon Gagen and both welcome the opportunity to work with her to help resolve issues of concern in her ward. The local cleaning team is now being supported by a mobile unit and is fully resourced with quality assurance checks being undertaken by the Estate Services Officer. Staff are being monitored and trained and will continue to provide a full service right up until regeneration. Some areas Cllr Neep has expressed concerns about are maintained by LBM.

- 3. Councillor Makin has asked if the person responsible for the maintenance contract would walk round Phipps Bridge and Cherry Trees estates with him so they can see for themselves the shoddy and incomplete work done by the contractors and offer a solution to residents about their problems (an evening visit to various residents' flats would be possible). Some residents have been waiting over a year for the work to be completed and some are even suggesting that they will get the work done and bill Merton Priory.**

We are happy to attend a walkabout with Makin to review the issues raised and agree action. If there are specific cases we are happy to review once details are provided.

- 4. Councillor Pearce reports that community areas in sheltered accommodation have been without hot water supply for months. Two contractors have surveyed the problems but failed to remedy them. Rather they pass the responsibility to each other. Is Circle happy to allow their elderly residents to be treated in this way which has resulted in external providers (community care, hair dressing etc) struggling to operate.**

There have been problems of this nature at the Yenston Close scheme which also affected one of the residents. The cause was identified and the problem has been resolved. On site, staff have been advised of the correct route for reporting issues of this kind to prevent future delays.

Costs of repairs and maintenance

- 1. What lessons has Circle Housing learnt from the Keepmoat whistleblowing investigation and subsequent report into alleged overcharging for repairs and maintenance? Can residents be reassured that all of the**

recommendations for improvement set out in the report have now been implemented and will be equally applied to the new housing association group?

All recommendations have been applied and a new structure and new management approach will ensure this situation does not recur.

Member contact

- 1. Will the new housing association group explain how elected members can contact them regarding housing repairs and general complaints (if this is different to the existing Member Enquiry arrangements)?**

The local team remain the same and the Head of Housing Jane Bolton and Head of Repairs Simon Gagen will continue to be the lead Officers based locally. The process for formal enquiries ensures that all contact from stakeholders will be recorded by our central contact centre and responses provided by local leads.

- 2. Please provide an update on Circle's new Council members' enquiry system that it is intended to implement. Is it possible to set out a process that all involved would follow to ensure that expectations are established and known to both Circle staff and members?**

As above. We also continue to meet face to face with stakeholders to ensure proactive communication on a face to face basis and continue to be open to the set up of these arrangements where not already in place.

Leaseholder/freeholder arrangements

- 1. Why is Circle insisting on an 11 year tie in clause for leaseholders and freeholders – how does this enable these residents to plan for the future and remain on the estate?**

As part of the regeneration plans resident homeowners who accept the Replacement Home Option on the three regenerated neighbourhoods own their new replacement home outright from the start at no cost. Existing freeholders are offered a new freehold. Existing leaseholders are offered a new 125 lease irrespective of how long they have to run on their existing lease.

As the freeholder or leaseholder they are free to sell their home at any point they wish. If they decide to move out of the neighbourhood within 11 years they will have to repay a proportion of the difference between the value of their existing home plus 10% and the sale value of the new replacement home at the point they accepted the Replacement Home offer.

Homeowners will benefit from any increase in the value of their home over time.

This Replacement Home Option was in direct response to comments made by residents during consultation about the Residents Offer when existing resident homeowners told us that they wanted to keep the existing community together

2. Can Circle clarify the situation with payment of stamp duty and all legal fees if a resident does wish to partake in the early buy back scheme?

If a resident chooses to sell their home we will pay the stamp duties payable on their new home up to the value of the home they have sold to us plus 10%. We will pay for surveys and any legal fees associated with the purchase (e.g. conveyancing and searches) up to certain limits, all of which are described in the Residents Offer document and on line at www.mertonregen.org.uk

3. On the calculation of 'market value' Circle has explained how this is done before the regeneration, i.e. on existing homes. However, how will the price of a house be determined post regeneration? Therefore providing the difference that current leaseholders/freeholders would have between now and then if they chose to move within the estate.

This is done in the same way, using an open market valuation provided by an independent RICS registered valuer. Residents retain the option of employing their own surveyor at our expense.

4. Can Circle provide reassurance that it operates the same level of duty of care with leaseholders as it does with tenants? Dealings with the Major Works program suggest this is far from the case. Many leaseholders have been and still are left in a great deal of distress and anger.

Recent experience on the Watermeads estate highlighted where improvements can be made to the way Circle consults with leaseholders over major works and this will be used to improve communications going forward. With regard to day to day management, a multi tenure approach is now in place with the same neighbourhood officer managing all properties on their patch regardless of tenure.

Circle Housing regard all residents regardless of tenure with the same duty of care. There is categorically no difference in the duty of care afforded to Leaseholders compared with Tenants.

Void Properties

1. There is a concern that void properties remain vacant for a time when housing need is high. Can Circle please confirm how many properties are currently void and how many have been filled?

At the time of writing there are 22 routine voids across the stock all of which are within target for completion of works. The voids process works well and there are no hard to let properties. LBM have 100% nomination rights to these properties.

In addition, properties that have been re purchased as part of the regeneration project are also being made available to LBM for discharge of Homeless duty on

Assured Shorthold Tenancies. To date 17 have been let in this way with another 45 in the pipeline.

Rents

1. As part of any regeneration proposals will Circle commit to changing variable rents which reflect individual household circumstances – like Dolphin Living have on the New Era Estate?

The rents for the new homes built through the regeneration project will be set in exactly the same way as we do now - social or affordable rents in line our agreement with LBM in 2012 and our commitment to residents in the Residents Offer of 2015.

The New Era variable rents were developed by Dolphin Living as a 'sub-market' alternative to much higher market rents. The social and affordable rents that Circle Housing charges are lower than those that were proposed on the New Era estate in Hackney.

Resident engagement and accountability

- 1. The new combined housing association needs a serious and open discussion with residents before they are likely to trust Circle Housing/Affinity Sutton with the regeneration. Will the decision makers within the Circle/Affinity organisation therefore commit to:**
- **meet separately with the relevant residents' associations for the Eastfields, Ravensbury and High Path estates so that residents can put their questions and concerns to Circle directly; and**
 - **attend a residents' meeting on each of the estates to advise/provide information on the development of the regeneration plans? (The meeting for the High Path Estate to include Stephen Hammond MP.)**

We are happy to attend existing RA meetings and discuss any merger questions that people may have and have also offered to do a Q&A for HPRA following recent contact

2. Please can Circle provide its intended alternative engagement strategy to replace the Neighbourhood Action Plans that are no longer supported.

The Neighbourhood Action Plans were how the Merton Neighbourhood Regeneration Strategy (MNRS) was delivered locally. Between 2010 and 2015 our team developed local Annual Neighbourhood Action Plans with stakeholders and partners (the Neighbourhood Partnerships) – these plans consisted of local projects that would ensure the strategy was delivered in each neighbourhood area (for example, routes2work and our money matters programme would have been projects in addition to a range of others we either commissioned or just supported).

After the evaluation and review of the strategy in 2015 and when the new strategy (2015-2025 was developed) we took a new approach and developed one universal action plan covering all Neighbourhood Partnership areas.

The matter of future leadership of the MNRA is currently under discussion with LBM colleagues

3. What guarantees are in place to ensure that residents are able to hold Circle to account with the removal of local boards and the merger with Affinity Sutton? Will resident voice be lost?

The proposed Community Panel will ensure a dedicated focus on Merton issues including the regeneration programme, local performance and wider operational issues. LBM have been pro-actively involved in the Terms of Reference for the panel which will be shared with Board members before final sign-off.

4. Can Circle confirm where the last five years' worth of LEAF funding has gone and how and when residents will be able to access the funding in order to support the work they do within the local community?

As at the 31 March 2016, a total of £503,365 has been spent on a whole range of resident led projects including community development activities such as Fun Days, outings and Christmas fairs, as well as practical things such as Landscaping and planting and additional fencing and lighting. A full schedule is available for each area.

Proposals for 2017/18 are in the process of being invited and local Neighbourhood Officers are leading on this .

Community support

1. What is Circle's commitment to increasing employability and skills within Merton?

Circle's commitment to increasing employability and skills within Merton has been consolidated this year as Circle Housing is part of an unprecedented partnership of 16 major Social Housing Providers, led by Affinity Sutton, which seeks to recruit 21,000 London residents and place them closer to the labour market through delivery of the three-year project Love London Working (LLW), which is part-funded by the European Union from the European Social Fund (ESF). Circle Housing is represented by Circle Housing Merton Priory (CHMP), Old Ford and Circle 33.

CHMP is targeting unemployed and economically inactive priority groups such as people aged over 50, lone parents, people with disabilities and those with poor basic skills. All participants receive an Individual Action Plan, followed by regular reviews.

ESF funding allows CHMP to provide financial support to participants; for example, a CHMP resident tore his trousers before an interview last week and was forced to wear jogging bottoms. He was offered a second interview so his adviser arranged to purchase a pair of trousers for him. Being suitably dressed boosted his confidence at the second interview; he was offered the post and started work the next day.

Current activities include:

- **Job clubs:** which provide local vacancies and support participants with their job search, writing CVs and applications and preparing for interviews.
- **Job Club Plus:** specifically tailored for participants with disabilities or long-term health conditions; provides a more supported employment approach.
- **Pre-employment training:** a range of short programmes that include work experience e.g.
 - Marks & Start, a programme for lone parents delivered by Gingerbread, the Charity for One Parent Families, in partnership with Marks & Spencer that includes a two-week work placement in an M&S store. Participants who successfully complete the programme will be considered for Christmas vacancies.
 - Intro to Construction, delivered by CHMP's contractors Keepmoat and United Living, which will provide a guaranteed interview for an apprenticeship with Keepmoat for successful participants.
 - CSCS course, delivered in partnership with Groundwork and Green Skills Partnership where participants can gain a Health & Safety Level 1 qualification, CSCS card and work trials with employers.
- **Job brokerage:** support for job ready participants through tailored links with employers.
- **Enterprise training and support:** through Start your Own Business courses with ongoing 1:1 mentoring, master classes and workshops.

Plans for 17/18

- **Accredited basic skills** to support participants in their preparation for employment.
- **Development of further partnerships** to maximise resources and access a wider skills base, including developing joint initiatives in partnership with other housing members of the LLW consortium.
- **Continue to expand** provision for residents who are ineligible for Love London Working.

Summary briefing on Love London Working attached for further info.



Love London
Working Project Sum



Affinity Sutton

Love London Working Project Summary

“Love London Working” meets the aims of the Priority Axis 1 Inclusive Labour Market, Investment Priority 1.1 Call aimed at placing disadvantaged unemployed or inactive people into jobs for a minimum of 26 out of 32 weeks once they have entered employment.

Led by Affinity Sutton, the project is an unprecedented partnership of 16 major Social Housing Providers, which seeks to recruit 21,000 London residents and place them closer to the labour market. A flexible support programme delivered at scale will be tailored to individual needs and address often multiple disadvantages. The aim is that 6,300 participants will progress into employment.

The sector partners have extensive presence in deprived communities that are demographically concentrated by ethnic minorities, those over 50 and not working, those with disabilities, and single parents. Delivery Partners will use this unique reach to engage participants in a journey towards employment that begins with an individual assessment, and integrates proven support models that address each participants’ barriers to work.

Participants will be engaged directly under the “Love London Working” brand through the network of relationships that the partners have with local agencies, such as community organisations and Jobcentre Plus.

Following an induction all participants will sign the “Love London Working” Agreement which will outline clear expectations and commitment expected from them. Participants will then be enrolled for diagnostic assessments to identify learning and personal support needs.

To reduce barriers to employment, and enable full access to participation in the project, participants will receive counselling and support related to mental health and family/relationship issues: health and lifestyle advice; group sport activities; well-being workshops and courses; financial advice, including “Better off in Work” calculations; support to improve their confidence, self-esteem and motivation; childcare provision, including access to mobile crèches; and Basic Skills, IT and ESOL training.

Project participants will take part in activities to develop life skills, including improved financial capability, better parenting skills, and increased access to and use of IT, as well as activities on a broader theme of health and wellbeing, such as fitness and healthy eating.

To enable participants to enter employment, participants will receive support to gain core work-related skills that employers are looking for, simulated work environments and coaching, employability workshops to prepare participants for the labour market by addressing soft skill factors, access to volunteering and work experience opportunities, and training/upskilling for in-demand skills reflecting changes in the economy.

To facilitate progress to suitable employment and self-employment opportunities, participants will receive computer training to access online job search, and individual advice and guidance to ensure that they are searching for work opportunities that suit them. Participants will then be registered in a talent pool and benefit from a centralised database of apprenticeships and employment opportunities that partners’ have been able to broker. The project partners will work closely with voluntary organisations and employers to identify voluntary placements, work experience and employment opportunities, including those that are suitable for participants with disabilities.

Once suitable work opportunities have been identified, participants will be given individual support to prepare for securing it including job application support, CV writing, and interview practice, as well as travel expenses to attend interviews, job fairs and recruitment events. Business development workshops, start-up mentoring and grants will be provided to those seeking self-employment.

To ensure a participant's employment is sustained for a minimum of 26 out of 32 weeks participants will have access to funds for work-start expenses, including travel passes and interview clothes. Ongoing contact with programme team staff will include access to in-work mentors.

Love London Working will create a lasting legacy for co-ordinated training and employment related delivery across London, cascading best practice support models across the housing sector.

Delivery Partners:

- A2Dominion
- Affinity Sutton
- Amicus Horizon
- Catalyst Gateway
- Charlton Triangle Homes
- Circle Housing
- East Thames Group
- Family Mosaic
- Hexagon Housing
- Hyde Housing
- L&Q
- Orbit South
- Peabody
- Poplar HARCA
- Southern Housing Group
- Wandle Housing Association

Committee: Sustainable Communities Overview and Scrutiny Panel

1 November 2016

Healthier Communities & Older People Overview and Scrutiny Panel

8 November 2016

Children and Young People Overview and Scrutiny Panel

9 November 2016

Overview and Scrutiny Commission

15 November 2016

Agenda item:

Wards:

Subject: Business Plan Update 2017-2021

Lead officer: Caroline Holland

Lead member: Councillor Mark Allison

Contact officer: Paul Dale

Forward Plan reference number:

Recommendations:

1. That the Panel considers the proposed amendments to savings, and associated equalities analysis where applicable, set out in Appendix 1 and Appendix 4 of the attached report on the Business Plan 2017-2021 which it is proposed are incorporated into the draft MTFS 2017-21.
2. That the Panel considers the draft capital programme 2017-21 and indicative programme for 2022-26 set out in Appendix 3 of the attached report on the Business Plan
3. That the Overview and Scrutiny Commission considers the comments of the Panels on the Business Plan 2017-2021 and provides a response to Cabinet when it meets on the 12 December 2016.

1. Purpose of report and executive summary

- 1.1 This report requests Scrutiny Panels to consider the latest information in respect of the Business Plan and Budget 2017-21, including proposed amendments to

savings previously agreed by Council and associated equalities assessments where applicable, and the draft capital programme 2017-21, and feedback comments to the Overview and Scrutiny Commission.

- 1.2 The Overview and Scrutiny Commission will consider the comments of the Panels and provide a response on the Business Plan 2017-21 to Cabinet when it meets on the 12 December 2016.

2. **Details - Revenue**

- 2.1 The Cabinet of 12 October 2016 received a report on the business plan for 2017-21.

- 2.2 At the meeting Cabinet

RESOLVED: That

1. That Cabinet agree the proposed amendments to savings set out in Appendix 1 and incorporate the financial implications into the draft MTFS 2017-21.
2. That Cabinet agrees the latest draft Capital Programme 2017-21 detailed in Appendix 3 for consideration by scrutiny in November and notes the indicative programme for 2022-26.

3. **Alternative Options**

- 3.1 It is a requirement that the Council sets a balanced budget. The Cabinet report on 12 October 2016 sets out the progress made towards setting a balanced budget. This identified the current budget position that needs to be addressed between now and the report to Cabinet on 12 December 2016, with further reports to Cabinet on 16 January 2017 and 13 February 2017, prior to Council on 1 March 2017, agreeing the Budget and Council Tax for 2017/18 and the Business Plan 2017-21, including the MTFS and Capital Programme 2017-21.

4. **Capital Programme 2017-21**

- 4.1 Details of the draft Capital Programme 2017-21 were agreed by Cabinet on 12 October 2016 in the attached report for consideration by Overview and Scrutiny panels and Commission.

5. **Consultation undertaken or proposed**

- 5.1 Further work will be undertaken as the process develops.

6. **Timetable**

- 6.1 The timetable for the Business Plan 2017-21 including the revenue budget 2017/18, the MTF5 2017-21 and the Capital Programme for 2017-21 was agreed by Cabinet on 19 September 2016.

7. **Financial, resource and property implications**

- 7.1 These are set out in the Cabinet report for 12 October 2016. (Appendix 1)

8. **Legal and statutory implications**

- 8.1 All relevant implications have been addressed in the Cabinet reports. Further work will be carried out as the budget and planning proceeds and will be included in the budget report to Cabinet on the 12 December 2016.
- 8.2 Detailed legal advice will be provided throughout the budget setting process further to any proposals identified and prior to any final decisions.

9. **Human Rights, Equalities and Community Cohesion Implications**

- 9.1 All relevant implications will be addressed in Cabinet reports on the business planning process.
- 9.2 A draft equalities assessment has been carried out with respect to the proposed replacement savings where applicable and is included as Appendix 4 to the Business Plan report (Appendix1).

10. **Crime and Disorder implications**

- 10.1 All relevant implications will be addressed in Cabinet reports on the business planning process.

11. **Risk Management and Health and Safety Implications**

- 11.1 All relevant implications will be addressed in Cabinet reports on the business planning process.

Appendices – the following documents are to be published with this report and form part of the report

Appendix 1: Cabinet report 12 October 2016: Draft Business Plan 2017-21

BACKGROUND PAPERS

- 12.1 The following documents have been relied on in drawing up this report but do not form part of the report:

Budget files held in the Corporate Services department.

2016/17 Budgetary Control and 2015/16 Final Accounts Working Papers in the Corporate Services Department.

Budget Monitoring working papers

MTFS working papers

13. **REPORT AUTHOR**

- Name: Paul Dale
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email: paul.dale@merton.gov.uk Budget files held in the Corporate Services department.

Cabinet

Date: 12 October 2016

Subject: Draft Business Plan 2017-21

Lead officer: Caroline Holland – Director of Corporate Services

Lead member: Councillor Mark Allison – Deputy Leader and Cabinet Member
for Finance

Contact Officer: Paul Dale

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 2017/18 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2017-2021. 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 2017 and set a Council Tax as appropriate for 2017/18.

Recommendations:

1. That Cabinet agree the proposed amendments to savings set out in Appendix 1 and incorporate the financial implications into the draft MTFS 2017-21.
 2. That Cabinet agrees the latest draft Capital Programme 2017-21 detailed in Appendix 3 for consideration by scrutiny in November and notes the indicative programme for 2022-26.
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1. Purpose of report and executive summary

- 1.1 This report provides an update on progress towards preparing the Business Plan 2017-21 and requests Cabinet to consider and agree some proposed amendments to savings, including replacement savings, which have been approved previously and are incorporated into the current MTFS.
- 1.3 The report also provides details of the latest capital programme, including new bids and an indicative programme for 2021- 2025

Details

2. Medium Term Financial Strategy 2017-21

- 2.1 At its meeting on 19 September 2016 Cabinet considered a report which updated the Business Plan 2017-21. At the meeting it was resolved that Cabinet:-

1. That Cabinet notes the rolled forward MTFS for 2017 - 21.
2. That Cabinet confirm the latest position with regards to savings already in the MTFS.
3. That Cabinet agrees the approach to setting a balanced budget using weighted controllable expenditure for each department as the basis for the setting of targets.
4. That Cabinet agrees the proposed departmental targets to be met from savings and income.
5. That Cabinet review the targets and the MTFS at the next meeting in light of the actions identified in response to the monitoring report recommendations set out elsewhere on this agenda.
6. That Cabinet agrees the timetable for the Business Plan 2017-21 including the revenue budget 2017/18, the MTFS 2017-21 and the Capital Programme for 2017-21.
7. That Cabinet note the process for the Service Plan 2017-21 and the progress made so far.
8. That Cabinet consider and review the draft Efficiency Plan at Appendix 3 and request officers to submit a final version to the DCLG by the deadline of 14 October 2016 in order to qualify for the four year funding offer.

2.2 In the September Cabinet report, the following budget gap was identified before identifying any new savings and income proposals:-

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Budget Gap in MTFS	0	0	2,224	17,267

2.3 The September Cabinet report set out initial targets, based on controllable spend and shortfalls in previously identified targets, to balance the MTFS agreed by Council in March 2016 to 2019/20 at this stage for each department as follows:-

SERVICE DEPARTMENT'S SAVINGS TARGETS FOR 2017-2021 BUSINESS PLANNING PROCESS	Total £000
Corporate Services	586
Children, Schools & Families	912
Environment & Regeneration	1,659
Community & Housing	312
Total Savings/Income Proposals	3,469

3. Proposed Amendments to Previously Agreed Savings

- 3.1 In recent years, the introduction of multi-year financial planning has resulted in savings agreed in a particular financial year having an impact on future years. These have been incorporated into the Council's Medium Term Financial Strategy. The full year effect of savings in the current MTFS from 2017/18 onwards is shown in the following table:-

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
Corporate Services	1,679	1,563	0	0	3,242
Children, Schools & Families	1,050	516	0	0	1,566
Environment & Regeneration	4,000	537	0	0	4,537
Community & Housing	2,700	3,128	0	0	5,828
Total	9,429	5,744	0	0	15,173
Cumulative total	9,429	15,173	15,173	15,173	

- 3.2 Monitoring of the delivery of savings is important and it is essential to recognise as quickly as possible where circumstances change and savings previously agreed are either not achievable in full or in part or are delayed. The following changes to agreed savings are proposed in this report:-

3.2.1 Corporate Services

There are a number of savings that it is proposed to reprofile from 2017/18 to 2018/19 and a replacement which ensures that there is no overall impact on the MTFS.

3.2.2 Children, Schools and Families

Savings in Commissioning, Strategy, and Performance totalling £485k are proposed to be replaced by alternative savings which total £719k. The balance of £234k will be applied as part of savings proposals to meet the CSF target as set out in the table in paragraph 2.3.

3.2.3 Environment and Regeneration

There is a replacement saving proposed for saving E&R43 in 2017/18 which is for £70k. There is no overall financial impact arising from this change.

3.2.4 Community and Housing

There is a replacement saving proposed for libraries which results in a net shortfall of £27k.

- 3.2.5 Further details of the proposed amendments to previously agreed savings are provided in Appendix 1.

3.3 Summary

The overall effect of the proposed amendments is set out in the following table:-

SUMMARY (cumulative)	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
Corporate Services	0	0	0	0	0
Children, Schools & Families	(60)	27	(201)	0	(234)*
Environment & Regeneration	0	0	0	0	0
Community & Housing	27	0	0	0	27**
Total	(33)	27	(201)	0	(207)
Net Cumulative total	(33)	(6)	(207)	0	(207)

* The net increase in savings will be applied against the CSF target set out in paragraph 2.3.

** The net shortfall in savings will be added to C&H Savings Target to be found from savings still to be identified

4. **Capital Programme for 2017-21**

4.1 The report to Cabinet in September 2016 provided information on the capital financing costs of the Capital Programme based on the July monitoring position and assumed the maximum use of capital receipts.

4.2 In this report, the draft Capital Programme 2017-21 is discussed. It includes the latest information based on August monitoring information and also includes the addition of new schemes commencing in 2020/21. An indicative programme for 2022-26 is also provided. The draft programme is set out in Appendix 3.

4.3 The bidding process for 2020/21 was launched on 27 June 2016.

4.4 The current capital provision and associated revenue implications in the currently approved capital programme, based on August 2016 monitoring information, are as follows:-

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Capital Programme	45,897	26,690	15,494	8,475
Revenue Implications	12,543	11,503	12,439	12,873

4.5 The change in the capital programme since that reported to Cabinet on 19 September 2016, based on July 2015 monitoring information, is summarised in the following table:-

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Capital Programme:				
- Cabinet 19 September 2016	45,651	32,795	17,502	14,731
- Revised Position with Slippage revisions and new schemes	45,897	26,690	15,494	8,475
Change	246	(6,105)	(2,008)	(6,256)
Revenue impact				
Cabinet 19 September 2016	12,686	11,765	12,800	13,318
Revised	12,543	11,503	12,439	12,873
Change	(143)	(262)	(361)	(445)

- 4.6 The programme has been rigorously reviewed and reduced where appropriate. The changes made to the programme are detailed within Appendix 3, along with movements when compared to the current programme. This review is continuing and it is envisaged that further information will be presented to December 2016 Cabinet.

5. Update to MTFS 2017-21

- 5.1 If the changes outlined in this report are agreed the forecast budget gap over the MTFS period is:-

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Budget Gap in MTFS	0	0	1,386	16,615

- 5.2 A more detailed MTFS is included as Appendix 2.
- 5.3 It is anticipated that new revenue savings/income proposals and revisions to the capital programme will continue to be identified during the business planning process and these will be included in future reports to Cabinet in accordance with the agreed timetable and these will go onto Overview and Scrutiny Panels and the Commission in January 2017.

6. Alternative Options

- 6.1 The range of options available to the Council relating to the Business Plan 2017-21 and for setting a balanced revenue budget and fully financed capital programme will be presented in reports to Cabinet and Council in accordance with the agreed timetable.

7. Consultation Undertaken or Proposed

7.1 All relevant bodies have been consulted.

7.2 The details in this report will be considered by the Overview and Scrutiny Panels and Commission on the following dates:-

Sustainable Communities	1 November 2016
Healthier Communities and Older People	8 November 2016
Children and Younger People	9 November 2016
Overview and Scrutiny Commission	15 November 2016

7.3 As for 2016/17, it is proposed that a savings proposals consultation pack will be prepared and distributed to all councillors at the end of December 2016 that can be brought to all Scrutiny and Cabinet meetings from 9 January 2017 onwards and to Budget Council. This was an improvement introduced last year for both councillors and officers – it was more manageable for councillors and ensures that only one version of those documents is available so referring to page numbers at meetings is easier. It considerably reduces printing costs and reduces the amount of printing that needs to take place immediately prior to Budget Council.

7.4 The pack will include:

- Savings proposals
- Equality impact assessment for each saving proposal
- Service plans (these will also be printed in A3 to lay round at scrutiny meetings)

7.5 The Council launched a consultation with residents on council tax and council spending on 9 September 2016. Residents have until 4 November 2016 to respond and the outcome will be used to inform the decisions made with respect to the council tax and MTFs for 2017-21 as part of the Business Planning Process.

8. Timetable

8.1 In accordance with current financial reporting timetables.

8.2 The proposed timetable for developing the business plan and service plans was approved by Cabinet on 19 September 2016.

9. Financial, resource and property implications

9.1 As contained in the body of the report.

9.2 The Chancellor of the has announced that there will be an Autumn Statement published on 23 November 2016. Overall funding allocations for local government will be notified in the review but details of provisional funding

allocations for each local authority will not be known until the provisional Local Government Finance Settlement is published in mid/late December 2015.

10. Legal and statutory implications

10.1 As outlined in the report.

11. Human rights, equalities and community cohesion implications

11.1 None for the purposes of this report, these will be dealt with as the budget is developed for 2017 – 2021.

11.2 Equalities Assessments for replacement savings are provided in Appendix 4.

12. Crime and Disorder Implications

12.1 Not applicable.

13. Risk Management and health and safety implications

13.1 There is a specific key strategic risk for the Business Plan, which is monitored in line with the corporate risk monitoring timetable.

14. Appendices – The following documents are to be published with this Report and form part of the Report.

Appendix 1 – Proposed Amendments to previously agreed savings

Appendix 2 – Latest draft MTFS 2017-21

Appendix 3 – Draft Capital Programme 2017-21

Appendix 4 - Equalities analyses for new and replacement savings

15. Background Papers

15.1 The following documents have been relied on in drawing up this report but do not form part of the report:

Budgetary Control and Final Accounts Working Papers in the Corporate Services Department.

Budget Monitoring working papers

MTFS working papers

16. REPORT AUTHOR

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CORPORATE SERVICES SAVINGS - Original Savings

	Ref	Description of Saving		Baseline Budget £000	2017/18 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	CS71	Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Infrastructure & Transactions</u> Delete two in house trainers posts None 2 posts None None None		85	Low	Low	SS2
	CS75	Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Human Resources</u> Review of COT team staffing in light of potential for 4-borough shared service opportunities Aims to improve efficiencies and economies of scale through a wider partnership approach Likely to be x1 FTE reduction arising from staffing review Need to ensure service standards are maintained Need to ensure that service standards are maintained in light of staffing reductions Given the profile of the workforce is mainly female this will have an equality impact	506	58	M	M	SS1

CORPORATE SERVICES SAVINGS - Original Savings

	Ref	Description of Saving	Baseline Budget £000	2017/18 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	CSD2	<p align="center"><u>Infrastructure & Transactions</u></p> <p>Description Energy Savings (Subject to agreed investment of £1.5M)</p> <p>Service Implication None</p> <p>Staffing Implications None</p> <p>Business Plan implications Will contribute towards improving performance in respect to business plan targets for the reduction of CO2 emissions from the Councils buildings.</p> <p>Impact on other departments None</p> <p>Equalities Implications None</p>		150	M	L	SNS1

CORPORATE SERVICES SAVINGS - Original Savings

	Ref	Description of Saving		Baseline Budget £000	2017/18 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	CSD7	<u>Division Description</u>	<u>Infrastructure & Transactions</u> Restructure Post & Print section and delete 2 FTE posts.	382	47	L	L	SS2
		<u>Service Implication</u>	The reduction in resources will increase the time taken to process both incoming and outgoing items of post, which may become critical during peak periods such as Council Tax billing.					
		<u>Staffing Implications</u>	Delete 2 FTE posts which will result in two staff redundancies.					
		<u>Business Plan implications</u>	None					
		<u>Impact on other departments</u>	Reduction in current level of service may impact some time critical processes.					
		<u>Equalities Implications</u>	None					
	CSD30	<u>Division Description</u>	<u>Human Resources</u> Schools COT support (delivery of schools buy-back service)	425	152	H	H	SS2
		<u>Service Implication</u>	Removal of dedicated COT support for schools					
		<u>Staffing Implications</u>	Post reductions					
		<u>Business Plan implications</u>	No dedicated COT service					
		<u>Impact on other departments</u>	No dedicated COT service					
		<u>Equalities Implications</u>	Impacts on female workforce					
Total					492			

CORPORATE SERVICES SAVINGS - Replacement Savings

	Ref	Description of Saving		Baseline Budget £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	CS71	Description	<u>Infrastructure & Transactions</u> Delete two in house trainers posts		(42)	(43)	Low	Low	SS2
		Service Implication	None						
		Staffing Implications	2 posts						
		Business Plan implications	None						
		Impact on other departments	None						
		Equalities Implications	None						
	CS75	Description	<u>Human Resources</u> Review of COT team	506		(58)	M	M	SS1
		Service Implication	Aims to improve efficiencies and economies of scale through a wider partnership approach						
		Staffing Implications	Likely to be x1 FTE reduction arising from staffing review						
		Business Plan implications	Need to ensure service standards are maintained						
		Impact on other departments	Need to ensure that service standards are maintained in light of staffing reductions						
		Equalities Implications	Given the profile of the workforce is mainly female this will have an equality impact						

CORPORATE SERVICES SAVINGS - Replacement Savings

	Ref	Description of Saving	Baseline Budget £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	CSD2	<p align="center">Infrastructure & Transactions</p> <p>Description Energy Savings (Subject to agreed investment of £1.5M)</p> <p>Service Implication None</p> <p>Staffing Implications None</p> <p>Business Plan implications Will contribute towards improving performance in respect to business plan targets for the reduction of CO2 emissions from the Councils buildings.</p> <p>Impact on other departments None</p> <p>Equalities Implications None</p>			(150)	M	L	SNS1
	CSD7	<p align="center">Infrastructure & Transactions</p> <p>Division</p> <p>Description Restructure Post & Print section and delete 2 FTE posts.</p> <p>Service Implication The reduction in resources will increase the time taken to process both incoming and outgoing items of post, which may become critical during peak periods such as Council Tax billing.</p> <p>Staffing Implications Delete 2 FTE posts which will result in two staff redundancies.</p> <p>Business Plan implications None</p> <p>Impact on other departments Reduction in current level of service may impact some time critical processes.</p> <p>Equalities Implications None</p>	382		(47)	L	L	SS2

CORPORATE SERVICES SAVINGS - Replacement Savings

Ref	Description of Saving	Baseline Budget £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
CSD30	<p>Division Human Resources</p> <p>Description Schools COT support (delivery of schools buy-back service)</p> <p>Service Removal of dedicated COT support for schools</p> <p>Implication</p> <p>Staffing Post reductions</p> <p>Implications</p> <p>Business Plan implications No dedicated COT service</p> <p>Impact on other departments No dedicated COT service</p> <p>Equalities Impacts on female workforce</p> <p>Implications</p>	425		(152)	H	H	SS2
Replacement	<p>Description Review of balance sheet management</p> <p>Service None</p> <p>Implication</p> <p>Staffing None</p> <p>Implications</p> <p>Business Plan implications To offset savings deferred to 2018/19</p> <p>Impact on other departments None</p> <p>Equalities None</p> <p>Implications</p>		(450)	450	M	L	SNS1
TOTAL			(492)	0			
ORIGINAL SAVINGS			492	0			
NET CHANGE			0	0			

Draft

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - SAVINGS TO BE REPLACED

Panel	Ref	Description of Saving		Baseline Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact
C&YP	CSF2015-05	<u>Service Description</u>	<u>Commissioning, Strategy and Performance</u> Property and contracts service review.	451		55			Medium	Medium
C&YP	CSF2015-06	<u>Service Description</u>	<u>Cross Cutting</u> Data review & centralisation.	377	40				Medium	Low
C&YP	CSF2015-09	<u>Service Description</u>	<u>Cross Cutting</u> Review of CSF staffing structure beneath management level.	1,049	189	201			Medium	Low
Total Children, Schools and Families Savings						229	256	0	0	

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - REPLACEMENT SAVINGS

Panel	Ref	Description of Saving		Baseline Budget 16/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact
C&YP	CSF2015-05	<u>Service Description</u> <u>Service Implication</u> <u>Staffing Implications</u> <u>Business Plan implications</u> <u>Impact on other departments</u> <u>Equalities Implications</u> <u>TOM Implications</u>	<u>Commissioning, Strategy and Performance</u> Schools organisation and contracts service review. There will be a lower volume of capital works to expand school provision and fewer contracts to manage enabling a reduction in project and contract management capacity. 1 FTE project manager post out of 3. None specific None specific We will use the Council's agreed HR policies and procedures for restructuring and will complete EAs. The TOM refresh includes an increased focus on delivering the restructure as well as flexible working/SCIS. This proposal is in line with TOM drive to increase efficiency and value via ensuring functions operate with minimum capacity needed.	451	65				Medium	Medium

Draft

Panel	Ref	Description of Saving		Baseline Budget 16/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact
C&YP	CSF2015-06	<p><u>Service</u></p> <p>Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Business Plan implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p> <p>TOM Implications</p>	<p><u>Cross Cutting</u></p> <p>Data review & centralisation.</p> <p>This saving will be achieved through i) centralising the residual data/performance monitoring capacity currently dispersed across operational divisions and ii) prioritising work to deliver statutory requirements only. Reduced capacity will impact on the deliverability of increased inspection burdens which is why the risk score for this saving has been revised.</p> <p>1 FTE staffing of overall pool of 8 posts.</p> <p>None</p> <p>We will focus on statutory returns which may impact on requests from other departments.</p> <p>We will use the Council's agreed HR policies and procedures for restructuring. An EA will be developed for the service change staffing proposals.</p> <p>The TOM refresh includes an increased focus on delivering the restructure as well as flexible working and the introduction of the SCIS. This saving is in line with TOM direction of travel to focus on statutory responsibilities and organisation layer strategy. Delivery of a functioning MOSAIC product is key to delivering this saving.</p>	377		40			Medium	Medium

Draft

Panel	Ref	Description of Saving		Baseline Budget 16/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact
C&YP	CSF2015-09	<u>Service</u>	<u>Cross Cutting</u>	1,049		189	201		High	Medium
		Description	Review of CSF staffing structure beneath management level.							
		Service Implication	Deliver for September 2018 so estimated full year effect of £390k split over two years. With changes to the structure of the department, the implementation of SCIS and a focus on minimal education and social care core functions we will redesign our workforce across the smaller department. We have reviewed our workforce following our strategy to reduce agency cost and changes to team management positions. Due to less experienced staff and increased inspection burdens, we revised the risk score for this saving.							
		Staffing Implications	Expect a reduction of 13 posts from a total of 65FTE.							
		Business Plan implications	We will prioritise our core statutory education and social care functions.							
		Impact on other departments	A smaller workforce will reduce our ability to work on cross cutting issues and new developments.							
		Equalities Implications	We will use the Council's agreed HR policies and procedures for restructuring. An EA will be developed for the service change staffing proposals.							
		TOM Implications	The TOM refresh includes an increased focus on delivering the restructure as well as flexible working and the introduction of the SCIS. The CSF workforce needs to be more highly skilled and flexible. Delivery of a functioning MOSAIC product is key to delivering this saving.							

Draft

Panel	Ref	Description of Saving		Baseline Budget 16/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact
C&YP	CSF2016-01	Service Description	Cross Cutting Deletion of Assistant Director, Service Manager and half an admin support posts as part of phased restructure of the department.	1,509	224				High	Medium
		Service Implication	The refocusing of our EY Service, minimal Youth offer and reduced commissioning budgets alongside our introduction of a department-wide case work system provide the imperatives to restructure the department. A phased approach across two years is proposed to enable a managed transition to a significantly downsized department.							
		Staffing Implications	2.5 FTE post reductions out of an establishment of 18 FTE in the Senior Leadership Team and 30+ wider management posts across CSF.							
		Business Plan implications	We will prioritise our core statutory education and social care functions however there will likely be reductions in volume and outcomes.							
		Impact on other departments	A smaller management team will reduce our ability to work on cross cutting issues and new developments. This will have an impact on management support for partnership working.							
		Equalities Implications	We will use the Council's agreed HR policies and procedures for restructuring. A single EIA will be developed for the service change staffing proposals.							
		TOM Implications	The TOM refresh will include an increased focus on delivering the restructure. The continued focus on LEAN processes and disciplined performance management will be critical. There are inter-dependencies to potential national policy development with regard to Adoption, Youth Justice and the Council's education duties which will impact on the deliverability of this saving.							
Total Children, Schools and Families Savings					289	229	201	0		

The net £234k increase in savings will be allocated towards the 2019/20 savings target for CSF

60 -27 201 0 234

Previously Agreed SavingsConfidential**DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS**

Panel	Ref	Description of Saving		2017/18 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
2015/18	E&R43	Service/Section Description Service Implication	Safer Merton Reductions in staffing across Safer Merton Reduction of our Community Safety offer to a statutory minimum which would be ASB , Annual Strategic Assessment, some Domestic Violence work, and limited strategic / partnership activity.	70	High	High	SS2
		Staffing Implications	2-3 FTEs to be deleted				
		Business Plan	This is in line with the team's TOM.				
		Impact on other	Council wide				
		Equalities Implications	Crime affects all members of the Community . Higher levels of crime are reported in more deprived parts of the borough and any reduction in capacity would potentially affect these areas more .				
		TOM Implications	None				

Alternative Savings proposals**DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS**

Panel	Ref	Description of Saving		2017/18 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
2015/18	E&R43	Service/Section Description	Safer Merton Reprofiling how Safer Merton will achieve savings of £70,000 in 2017-18. The reprofiling will see staff levels maintained and budget reductions met through cutting back on non statutory budgetary spend.	70	High	High	SNS1
		Service Implication	By reviewing every single budget line within Safer Merton's full budget profile we have identified a range of efficiencies to be made. The service will operate only with essential spend requirements and we will remove large, non statutory service costs. By making savings from each cost line we will achieve budget reduction without the need to further reduce staffing levels				
		Staffing Implications	No reduction in staff				
		Business Plan implications	In line with the TOM				
		Impact on other departments	No additional impacts. Addressing crime and disorder remains a council wide responsibility				
		Equalities Implications	Crime affects all areas of the borough and all of the communities whom live within it. The partnerships response to these issues requires a strong Safer Merton service and as such not reducing staffing further is vital to achieving this outcome				
		TOM Implications	None				

**COMMUNITY AND HOUSING DEPARTMENT-Libraries
REPLACEMENT FOR PREVIOUSLY AGREED SAVINGS**

Original Savings			Revised Savings				Risk Analysis - Deliverability	Risk Analysis - Reputational Impact	Risk Analysis - Deliverability	Risk Analysis - Reputational Impact	Type of Saving (see key)	New Ref
Ref	Description of Saving	2017/18 £'000	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000						
CH67 2017/18	Library & Heritage Service-Shared Management Structure	130	<p>Libraries</p> <p>Description Additional staffing efficiencies and consolidation of branch managers</p> <p>Service Implications This proposal works in conjunction with the agreed savings of CH7 and CH49 and will further consolidate staffing across libraries whilst ensuring that all libraries remain open with current opening hours arrangements in place.</p> <p>Staffing Implications This proposal along with CH7 and CH49 will require an organisational restructure of the library service and a greater dependency on security services and volunteers. The overall FTE reduction is estimated at 10.65 FTE .</p> <p>Business Plan Implications A reduction in staffing capacity could lead to reductions in achievement against KPI's and some key projects but this is mitigated by ensuring that the focus remains on key business plan objectives including library redevelopments and the schools and libraries membership scheme.</p> <p>Impact on other departments Reduced capacity could lead to a reduction in customer support. This may have an impact on assisted digital support work but will be mitigated by reducing backroom processes and increasing voluntary support.</p> <p>Equalities Implications An Equalities Analysis has been completed and key actions identified will be implemented.</p>	0	63			H	H		SS2	CH70
CH67 2017/18	Library & Heritage Service-Shared Management Structure		<p>Description Reduction in People's Network costs</p> <p>Service Implications Reductions in line costs and contracts mean that current levels of service for public Internet computers and Wi-Fi can be delivered at a reduced cost.</p> <p>Staffing Implications Not applicable.</p> <p>Business Plan Implications Not applicable - no impact on service.</p> <p>Impact on other departments Reduction in budget will mean that there will be no budget available for any unplanned works or upgrades.</p> <p>Equalities Implications None identified.</p>	0	40			M	L		SNS1	CH71
Total: Community and Housing Replacement Savings				0	103	0	0					
Total: Community and Housing Deleted Savings				0	130	0	0					
Net Shortfall: Community and Housing Savings				0	27	0	0					

DRAFT MTFS 2017-21:				
	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Departmental Base Budget 2016/17	139,982	139,982	139,982	139,982
Inflation (Pay, Prices)	3,122	6,244	9,366	12,488
Autoenrolment/Nat. ins changes	857	1,172	1,172	1,172
FYE – Previous Years Savings	(9,429)	(15,173)	(15,173)	(15,173)
Amendments to previously agreed savings	(33)	(33)	(6)	(207)
Change in Net Appropriations to/(from) Reserves	(1,281)	(1,767)	(1,478)	(1,981)
Taxi card/Concessionary Fares	450	901	1,351	1,801
Other	71	144	1,816	3,470
Re-Priced Departmental Budget	133,739	131,470	137,030	141,551
Treasury/Capital financing	12,543	11,503	12,439	12,873
Pensions	4,592	4,799	5,015	5,015
Other Corporate items	(13,171)	(12,824)	(13,175)	(13,175)
Levies	628	628	628	628
Sub-total: Corporate provisions	4,592	4,106	4,907	5,341
Sub-total: Repriced Departmental Budget + Corporate Provisions	138,331	135,576	141,937	146,892
Savings/Income Proposals 2017/18	0	0	0	0
Sub-total	138,331	135,576	141,937	146,892
Appropriation to/from departmental reserves	(719)	(233)	(522)	(19)
Appropriation to/from Balancing the Budget Reserve	1,852	(2,220)	(7,891)	0
BUDGET REQUIREMENT	139,464	133,123	133,524	146,873
Funded by:				
Revenue Support Grant	(15,520)	(10,071)	(5,076)	0
Business Rates (inc. Section 31 grant)	(34,847)	(35,553)	(36,295)	(36,952)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(4,763)	(2,993)	(2,871)	(2,000)
Council Tax inc. WPCC	(79,313)	(79,708)	(83,098)	(86,509)
Collection Fund – (Surplus)/Deficit	(224)	0	0	0
TOTAL FUNDING	(139,464)	(133,123)	(132,137)	(130,258)
GAP including Use of Reserves (Cumulative)	0	0	1,386	16,615

Capital Programme as at August 2016 Monitoring - October 2016 Cabinet with Bids

Department	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Community and Housing									
<u>Libraries</u>									
Library Self Service	0	0	0	350,000	0	0	0	0	350,000
Colliers Wood Re-Fit	150,000	0	0	0	0	0	0	0	0
West Barnes Library Re-Fit	200,000	0	0	0	0	0	0	0	0
Library Management System	100,000	0	0	0	0	0	0	0	0
<u>Housing</u>									
Disabled Facilities Grant	755,000	628,900	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Total Community and Housing	1,205,000	628,900	280,000	630,000	280,000	280,000	280,000	280,000	630,000

Capital Programme as at August 2016 Monitoring - October 2016 Cabinet with Bids

Environment and Regeneration									
<u>Footways</u>									
Repairs to Footways	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<u>Greenspaces</u>									
Parks investment	201,000	307,500	295,000	300,000	300,000	300,000	300,000	300,000	300,000
Parks Bins - Finance Lease	34,000	27,500	0	0	0	0	0	0	0
Pay & Display Machine	0	0	60,000	0	0	0	0	60,000	60,000
<u>Highways General Planned Works</u>									
Surface Drainage Water	69,000	72,000	77,000	77,000	77,000	77,000	77,000	77,000	77,000
Highways and Bridges Structures	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Maintain AntiSkid and Coloured	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
<u>Highways Planned Road Works</u>									
Borough Roads Maintenance	1,500,000	1,500,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
<u>Leisure Centres</u>									
Leisure Centre Plant and Machines	300,000	300,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Morden Leisure Centre	5,692,460	331,940	0	0	0	0	0	0	0
Wimbledon Park Lake De-Silting	250,000	1,250,000	0	0	0	0	0	0	0
<u>Other E&R</u>									
Replacing Handheld Computers	0	0	0	0	35,000	0	0	0	0
<u>On and Off Street Parking</u>									
Improved parking- shop parades	0	0	0	0	0	0	0	0	0
<u>Regeneration Partnerships</u>									
Mitcham Major Schemes - TfL	700,000	0	0	0	0	0	0	0	0
Industrial Estate Investment	450,000	0	0	0	0	0	0	0	0
Transportation Enhancements	0	1,000,000	3,000,000	1,000,000	0	0	0	0	0
<u>Street Lighting</u>									
Street Lighting	290,000	509,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000
<u>Street Scene</u>									
B591b Shop Front Improvement	0	0	0	0	0	0	0	0	0
Street Tree Programme	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
<u>Transport for London</u>									
TfL Unallocated	1,844,800	1,864,800	0	0	0	0	0	0	0
Morden TfL	220,000	2,000,000	0	0	0	0	0	0	0
<u>Transport and Plant</u>									
Replacement Fleet Vehicles	400,000	400,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
SWLP Vehicles	3,956,000	0	0	0	0	0	0	0	3,956,000

Capital Programme as at August 2016 Monitoring - October 2016 Cabinet with Bids

Traffic and Parking Management									
Traffic Schemes	156,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Waste Operations									
Alley Gating	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Waste Bins - Finance Lease	5,500	5,500	0	0	0	0	0	0	0
SWLP IT	42,000	0	0	0	0	0	0	0	42,000
SWLP Depot	73,000	0	0	0	0	0	0	0	0
SWLP Wheelie Bins	2,674,000	0	0	0	0	0	0	0	0
Total Environment and Regeneratio	20,307,760	11,168,240	7,072,000	5,017,000	4,052,000	4,017,000	4,017,000	4,077,000	8,075,000

Capital Programme as at August 2016 Monitoring - October 2016 Cabinet with Bids

Children, Schools and Families										
<u>Primary Expansions</u>										
<u>Secondary Expansion</u>										
St Marks	1,111,800	511,800	4,681,000	0	0	0	0	0	0	0
New 6fe School	4,916,250	2,203,600	0	0	0	0	0	0	0	0
Harris merton	2,181,310	0	0	0	0	0	0	0	0	0
Harris Morden	1,793,560	1,200,000	0	0	0	0	0	0	0	0
Raynes Park	0	0	0	0	0	0	0	0	0	0
<u>SEN Expansion</u>										
Perseid	850,000	650,000	0	0	0	0	0	0	0	0
Secondary School Autism Unit	1,110,000	200,000	0	0	0	0	0	0	0	0
Further SEN	2,434,360	3,000,000	0	0	0	0	0	0	0	0
<u>Other CSF</u>										
Schools Capital Maintenance	670,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
School Loans	104,450	0	0	0	0	0	0	0	0	0
Admissions IT	0	0	105,000	0	0	0	105,000	0	0	0
Total Children, Schools and Families	15,171,730	8,415,400	5,436,000	650,000	650,000	650,000	755,000	650,000	650,000	650,000

Capital Programme as at August 2016 Monitoring - October 2016 Cabinet with Bids

Corporate Services									
<u>Business Improvement</u>									
Replacement Social Care System	200,000	350,000	0	0	0	0	2,100,000	0	0
Planning&Public Protection Sys	0	510,000	0	0	0	0	0	0	550,000
Revenue and Benefits	0	400,000	0	0	0	0	0	400,000	0
Spectrum Spatial Analyst Replacemen	0	42,000	0	0	42,000	0	0	42,000	0
Capita Housing	100,000	0	0	0	0	100,000	0	0	0
Aligned Assets	0	75,000	0	0	0	0	75,000	0	0
Replacement Document Management	0	0	0	0	0	0	900,000	0	0
Electronic Asset Management	190,000	0	0	0	0	0	0	240,000	0
Customer Contact	0	0	0	0	2,000,000	0	0	0	2,000,000
<u>Corporate</u>									
<u>Facilities Management</u>									
Invest to Save Schemes	900,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Capital Works Facilities	300,000	300,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Water Safety Works	150,000	100,000	0	0	0	0	0	0	0
Asbestos Safety Works	250,000	250,000	0	0	0	0	0	0	0
Schools PV&Energy conservation	2,000,000	0	0	0	0	0	0	0	0
Civic Centre Boilers	0	300,000	0	0	0	0	0	0	0
Civic Centre Staff Entrance Improveme	200,000	0	0	0	0	0	0	0	0
Civic Centre Lightning Upgrade	0	0	300,000	0	0	0	0	0	0
Civic Centre Block Paving	75,000	0	0	0	0	0	0	0	0
Multi-Function Device	75,000	0	600,000	0	0	0	0	600,000	0
<u>Information Tecnology</u>									
Planned Replacement Programme	1,746,000	510,000	430,000	860,000	770,000	560,000	575,000	430,000	860,000
IT Enhancements	200,000	275,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Data Centre Support Equipment	0	300,000	0	0	0	0	0	0	0
<u>Resources</u>									
Improving Financial Systems	0	0	0	0	0	700,000	0	0	0
Full EDRMS Invoice Solution SCIS/FIS	0	0	0	0	0	0	0	0	0
Replacement of Civica Icon	0	0	0	125,000	0	0	0	0	0
Total Corporate Services	6,386,000	3,712,000	2,480,000	2,135,000	3,962,000	2,510,000	4,800,000	2,862,000	4,560,000
Total Merton	43,070,490	23,924,540	15,268,000	8,432,000	8,944,000	7,457,000	9,852,000	7,869,000	13,915,000

Movement in the Revised Capital Programme 2017-26

<u>Department</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
<u>Community and Housing</u>									
<u>Libraries</u>									
Library Self Service	0	0	0	0	0	0	0	0	350,000
Colliers Wood Re-Fit	0	0	0	0	0	0	0	0	0
West Barnes Library Re-Fit	0	0	0	0	0	0	0	0	0
Library Management System	0	0	0	0	0	0	0	0	0
<u>Housing</u>									
Disabled Facilities Grant	0	0	0	0	0	0	0	0	280,000
Total Community and Housing	0	0	0	0	0	0	0	0	630,000

Movement in the Revised Capital Programme 2017-26

APPENDIX 1

Appendix 3

Environment and Regeneration										
<u>Footways</u>										
Repairs to Footways	0	0	0	0	0	0	0	0	0	1,000,000
<u>Greenspaces</u>										
Parks investment	0	0	0	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	300,000
Parks Bins - Finance Lease	0	0	0	0	0	0	0	0	0	0
Pay & Display Machine	0	0	0	0	0	0	0	0	0	60,000
<u>Highways General Planned Works</u>										
Surface Drainage Water	0	0	0	0	0	0	0	0	0	77,000
Highways and Bridges Structures	0	0	0	0	0	0	0	0	0	260,000
Maintain AntiSkid and Coloured	0	0	0	0	0	0	0	0	0	90,000
<u>Highways Planned Road Works</u>										
Borough Roads Maintenance	0	0	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	1,200,000
<u>Leisure Centres</u>										
Leisure Centre Plant and Machines	0	0	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	250,000
Morden Leisure Centre	0	0	0	0	0	0	0	0	0	0
Wimbledon Park Lake De-Silting	0	0	0	0	0	0	0	0	0	0
<u>Other E&R</u>										
Replacing Handheld Computers	0	0	0	0	0	0	0	0	0	0
<u>On and Off Street Parking</u>										
Improved parking- shop parades	0	0	0	0	0	0	0	0	0	0
<u>Regeneration Partnerships</u>										
Mitcham Major Schemes - TfL	0	0	0	0	0	0	0	0	0	0
Industrial Estate Investment	0	0	0	0	0	0	0	0	0	0
Transportation Enhancements	0	(4,000,000)	3,000,000	1,000,000	0	0	0	0	0	0
<u>Street Lighting</u>										
Street Lighting	0	0	0	0	0	0	0	0	0	290,000
<u>Street Scene</u>										
B591b Shop Front Improvement	0	0	0	0	0	0	0	0	0	0
Street Tree Programme	0	0	0	0	0	0	0	0	0	60,000
<u>Transport for London</u>										
TfL Unallocated	0	0	0	0	0	0	0	0	0	0
Morden TfL	0	0	0	0	0	0	0	0	0	0
<u>Transport and Plant</u>										
Replacement Fleet Vehicles	(100,000)	(100,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	300,000
SWLP Vehicles	0	0	0	0	0	0	0	0	0	3,956,000

Movement in the Revised Capital Programme 2017-26

<u>Traffic and Parking Management</u>									
Traffic Schemes	0	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	150,000
<u>Waste Operations</u>									
Alley Gating	0	0	0	0	0	0	0	0	40,000
Waste Bins - Finance Lease	0	0	0	0	0	0	0	0	0
SWLP IT	0	0	0	0	0	0	0	0	42,000
SWLP Depot	0	0	0	0	0	0	0	0	0
SWLP Wheelie Bins	0	0	0	0	0	0	0	0	0
Total Environment and Regeneration	(100,000)	(4,125,000)	2,825,000	800,000	(200,000)	(200,000)	(200,000)	(200,000)	8,075,000

Movement in the Revised Capital Programme 2017-26

Children, Schools and Families									
<u>Primary Expansions</u>									
<u>Secondary Expansion</u>									
St Marks	0	(2,169,200)	2,681,000	0	0	0	0	0	0
New 6fe School	0	0	(1,979,100)	(6,000,000)	(4,008,000)	0	0	0	0
Harris merton	0	0	0	0	0	0	0	0	0
Harris Morden	0	500,000	0	0	0	0	0	0	0
Raynes Park	(100,000)	(1,530,000)	(4,200,000)	0	0	0	0	0	0
<u>SEN Expansion</u>									
Perseid	0	0	0	0	0	0	0	0	0
Secondary School Autism Unit	0	200,000	0	0	0	0	0	0	0
Further SEN	0	0	(1,000,000)	0	0	0	0	0	0
<u>Other CSF</u>									
Schools Capital Maintenance	0	0	0	0	0	0	0	0	650,000
School Loans	0	0	0	0	0	0	0	0	0
Admissions IT	0	0	0	0	0	0	0	0	0
Total Children, Schools and Families	(100,000)	(2,999,200)	(4,498,100)	(6,000,000)	(4,008,000)	0	0	0	650,000

Movement in the Revised Capital Programme 2017-26

Corporate Services										
<u>Business Improvement</u>										
Replacement Social Care System	200,000	350,000	0	(150,000)	(1,950,000)	0	2,100,000	0	0	0
Planning&Public Protection Sys	(510,000)	510,000	0	0	(550,000)	0	0	0	0	550,000
Revenue and Benefits	0	0	0	0	0	0	0	0	0	0
Spectrum Spatial Analyst Replacement	0	0	0	0	0	0	0	0	0	0
Capita Housing	0	0	0	0	0	0	0	0	0	0
Aligned Assets	0	0	0	0	0	(75,000)	75,000	0	0	0
Replacement Document Management	0	0	0	0	0	0	900,000	0	0	0
Electronic Asset Management	190,000	0	(190,000)	0	0	0	(190,000)	240,000	0	0
Customer Contact	0	0	0	(200,000)	200,000	0	0	0	0	2,000,000
<u>Corporate</u>										
<u>Facilities Management</u>										
Invest to Save Schemes	0	0	0	0	0	0	0	0	0	300,000
Capital Works Facilities	0	0	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	650,000
Water Safety Works	0	0	0	0	0	0	0	0	0	0
Asbestos Safety Works	0	0	0	0	0	0	0	0	0	0
Schools PV&Energy conservation	0	0	0	0	0	0	0	0	0	0
Civic Centre Boilers	0	0	0	0	0	0	0	0	0	0
Civic Centre Staff Entrance Improveme	0	0	0	0	0	0	0	0	0	0
Civic Centre Lightning Upgrade	0	0	0	0	0	0	0	0	0	0
Civic Centre Block Paving	0	0	0	0	0	0	0	0	0	0
Multi-Function Device	0	0	0	0	0	0	0	0	0	0
<u>Information Tecnology</u>										
Planned Replacement Programme	0	0	0	0	0	0	0	(145,000)	0	860,000
IT Enhancements	0	0	0	0	0	0	0	0	0	200,000
Data Centre Support Equipment	0	0	0	0	0	0	0	0	0	0
<u>Resources</u>										
Improving Financial Systems	0	0	0	(700,000)	0	700,000	0	0	0	0
Full EDRMS Invoice Solution SCIS/FIS	0	0	0	0	0	0	0	0	0	0
Replacement of Civica Icon	0	0	0	0	0	0	0	0	0	0
Total Corporate Services	(120,000)	860,000	(240,000)	(1,100,000)	(2,350,000)	575,000	2,835,000	45,000	0	4,560,000
Total Merton	(320,000)	(6,264,200)	(1,913,100)	(6,300,000)	(6,558,000)	375,000	2,635,000	(155,000)	0	13,915,000

Equality Analysis

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

What are the proposals being assessed?	Review of management costs within CSF to deliver savings over 2016/18 – CSF 2015-07
Which Department/ Division has the responsibility for this?	CSF Cross cutting

Stage 1: Overview	
Name and job title of lead officer	Director of CSF
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)	In the light of the level of savings needed across CSF and the impact on the size and scope of the department to review service structures and to design new structures to enable the department to reduce management costs and remain fit for purpose. At this stage we expect this will require a reduction of 13 posts from a total of 268FTE. There will be a focus on core functions in education and social care and we will redesign our workforce across a smaller overall department.
2. How does this contribute to the council's corporate priorities?	CSF delivers the council's statutory education, children's social care, early years and youth justice and broader statutory functions relating to children schools and families. The department is down-sizing but must remain fit for purpose with appropriate spans of management to operate a safe and effective set of services within the reduced resources available. A smaller workforce will reduce our ability to work on cross cutting issues and new developments.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The leadership and management team of the department with be most affected and there will need to be consultation with staff and partners as we deliver integrated children's services through our Children's trust and MSCB partnerships
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	This proposal cuts across CSF but will need to be considered by CMT and partners as it may impact on the department's ability to contribute to shared work and objectives internally and externally. We will use the Council's agreed HR policies and procedures for restructuring. An EA will be developed for the service change staffing proposals as and when we are able to be clearer about the exact number of staff reductions required, the affected divisions and services. We will require new systems to be embedded, primarily (MOSAIC) and to have embedded flexible working across the department. Work is already underway in terms of developing the CSF workforce to be more highly skilled and flexible, therefore, meeting the

increased demands with a reduced number of staff.

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).

CSF's workforce is diverse and the profile shows that BME staff and women are well represented at most layers in the organisation. We are below our target for employees with disabilities but have some evidence of colleagues with disabilities not identifying themselves formally out of choice. The development of proposals to reshape the department's management structures will be undertaken through the council's agreed processes and there will be particular consideration of the impact of any changes on protected groups. Detailed impact assessments will be undertaken as the project is initiated and throughout the process. HR will provide both advice and challenge to ensure impact is not disproportionately felt on protected groups. The council has statutory duties as an employer which it will also need to fulfil and will need to reconcile any competing requirements across these different legislative areas. During the review of our processes we will ensure they are LEAN.

Page 57

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					At this stage of process it is not possible to evidence impact for the different characteristics, however, detailed assessments will be undertaken throughout the development and implementation stages to ensure impact does not fall disproportionately on particular protected groups (staff reductions are being realised via: deleting a vacant post in School Org and two members of the joint leadership team requesting VR).

Disability					See above
Gender Reassignment					See above
Marriage and Civil Partnership					See above
Pregnancy and Maternity					See above
Race					See above
Religion/ belief					See above
Sex (Gender)					See above
Sexual orientation					See above
Socio-economic status					See above

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?
To review proposals and implementation at key points to ensure EA is not disproportionate.	Undertake EA's at key stages of the process: design; implementation	EA's undertaken	To be determined as part of programme	Existing	CSF Business partner	

Page 60

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

Programme management to include an overview and actions to mitigate any potential negative equalities implications, to be developed with HR Business Partner and DMT (CSF).

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Carol Cammiss	Signature:	Date:
Improvement action plan signed off by Director/ Head of Service	Yvette Stanley	Signature:	Date:

Safer Merton Savings 2017-18 - Alternative for E&R 43

What are the proposals being assessed?	Re-profiling of Safer Merton savings for 2017-18
Which Department/ Division has the responsibility for this?	Environment and regeneration

Stage 1: Overview	
Name and job title of lead officer	Chris Lee, Director of E&R
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 revised proposal will see Safer Merton achieve savings of £70,000 through refining non-essential spend rather than through staff reductions as previously proposed. The Safer Merton Manager has undertaken review of every single budget line within the services full budget profile and has identified a range of efficiencies to be made. The service will operate only with essential spend requirements and we will remove large, non-statutory service costs alongside trimming back on budgets which have previously been underspent against. By making savings from each cost line we will achieve budget reduction without the need to further reduce staffing levels</p> <p>This would mean that we can maintain our current offers in key business areas such as ASB, Domestic Violence and Abuse, Neighbourhood Watch, Integrated Offender Management and the partnerships analytical support</p>
2. How does this contribute to the council's corporate priorities?	This is a financially driven target to ensure that Safer Merton contributes to E&Rs, and in turn, the councils, saving targets
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	There will be minimal effect on our customers as the savings targets do not affect staffing. There may be some impact on campaigns, due to cuts in communications budgets, but actual service delivery is maintained.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	<p>The delivery of Community Safety functions are the statutory responsibility of all. Under the Crime and Disorder Act 1998, every service and partner needs to consider the impact of crime and ASB under all that they do</p> <p>This work is overseen and driven by the Safer Merton team whom co-ordinate the work</p>

Page 62

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).

Through the annual strategic assessment and through changes in the London Mayor we have identified that our previous savings proposals would have negatively impacted upon our residents, businesses and visitors within the borough. Merton is a safe borough and has been consistently. Further staff cuts could put this status at risk.

The re-profiling should allow the Safer Merton Partnership to maintain recent success and build on this moving in to the new financial year and subsequent electoral periods.

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				If the proposals are agreed there are likely to be significant positive impacts on the community at large as we maintain our status as a safe borough
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

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

APPENDIX 4

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

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


Page 64

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assessment completed by	Neil Thursday, Safer Merton Manager	Signature: 	Date: 19/09/19	
Improvement action plan signed off by Director/ Head of Service	John Hill, Head of Public Protection	Signature:	Date:	

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?	Introduction of self-service libraries at off peak times in branch libraries. Consolidation of managers at branch libraries and staff reductions at all library sites.
Which Department/ Division has the responsibility for this?	Community and Housing / Libraries

Stage 1: Overview	
Name and job title of lead officer	Annette Acquah – Libraries Transformation 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)	<p>As part of the Medium Term Financial Strategy, libraries along with all services are required to deliver savings. This proposal will deliver a significant part of the libraries savings target whilst ensuring that all libraries remain open and current opening hours are maintained. There will however be some impact on the quality of service delivered.</p> <p>This proposal includes the introduction self-service libraries at branch sites during quiet periods, shared management roles across branch sites, staff reductions across all libraries. In order to achieve this staff roles will need to be redefined with an increased reliance on volunteers and security guards for the continued delivery of services. The alternative delivery model for libraries will deliver a total saving of £190,000.</p>
2. How does this contribute to the council’s corporate priorities?	<p>In the set of guiding priorities and principles adopted in July 2011, the council set out its commitment to provide a certain level of essential services for residents with the continued provision of everything that is statutory being the top priority of “must” services. The Council also highlights its commitment to doing all that it can to help residents who aspire. In particular it sets out keeping the borough as a good place for the young to grow as one of its priorities.</p> <p>Merton Library Service falls under the Public Libraries and Museums Act 1964 which places a statutory duty on all local authorities to provide a “free and efficient” library service to residents. Whilst library services must be provided with free access to membership, books and information, authorities can decide on how these services are to be delivered.</p> <p>This proposal enables the continued provision of a statutory library service. It sees libraries acting as an</p>

	<p>enabler through the development of partnerships to deliver added value services such as initiatives to help young people to develop their literacy skills and employability sessions to support the unemployed and those looking to improve their career prospects.</p> <p>The savings proposed will deliver a significant portion of the libraries savings target set as part of the Council's MTFS.</p>
<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>The library service is open to anyone living, working, learning or visiting the borough and is intended to benefit all. Some library users reside in neighbouring boroughs that are in close proximity to a Merton library. There are over 65,000 customers that regularly use libraries with over 124,000 registered library members. In 2015/16 there were approximately 1,150,000 visits to a Merton library and 232,472 customers accessed library services online.</p> <p>The service currently has a staffing workforce of 43.56 FTE with approximately 340 active volunteers supporting service delivery. Security guards are timetabled in to provide support and enable the continued delivery of services. All library staff, volunteers and security guards will be affected by the proposals.</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>There are a number of partnerships in place to support and enable the delivery of library services. Key partners include:</p> <ul style="list-style-type: none"> - The London Libraries Consortium for the sharing of Library Management Systems and Stock procurement contracts across 18 local authorities - Merton Voluntary Services Council-for the delivery of the Home Visits Library Service and support with volunteering arrangements - Organisations such as the Alzheimer's Society, Next Steps Career Service, University of the Third Age and Explore Learning for the delivery of health, employability support, lifelong learning, children's activities and other added value services in libraries. - External contractors assigned to carry out cleaning, building maintenance, and other works in libraries.

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).

<p>Evidence reviewed:</p> <ul style="list-style-type: none"> - Outcome of previous consultation exercises including the Working Age and Older People Library Non-User Survey, Annual Residents Survey, Public Library User Surveys, Opening Hours Survey, Library Staff Surveys and staff consultation on the alternative delivery

model.

- Analysis of library customer profiles including breakdown by age, gender, ethnicity and disability.
- Service monitoring reports looking at volunteer and partner statistics as well as library usage data including visitor figures, self service usage, issue figures, active usage data etc.
- National and local statistics including Merton Observatory, census data and CIPFA benchmarking data
- Insight gathered from library managers, frontline staff, volunteers, partners, security guards, customers and other feedback.
- Quarterly complaints and comments reports.

Summary of key findings:

- High usage of libraries with 62% of Merton residents registered as library members and 32% of residents regularly using library services.
- Wimbledon, Morden and Mitcham Libraries accounted for 69% of all visits to a Merton library.
- There is a higher than average active use of libraries among people from a Black ethnic or mixed race background with 38% and 36% respectively of these populations actively using libraries.
- Usage is lowest among the white population with only 23% of this group actively using libraries. 45% of library users are from a white background.
- 32% of the Asian population actively use libraries, this is consistent with active usage across the entire Merton population.
- 2% of active users have registered a disability. 22% of active library users with a disability have a learning difficulty and 15% have a mental health condition. 0.3% of users have a mobility related disability.
- 42% of library users are male, 56% are female. The gender of 2% of active users is unknown.
- 98% of users rate opening hours as very good (54%), good (37%) or adequate (9%).
- Satisfaction is well above the London average with 82% of residents rating library services as good to excellent
- 96% of customer transactions are completed through self-service machines.
- 74% of all library transactions take place between 10am and 12pm and 1pm and 5pm on weekdays.
- Libraries were generally quiet over the lunch hour with transaction levels falling to three or less per hour on occasion in four of the seven libraries.
- Only 5% of transactions took place between 5 and 7pm across all libraries.
- Usage is highest among children aged 5-9. 84% of the Merton population aged 10-14 years and 37% of those aged 0-4 years actively use libraries.
- Usage of libraries progressively declines from the age of 15 years onwards with an average of 9% of those aged 75years + using libraries.

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		<p>During self-service periods there will be a reduced staffing presence with lone working in place to safeguard the interests of young people and vulnerable adults.</p> <p>Termly library visits are arranged for all Merton school classes to encourage the habit of reading for pleasure from a very young age. A reduction in staffing capacity could restrict the ability to continue to deliver these.</p>
Disability			x		<p>During self -service periods there will be limited support for people with disabilities to access services.</p> <p>The majority of library customers with a disability have a mental health condition or a learning disability. Staff have been trained to support customers with a mental health problem and customer support will be reduced during self-service periods.</p>
Gender Reassignment		x		x	Limited data is held to ascertain whether there is any potential impact.
Marriage and Civil Partnership		x		x	Limited data is held to ascertain whether there is any potential impact.
Pregnancy and Maternity		x		x	
Race	x		x		<p>There are a wide range of social activities delivered in libraries to promote diversity and community cohesion. With a reduction in staffing levels it is expected that fewer activities and events will be offered.</p> <p>There will be an increased reliance on security guards and volunteers for service delivery. Having a volunteer force that reflect the diversity of the community served will help develop our understanding of the local residents served.</p>
Religion/ belief		x		x	
Sex (Gender)		x		x	
Sexual orientation		x		x	
Socio-economic status		x	x		Many services are currently offered to support those looking to enter into employment and/or progress their careers. A reduced staffing resource could impact on the capacity to continue to coordinate and deliver these.

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

- We will seek to maintain opening hours through the introduction of self service periods during quiet periods. A security guard and volunteer presence will be maintained at all times to provide support for all customers and in particular to safeguard the vulnerable and support people with disabilities.
- Ensure that all security guards have enhanced training in safeguarding and disability awareness.
- All staff and security guards will receive training in supporting people with a learning disability.
- All security guards will receive training in supporting customers with mental health problems
- Reduce school visit schedule whilst ensuring that all school children have a quality interaction with their library service over the course of an academic year. We will work with primary schools to develop new initiatives as well as browse and borrow sessions which will involve children accessing services with minimal staff input. Offering services that are less resource intensive will ensure that we continue to promote and encourage the active use of libraries with reduced capacity.
- We will proactively engage with community groups to develop services and activities that are well tailored to their needs.
- To seek to develop a volunteer force that further reflects the diversity of the community served.
- Further develop partner working relations with other organisations to offer a wide range of employability support services in libraries.

Page 68

Stage 4: Conclusion of the Equality Analysis

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?
Safeguarding young people and vulnerable adults	To ensure that a security guard presence is maintained in libraries at all times	Security guards in libraries during all opening hours.	End of March 17	Existing	DC	Yes
	To seek to recruit a team of volunteers to provide support in libraries during self-service periods.	Volunteer cover during self-service periods				
	To ensure that all security guards receive safe guarding training	100% of security guards receive safeguarding training				
Reduced capacity school activities	Work with schools to develop a consolidated library offer	40% reduction in the staff time spent coordinating school activities	June 2017	Existing	AA	Yes
	Develop and coordinate browse and borrow sessions for children	Maintenance of number of children actively using libraries				
Reduced support for people with mental health conditions	All security guards trained in supporting customers with mental health problems	All security guards trained to identify and support customers with mental health problems	End of March 2017	Existing	DC	Yes
Limited support for people with learning difficulties	All staff and security guards receive training in supporting customers with a learning difficulty	100% of security guards complete training. Mystery shopper exercises	End of March 2017	Existing	DC	Yes

		and customer feedback				
Restricted access to services for those with mobility issues	Awareness training for all security guards and select volunteers	Number of volunteers and security guards trained	End of March 2017		DC	Yes
Risk of reduced access to services for ethnic minority groups	Engagement workshops held with ethnic minority groups	2 workshops held to gather insight. Priority areas consolidated into service model	End of March 2018		AA/JI	Yes
Limited support for those seeking employment or to develop their career prospects	Identify and establish working relations with partners to provide employability support sessions in libraries.	Weekly employability support sessions available in libraries in the deprived wards of the borough and where there is a demand.	End of March 2017		AA	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.

Page 7
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>2</u> Assessment
The Equality Analysis in this assessment identifies any potential negative impact of these proposals. The Equality Analysis action plan will be managed by the Library, Heritage & Adult Education Service and reports will be provided to members and officers as and when required.
This proposal will ensure that all libraries remain open and are accessible to all of the community but acknowledges that reduced capacity will mean that levels of support for customers and the breadth of community engagement will be reduced but focused on key groups.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Annette Acquah Service Transformation Manager	Signature:	Date: 21 September 2016
Improvement action plan signed off by Director/ Head of Service	Anthony Hopkins Head of Libraries, Heritage and Adult Education Services	Signature:	Date: 22 September 2016

Committee: Sustainable Communities Scrutiny

Date: 1st November 2016

Wards: All

Subject: Planning Shared Service Outcome Report

Lead officer: James McGinlay – Assistant Director of Sustainable Communities

Lead member: Martin Whelton – Cabinet Member for Environment & Housing

Contact officer: Paul Schafer – Strategic Project Manager

Recommendations:

- A. Review and comment on the report's recommendations
 - B. Agree the activity plan
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To report on the outcome of the initial phase of a full business case development project for a planning shared service.

2 DETAILS

- 2.1. In April 2016, Member approval was given to a project to develop a full business case for a shared approach to the commissioning of elements of the planning services by the London Boroughs of Sutton, Merton and Kingston. This report presents back an update on the work carried out and the options for discussion and consideration.

3 ALTERNATIVE OPTIONS

- 3.1. The report presents several options for consideration and discussion.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The project involved the three Heads of Planning and involved regular consultation via newsletters and meetings with staff to ensure staff were engaged in the process.

5 TIMETABLE

- 5.1. Please see Appendix 2- Activity plan. Appendix 2 contains details of the time table of activities going forward subject to agreement from all three boroughs.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Please see attached report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. NA

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. NA

9 CRIME AND DISORDER IMPLICATIONS

9.1. NA

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. NA

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

- Appendix 2 – Planning Shared Service outcome report
- Appendix 1 – Activity Plan

12 BACKGROUND PAPERS

12.1. None

SHARED SERVICE COMMISSIONING OF PLANNING SERVICES
FULL BUSINESS CASE DEVELOPMENT PROJECT
OUTCOME REPORT
COMMITTEE - VARIOUS
REPORT AUTHOR - PAUL KING

1: REPORT PURPOSE

To report on the outcomes of the initial phase of a full business case development project and to present recommendations for discussion and decision.

2: BACKGROUND

2.1: In April 2016, Member approval was given to a project to develop a full business case for a shared approach to the commissioning of elements of the planning services by the London Boroughs of Sutton, Merton and Kingston.

2.2: The outline business case presented to Members identified the following as the expected benefits for the shared approach; to

- achieve financial benefits through savings and growth in income
- deliver more sustainable and resilient planning services through the pooling of resources
- maintain and improve the quality of services in scope
- deliver efficient services that are competitive

2.3: This outcome report summarises the findings of the project's initial "due diligence" phase which was undertaken to:

- conduct analysis of service data to (a) benchmark performance between partners (b) identify opportunities for service optimisation and (c) suggest most appropriate vehicle for implementing opportunities for service optimisation
- identify, with service leads, issues and concerns associated with implementing a shared approach to planning services across the three Boroughs
- assess whether the expected benefits for a shared approach could otherwise be achieved (a) through individual service reorganisation (b) through a combination of individual service reorganisation combined with collaboration on appropriate elements of service

2.4: The Project Board considered and endorsed interim and final drafts of this outcome report at their meetings of 8 September and 17 October 2016.

3: OUTCOMES

3.1: Service data analysis

Independent analysis of service data has been undertaken by i-Three Analytics, a consultancy with sector specific experience and expertise in supporting development of public sector shared service business cases. All findings have been validated by service leads and were discussed at the Project Board meeting of September 2016.

In overview, although the planning mix profiles of the Boroughs are broadly similar, analysis has highlighted variations in; average staffing costs; levels of application income; volumes of avoidable contact and additional work (caused principally by agent performance and consultee response times); validation rates; and management of workflow.

Two key points are clear from the analysis. Firstly, there appear to be substantial opportunities for Boroughs to make headway towards realising expected benefits (see section 3.3.1). Secondly, there is no evidence to justify moving towards any specific configuration (i.e. stand alone, collaboration or shared service). Boroughs therefore have scope to achieve efficiencies and improve service independently and without recourse to formal sharing. However, because certain key barriers to service improvement appear to be external to the services (e.g. agents and consultees) and therefore more challenging to individual Boroughs to overcome, collaboration on certain aspects of planning service delivery may also be advantageous (see section 3.3.2).

3.2: Issues and concerns

Borough service leads have identified the following issues and concerns associated with implementing a shared approach to planning services (unless specified these are common to the three Boroughs).

Service leads feel that the effort of formally sharing at this point could be detrimental to service improvement and staff morale especially where analysis of service performance is suggesting that other options to improve service and deliver efficiencies are available independently and without recourse to sharing. Boroughs feel that deferring the development of a formal shared approach at this point would reduce the immediate risks to business as usual while making such changes. By informally sharing, making internal individual changes to our structures, having consistent processes across all three authorities, joint development plans for staff, development of joint written and electronic materials as well as jointly tackling tough issues like the management of agents will allow a more measured, evolutionary approach to

improvement, and convergence prior to moving to a possible formal share in the future.

The differential savings targets required by Merton at this time, relative to Kingston and Sutton imply development of a 2 tier service in terms of productivity, capacity and quality and it is likely that this would be unacceptable to Members in all Boroughs. It is not clear how the relative "purchasing power" of the individual partners in the allocation of costs for a shared service could be reconciled without compromising quality of delivery.

The introduction and embedding of a new Planning IT system (IDOX) by Kingston and Sutton could be compromised by the coincidental transition to a shared service arrangements.

A degree of uncertainty remains about the proposal of Kingston and Sutton to establish a shared service vehicle (SSV). Transition to interim arrangements, pending the possible future introduction of the SSV, could have detrimental implications for staff morale and for the capacity of the Boroughs to attract, recruit and retain staff. The position of Merton outside of the SSV also requires clarification.

In Kingston, a corporate decision about the future of Business Support (BS) remains pending, and it is presently unclear whether a centralised BS service will be retained or if this approach will be pulled apart and BS devolve into the relevant services. The outcome of decision making will have implications for deployment of any BS staff within a shared planning service. The decision timeline has not yet been agreed.

Variation in the proposed scope of the shared service, particularly with respect to Major Applications, has significant potential to work against improving staff recruitment, retention and development as it may reduce or remove altogether the opportunity to work on large planning projects.

3.3: Alternative opportunities

The following sections summarise opportunities for in-house change and cross borough collaboration that have been identified through data analysis and from the in-house reorganisation exercise.

Although not ruling out a move to formal shared approach at some future point, a consensus view across the Boroughs has emerged that combining in-house change with informal cross Borough collaboration may be a more preferable way forward, in

the short and medium term and leave us in a far better position for a formal share at a later date:

- (a) having a more immediate potential to yield the required efficiencies and expected benefits
- (b) presenting significantly less business and political risk than a formal share
- (c) avoiding the transitional costs of implementing formal sharing arrangements

3.3.1: Opportunities for in-house change

Options currently under consideration by the individual Boroughs include;

- Reorganisation of service management
- Commercialisation and/or outsourcing of Building Control
- Cessation or rescaling of Building Control
- Integration of dedicated business support within planning
- Changes to business process design and workflow management
- “Plain English” revisions to web-based planning information to reduce levels of avoidable contact and work

The introduction of a new planning IT system (IDOX) in Kingston and Sutton is anticipated to yield performance improvements in the range of 5--10% and may open up opportunities for staffing efficiencies.

3.3.2: Opportunities for cross-Borough collaboration

In response to the data analysis findings, Boroughs are now exploring the establishment of a strategic “Smart Sharing” planning partnership. The three boroughs have committed to continue to work together to develop this innovative approach which has the common purpose of achieving a convergence on performance and quality. Development options for the partnership include;

- Informal sharing of staff through seasonal cover arrangements
- Fixed term professional development and project specific secondment
- Creation of a flexible pool of expert staff (e.g. planning policy, trees, enforcement) geared to changes in demand across the 3 Boroughs
- Joint approaches to staff development, recruitment and procurement
- Introducing an approved status for agents (three boroughs collectively), to improve the quality of agent applications with the objective of reducing levels of “avoidable work” by improving the operation of the planning “supply chain”.

4: CONCLUSION AND RECOMMENDATIONS

4.1: The initial “due diligence” phase of this project has highlighted a range of issues that challenge the viability of establishing a shared planning service at this point.

In summary, these are:

- differing drivers for a new shared service (particularly around financial targets)
- divergence on the scope of the proposed shared service
- other business change processes and pending decisions which are coincidental to the proposed timeline for the implementation of shared service
- no compelling evidence pointing towards any specific service configuration (i.e. stand alone, collaboration or shared service)
- identification of substantial opportunities to achieve expected benefits without recourse to full sharing
- a sense amongst service leads that the effort of sharing would be a distraction to more rapid progress and might be detrimental to service improvement and staff morale

4.2: Members are invited to approve that the 3 Boroughs:

- suspend development of formal shared service commissioning arrangements for planning services
- implement individual service changes to achieve efficiencies and expected benefits
- continue to work in partnership to develop a “Smart Sharing” programme for elements of planning service delivery where sharing has a clear business advantage
- review the necessity and viability of a shared approach for planning service within 18 months of commencing “Smart Sharing” programme
- undertake work to develop a detailed options appraisal for Building Control

4.3: The following benefits are anticipated to result from these recommendations:

- avoidance of many of the business and political risks of establishing a shared service
- efficiencies and service improvements realised over a shorter timescale than that typically associated with formally shared service
- improved staff morale and reduced turnover deriving from staff engagement in service improvements and enhanced professional development opportunities
- measured and evolutionary development of Smart Sharing working practices across the three Boroughs with the option reserved to move to formal sharing arrangements in future
- continued positive collaboration and sharing of best practise between the three Boroughs

Appendix 2: activity plan for implementation of recommendations

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COMMISSIONING OF PLANNING SERVICES PROJECT

PHASE 2 ACTIVITY PLAN (to April 2017)

WORKSTREAM	INITIAL ACTIVITIES	TIMESCALE	LEAD
Smart Sharing	Design and implement 3 Smart Sharing “proof of concept” or test projects to explore the following: 1: Sharing staff resource (Sutton) 2: Validation quality improvement (Kingston) 3: Web content and written materials (Merton) Project lead in brackets.	10/16 – 3/17	Heads of Planning (HoP) take lead on individual project
	Evaluate impact of test projects and develop BAU implementation plans appropriate to outcome.	3/17 forwards	HoP
	Research “best practice” in shared planning and other services and identify key elements for application to Smart Sharing workstream.	11/16 – End 2/17	PM
	Continue joint analysis of service workflow and productivity data.	End 2/17	PM/Business Managers
	Consult with staff, stakeholder and service user on priorities for service improvement through Smart Sharing.	End 2/17	
	Develop joint Smart Sharing programme plan to implement learning from “proof of concept” projects; best practice research; analysis of service data; stakeholder and service user consultation.	End 4/17	Heads of Service and HoP
	Building Control Options Appraisal	Undertake service data analysis, research previous BC improvement initiatives; assess strengths and weaknesses of existing services; research best BC practice elsewhere.	10/16-mid 12/16
Establish consensus on expected benefits, design evaluation criteria and conduct high level options appraisal.		11/16-mid 12/16	
Identify short list of options for detailed development and evaluation.		mid 12/16 – mid 2/17	
Design implementation plan for preferred options.		by end 3/17	

Communications and Stakeholder Engagement	Continue with existing arrangements for briefing staff. Project team and service leads to develop plans for engaging staff in workstreams.	Ongoing	Project team/service leads
Governance	Continue with existing arrangements with addition of Building Control leads to fortnightly Heads of Planning work stream group.	Ongoing	PM

E&R Performance Report September 2016

Public Protection

PI Code & Description	Sep 2016					YTD Result	Annual YTD Target	YTD Status
	Value	Target	Status	Short Trend	Long Trend			
Parking								
CRP 044 Parking services estimated revenue (Monthly)	1,411,270	1,601,810				6,837,994	7,458,749	
SP 127 % Parking permits issued within 5 working days (Monthly)	95%	90%				93.83%	90%	
SP 258 Sickness- No of days per FTE from snapshot report (parking) (Monthly)	1.93	0.75				8.23	4.5	
SP 397 % Cases won at PATAS (Monthly)	67.95%	54%				56.73%	54%	
SP 398 % Cases lost at PATAS (Monthly)	12.82%	21%				23.56%	21%	
SP 399 % Cases where council does not contest at PATAS (Monthly)	19.23%	25%				19.77%	25%	
SP 417 % Public Spaces CCTV cameras working (Monthly)	99.48%	95%				97.92%	95%	
Regulatory services								
SP 041 % Service requests replied to in 5 working days (Regulatory Services) (Monthly)	95.53%	95%				95.17%	95%	
SP 042 Income generation by Regulatory Services (Monthly)	£17,301	£20,000				£180,514	£159,000	
SP 111 No. of underage sales test purchases (Quarterly)	Quarterly measure					42	42	
SP 255 % licensing apps. determined within 28 days (Quarterly)	Quarterly measure					100%	100%	
SP 316 % Inspection category A,B & C food premises (annual)	Annual measure						97	N/A
SP 418 Annual average amount of Nitrogen Dioxide per m3 (Annual)	Annual measure						40	N/A
SP 419 Days Nitrogen Dioxide levels exceed 200 micrograms per m3 (Quarterly)	Quarterly measure					19	36	
SP 420 Annual average amount of Particulates per m3 (Annual)	Annual measure						40	N/A
SP 421 Days particulate levels exceed 50 micrograms per m3 (Quarterly)	Quarterly measure					0	17	
SP 422 % Food premises rated 2* or below (Quarterly)	Quarterly measure					10%	15%	

Streetscene and waste

PI Code & Description	Sep 2016					YTD Result	Annual YTD Target	YTD Status
	Value	Target	Status	Short Trend	Long Trend			
Waste Management								
CRP 047 / SP 068 No. of refuse collections including recycling and kitchen waste missed per 100,000 (Monthly)	38.40	50.00				46.98	50.00	
SP 064 % Residents satisfied with refuse collection (annual)	Annual measure						72%	N/A
SP 065 % Household waste recycled and composted (Monthly)	37.44%	38%				36.96%	38%	
SP 066 Residual waste kg per household (Monthly)	46.76	48				289.57	288	
SP 067 % Municipal solid waste sent to landfill (waste management & commercial waste) (Monthly)	49%	59%				59%	59%	
SP 071 Days lost from sickness per FTE from snapshot report (waste mgmt) (Monthly)	2.15	1.16				12.35	6.96	
SP 262 % Residents satisfied with recycling facilities (annual)	Annual measure						73%	N/A
SP 354 Total waste arising per households (KGs) (Monthly)	74.74	75				459.35	450	
SP 407 % FPN's issued that have been paid (Monthly)	69%	68%				71.67%	68%	
Street Cleaning								
CRP 048 % of sites surveyed on local street inspections for litter that are below standard (Monthly)	12.02%	8%				9.32%	8%	
CRP 049 / SP 059 No. of fly tips reported in streets and parks (Monthly)	254	300				1,562	1,800	
SP 058 % Sites surveyed on street inspections for litter (using NI195 system) that are below standard (KBT) (Quarterly)	Quarterly measure					9.38%	9%	
SP 061 Days lost through sickness per FTE from snapshot report (street cleaning) (Monthly)	0.73	1.16				4.84	6.96	
SP 062 % Sites surveyed below standard for graffiti (Quarterly)	Quarterly measure					5.19%	5.5%	
SP 063 % Sites surveyed below standard for flyposting (Quarterly)	Quarterly measure					1.71%	1%	
SP 139 % Sites surveyed below standard for weeds (Quarterly)	Quarterly measure					13.21%	13%	
SP 140 % Sites surveyed below standard for Detritus (Quarterly)	Quarterly measure					14.27%	14%	
SP 269 % Residents satisfied with street cleanliness (annual)	Annual measure						56%	N/A
Commercial waste								
SP 046 Total Income from commercial waste (Monthly)	£23,430	£10,000				£697,613	£540,750	
SP 377 % customer satisfaction with commercial waste service (annual)	Annual measure						89%	N/A
Transport								
SP 135 % MOT vehicle pass rate (transport passenger fleet) (Quarterly)	Quarterly measure					96.55%	95%	
SP 136 Average % time passenger vehicles in use (transport passenger fleet) (Annual)	Annual measure						85%	N/A
SP 137 % User satisfaction survey (transport passenger fleet) (annual)	Annual measure						85%	N/A
SP 271 In-house journey that meet timescales (transport passenger fleet) (Annual)	Annual measure						85%	N/A

SP 355 Spot checks on contractors (Transport Commissioning) (Monthly)	3	2	✓	↑	↓	27	17	✓
SP 393 Average sickness days per FTE from snapshot report (transport fleet) (Monthly)	0.78	0.95	✓	↓	↑	5.44	5.7	✓

Sustainable Communities

PI Code & Description	Sep 2016					YTD Result	Annual YTD Target	YTD Status
	Value	Target	Status	Short Trend	Long Trend			
Development and Building Control								
CRP 045 / SP 118 Income (Development and Building Control) (Monthly)	153,499	180,000	⊘	↓	↓	1,057,894	1,055,000	✓
CRP 051 / SP 114 % Major applications processed within 13 weeks (Monthly)	0%	55%	⊘	↓	↓	68.18%	55%	✓
CRP 052 / SP 115 % of minor planning applications determined within 8 weeks (Monthly)	46.43%	60%	⊘	↓	↓	65.47%	60%	✓
CRP 053 / SP 116 % of 'other' planning applications determined within 8 weeks (Development Control) (Monthly)	84.62%	82%	✓	↑	↑	87.38%	82%	✓
SP 040 % Market share retained by LA (Building Control) (Monthly)	43.86%	60%	⊘	↓	↓	46.92%	60%	⊘
SP 113 No. of enforcement cases closed (Monthly)	23	25	⚠	↓	↓	272	150	✓
SP 117 % appeals lost (Development & Building Control) (Quarterly)	Quarterly measure					33.23%	35%	✓
SP 380 No. of backlog enforcement cases (Monthly)	563	900	✓	↓	↑	563	900	✓
SP 408 % of residents satisfied with planning services (annual)	Annual measure						29%	N/A
SP 414 Volume of planning applications (Monthly)	374	366	✓	↑	↑	2,330	2,196	✓
Leisure Development								
SP 015 Income generated - Merton Active Plus activity (Monthly)	£956	£3,500	⊘	↓	↓	£40,646	£39,000	✓
SP 251 Income from Watersports Centre (Monthly)	£16,495	£13,840	✓	↓	↓	£303,154	£312,200	⊘
SP 325 % Residents rating Leisure & Sports facilities Good to Excellent (annual)	Annual measure						45%	N/A
SP 349 14 to 25 year old fitness centre participation at leisure centres (Monthly)	8,236	9,103	⚠	↓	↓	58,209	52,251	✓
SP 314 External capital & Revenue funding £ (Quarterly)	Quarterly measure					£0	£25,000	⊘
SP 405 No. of Leisure Centre users (monthly)	68,480	73,348	⊘	↑	↓	442,490	412,323	✓
SP 406 No. of Polka Theatre users (Quarterly)	Quarterly measure					32,549	36,000	⊘
Future Merton								
SP 020 New Homes (annual)	Annual measure						411	N/A
SP 265 Reduce total no. killed or seriously injured in road traffic accidents (annual)	Annual measure						45	N/A
SP 382 New jobs created - number of apprenticeships (Annual)	Annual measure						100	N/A
SP 383 No. of new businesses created through the Economic Development Strategy (EDS) (Annual)	Annual measure						300	N/A
SP 395 No. of new jobs created through the Economic Development Strategy (EDS) (annual)	Annual measure						600	N/A
SP 396 % Modal increase in cycling from 2% baseline in the borough (annual)	Annual measure						0.2%	N/A
Property Management								
SP 024 % Vacancy rate of property owned by the council (Quarterly)	Quarterly measure					0.2%	3.5%	✓
SP 025 % Debt owed to LBM by tenants inc businesses (Quarterly)	Quarterly measure					6.65%	8%	✓
SP 386 Property asset valuations (annual)	Annual measure						150	N/A
Parks and Open Spaces								
SP 026 Residents % satisfaction with parks & green spaces (annual)	Annual measure						73%	N/A
SP 027 Young peoples % satisfaction with parks & green spaces (annual)	Annual measure						72	N/A
SP 028 Total LBM cemeteries income (Monthly)	£33,518	£25,000	✓	↓	↓	£255,110	£205,000	✓
SP 029 Total outdoor events income (Monthly)	£6,475	£2,000	✓	↓	↓	£251,749	£159,000	✓
SP 032 No. of Green Flags (annual)	Annual measure					5	5	✓
SP 318 No. of outdoor events in parks (Monthly)	29	10	✓	↓	↑	151	118	✓
SP 385 Volunteer input in parks management (number of groups) (Annual)	Annual measure						40	N/A
Traffic and Highways								
SP 260 % Streetworks inspections completed (Quarterly)	Quarterly measure					56.84%	38%	✓
SP 327 % Emergency callouts attended within 2 hours (traffic & highways) (Monthly)	100%	100%	✓	-	-	100%	100%	✓
SP 328 % Streetworks permitting determined (Monthly)	100%	98%	✓	↑	↑	98.89%	98%	✓
SP 329 Percentage of Condition Surveys completed on time (traffic and highways) (annual)	Annual measure						95%	N/A
SP 350 Percentage of jobs completed where no Fixed Penalty Notice issued (Monthly)	96.99%	93%	✓	↑	↑	96.71%	93%	✓
SP 389 Carriageway condition - unclassified roads defectiveness condition indicator (annual)	Annual measure						19%	N/A
SP 390 Footway condition - defectiveness condition indicator (annual)	Annual measure						19%	N/A
SP 391 Average number of days taken to repair an out of light street light (Quarterly)	Quarterly measure					2.44	3	✓

Sustainable Communities – Community & Housing – September 2016

Dept.	PI Code & Description	Polarity	Sep 2016					YTD Result	Annual YTD Target	YTD Status
			Value	Target	Status	Short Trend	Long Trend			
Libraries	CRP 059 / SP 008 No. of people accessing the library by borrowing an item or using a peoples network terminal at least once in the previous 12 months (Mthly)	High	67,710	56,000				67,710	56,000	
Libraries	CRP 060 / SP 009 No. of visitors accessing the library service on line (Monthly)	High	114,241	97,600				114,241	97,600	
Libraries	SP 279 % Self-service usage for stock transactions (libraries) (Monthly)	High	97%	96%				97%	96%	
Libraries	SP 280 No. of active volunteers in libraries (Rolling 12 Month) (Monthly)	High	316	210				316	210	
Libraries	SP 282 Partnership numbers (Libraries) (Monthly)	High	62	30				62	30	
Libraries	SP 287 Maintain Library Income (Monthly)	High	£197,180	£140,000				£197,180	£140,000	
Housing Needs & Enabling	CRP 061 / SP 036 No. of households in temporary accommodation (Monthly)	Low	177	225				182	225	
Housing Needs & Enabling	CRP 062 / SP 035 No. of homelessness preventions (Monthly)	High	231	225				231	225	
Housing Needs & Enabling	SP 037 Highest No. of families in Bed and Breakfast accommodation during the year (Monthly)	Low	4	10				6.17	10	
Housing Needs & Enabling	SP 038 Highest No. of adults in Bed and Breakfast accommodation (Monthly)	Low	4	10				3.17	10	

Dept.	PI Code & Description	Polarity	Q2 2016/17					YTD Result	Annual YTD Target	YTD Status
			Value	Target	Status	Short Trend	Long Trend			
Housing Needs & Enabling	SP 277 Social Housing Lets (Quarterly)	High	124	145				124	145	
Housing Needs & Enabling	SP 360 No. of enforcement / improvement notices issued (Quarterly)	High	42	24				42	24	
Housing Needs & Enabling	SP 361 No. of Disabled Facilities Grants (DFG) approved (Quarterly)	High	36	26				36	26	

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Committee: Sustainable Communities Overview and Scrutiny Panel

Date: 1st November 2016

Wards: All

Subject: Commercial Services Task Group –Final Report and Recommendations

Lead officer: Stella Akintan Scrutiny Officer

Lead member: Councillor Abigail Jones, Chair of the Sustainable Communities Overview and Scrutiny Panel

Contact officers: Stella Akintan, Scrutiny Officer, stella.akintan@merton.gov.uk, 020 8545 3390

Recommendations:

That Members comment on the final report and recommendations arising from the commercial services task group review .

1. PURPOSE OF REPORT

1.1 To provide the panel with the final report and recommendations on the work of the commercial services task group review.

2. DETAILS

2.1 At the meeting of the Sustainable Communities Overview and Scrutiny Panel on 2nd September 2015, it was agreed to conduct a task group review of Commercial Services.

2.2 The following councillors were appointed to the task group: Cllr Russell Makin (Chair), Cllr John Sargeant , Cllr James Holmes and Cllr Najeeb Latif who resigned in April 2015.

2.3 The task group review is now complete and the panel will receive an overview of the work that has been undertaken

3. AIM OF REVIEW

3.1 The aim of the review was to explore the councils approach to commercialisation and consider opportunities within the Environment and Regeneration Department to increase income from services delivered.

4. ALTERNATIVE OPTIONS

4.1 The Panel may choose to agree a different scope and terms of reference to those proposed in this scoping report.

5. CONSULTATION UNDERTAKEN OR PROPOSED

- 6.1 Members are asked to give consideration to if, and how, they would like to engage witnesses in this review.

7. TIMETABLE

- 7.1 The timetable is determined by the task group in conjunction with the panel's agreement.

8. CO-OPTION

- 8.1 Members are asked to give consideration to co-opting representatives onto the Task Group for part, or the duration, of the review to assist the Task Group. In accordance with the Constitution any representative co-opted onto the Panel or Task Group will be a non-voting member of the Task Group and will be required to adhere to the Council's Code of Conduct for Members.

9. PUBLICITY

- 9.1 Members can publicise the review to encourage and facilitate resident and partner engagement and to promote the outcomes of the review upon completion. The following mechanisms for promotion/publication may be utilised throughout the review: -

- Press release in local press;
- My Merton;
- Community Forums;
- Merton council website;
- Ward councillors;
- Posters/materials in libraries and Merton Link;
- Staff bulletin board and plasma screens in civic centre; and
- Residents' panel and Centre for Public Scrutiny (outcomes)

10. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 10.1 There are none specific to this report. Any financial, resource and property implications arising from the review will be accounted for in the Task Group's Final Report.

11. LEGAL AND STATUTORY IMPLICATIONS

- 11.1 None for the purposes of this report. Any legal and statutory implications arising from the review will be accounted for in the Task Group's Final Report.

12. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 12.1 None specific to this report. Any human rights, equalities and community cohesion implications arising from the review will be accounted for in the Task Group's Final Report.

13. CRIME AND DISORDER IMPLICATIONS

- 13.1 None specific to this report. Any crime and disorder implications arising from the review will be accounted for in the Task Group's Final Report.

14 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 14.1 None for the purposes of this report. Any risk management and health and safety implications arising from the review will be accounted for in the Task Group's Final Report.

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

- 15.1 The Commercial Services Task Group final report (Appendix 1)

16. BACKGROUND PAPERS

- 16.1 None

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Final report and recommendations arising
from the Commercialisation of Council
Services Task Group review

Sustainable Communities Overview and
Scrutiny Panel

November 2016

Task group membership

Councillor Russell Makin - Chair

Councillor James Holmes

Councillor Najeeb Latif (resigned April 2016)

Councillor John Sargeant

Witnesses

Director of Environment and Regeneration

Head of Street Scene and Waste

Leisure and Culture Greenspaces Manager

Head of Sustainable Communities

Head of Future Merton

Chief Executive, Merton Council

Divisional Director Commissioning, London Borough of Harrow

Director for Community, London Borough of Harrow

Executive Director of Place, London Borough of Croydon

Chief Executive, Darross Consulting

Directors, CLA Urban International

Acknowledgements

The task group would particularly like to thank the witnesses who shared their experiences and thoughts with us.

Scrutiny support:

Stella Akintan, Scrutiny Officer

For further information relating to the review, please contact:

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E-mail: scrutiny@merton.gov.uk

Draft Recommendations

1. That the Sustainable Communities and Overview and Scrutiny Panel has an agenda item on commercial services at least every twelve months to ensure that commercialisation and income generation remains a priority and that we are taking every opportunity to exploit innovative ideas about service delivery.
2. That the Sustainable Communities overview and scrutiny panel are provided with performance reports following large scale events.
3. That officers consider new opportunities within the council's property portfolio on a case by case basis to assess most appropriate use. This would include the opportunity to provide built office accommodation in the borough of a purpose built nature for anchor tenants or tenants who can in turn attract other businesses. For example a large office can attract a supermarket, gym, cafes etc.
4. That officers explore options for maximising the use of local authority preferential borrowing powers to generate income, while monitoring borrowing limits and utilising external knowledge.
5. Council to explore opportunity to retain control of parts of Morden town centre regeneration by developing properties which may include opportunities for anchor tenants.
6. To explore the opportunities to develop a joint venture with a developer as illustrated in this report.
7. That officers explore services that would be suitable to be delivered under the Merton logo. The opportunity would be best suited to a pre-existing contract or selling spare capacity.
8. That officers explore the possibility of installing a pilot multi purpose lighting system in Merton
9. That the officers seek advice and expertise from councils who have implemented an ESCO, such as Peterborough.
10. That officers present the business case for the ESCO to the Sustainable Communities Overview and Scrutiny Panel alongside the new Estates Plan

Executive Summary

The Sustainable Communities Overview and Scrutiny Panel commissioned this task group to consider commercial opportunities across the areas within its remit, covering; housing, environmental sustainability, culture and skills, libraries and Transport. Significant reductions in local government funding as well as an obligation to achieve value for money for our residents has provided the impetus for this review.

Councillors met with a wide range of witnesses including the Chief Executive and senior officers at Merton Council, senior representatives from private sector organisations and Directors in the London Boroughs of Harrow and Croydon. The task group members drew upon experience from their professional careers as well as knowledge about the local communities they represent.

It was agreed the review will focus on:

Parks and Green Spaces

Property

The regeneration of Morden Town Centre

Exploiting the Merton Brand

The task group recognised that a cultural change is needed to successfully embed a commercially-based approach across the council. This should be lead by councillors therefore a review looking at commercialisation should be a regular item on the Sustainable Communities Panel agenda.

Good practice examples of a commercially focussed approach came from the London Boroughs of Harrow and Croydon. The task chair visited these authorities and found that Harrow had appointed a Director to embed a commercial agenda within the council.

The regeneration of Morden Town Centre has the potential to yield significant opportunities to work in partnership with private sector organisations. This could boost the local economy through the provision of office or retail space. Merton has significant potential as a business hub given the advantage of good transport links into central London but cheaper rents than the capital.

The task group identified a number of opportunities and asked officers to look more closely at how they can be implemented, these included;

Consideration given to making best use of our preferential borrowing rates.

Generating income through innovative technology such as a solar street lighting system.

There may be opportunities to outsource the Merton brand for services.

Introduction

11. Local authorities should be at the forefront of developing creative solutions to meet the needs of diverse populations. Their innovation is being called upon once again to meet the challenge of delivering increasing levels of high quality services while their financial resources decline, with a falling central government grant and constraints on council taxes.
12. The Local Government Association predicts that, if things do not change, local government is set to face a funding gap of £9.5 to £10 billion by 2020 with more than half of council tax spent on caring for vulnerable children and adults. This will affect the ability of councils to attend to the basics such as fixing roads, or cleaning streets, let alone keeping libraries open.¹
13. In Merton, the year end forecast is a net £2.7m overspend compared to the current budget. This is due particularly to budget pressures in Adult and Children's Social Care.² The Council's Business Plan 2016/17 highlights that substantial year on year savings must be made for the foreseeable future. This will require a range of approaches including; better management of existing services and contracts, proactive spend analysis, and being more commercially aware.
14. Many Councils across the country are responding to these financial constraints by cutting the back office, reducing senior management costs, renegotiating their suppliers costs and making thousands of redundancies. They are attempting to maintain service levels with fewer people³.
15. Many commentators argue that the current position within local government is unsustainable without radical change.⁴ Reducing budgets through a salami slicing approach across council departments will not deliver high quality services over the long term. Therefore the challenge is to deliver real transformation. Some Councils are responding by becoming more entrepreneurial or taking on the role of commissioning services rather than direct provision.
16. The government is moving towards a fundamental change in the way councils are financed and is expecting them to raise more of their own money locally. The intention is to give local authorities a stronger incentive to support economic growth. In 2015 the Chancellor of the Exchequer announced that the Revenue Support Grant will be phased out and the majority of their income will be raised through keeping the money they collectively raise through taxing businesses. Growing the business rate base is becoming a

¹ Local Government Information Unit Briefing, Income Generation General, October 2015.

² 2016/17 Quarter 1 Monitoring Report.

³ New Local Government Network, Shock of the New, Can Local Government Innovate its way out of the cuts, July 2013.

⁴ LGIU Briefing, Income Generation, October, 2015.

critical means of revenue generation.

17. However, financial constraints are not the only motivation for improving service delivery. Given that local councils are funded by the public purse, there is a responsibility to ensure that all services deliver value for money.

18.

It is within this context that this task group is considering commercialisation and income generation and how to ensure we are getting the greatest return possible from council assets. The task group has been charged to consider new and perhaps more innovative ways to generate income for the council.

19. This review has focused on services within the remit of the Sustainable Communities Overview and Scrutiny Panel looking into services within the remit of housing, environmental sustainability, culture, enterprise and skills, libraries and transport.

20. Councillors on the task group also bring their local and professional knowledge to this review which they have focused on a range of measures to generate income and maximise revenues, including optimising income from services currently delivered, selling additional services and adopting a commercial approach to procurement and outsourcing and also exploiting Merton's asset base.

21. Developing a more commercially based culture

22. An underlying theme throughout the review related to the culture within which Merton Council makes financial decisions. It needs to develop skills to move beyond its proven ability to spend money wisely providing key services into making investments to generate income from projected revenue streams. As a local authority, seeking to extend beyond the traditional domain of local government, this was found to be increasingly important.

23. This particular issue is not unique to Merton; local government in general is thought to need a cultural change and to adopt a more entrepreneurial ethos. To be more innovative councils need to adopt decision making processes and develop the skills for staff to maximise commercial opportunities. Officers must be willing to expand their traditional way of doing things to be able to exploit these opportunities and not regard profit making as a role purely for the private sector.⁵

24. The task group wanted to understand how the level of risk in a potential investment is assessed and if it is possible to adjust our own risk profile to think more innovatively. The task group discussed this with the Chief

⁵ Commercial Councils, The rise of entrepreneurialism in local government, Localis, 2015.

Executive, who engaged proactively and welcomed innovative ideas to generate more income for the council. He also highlighted some of the challenges faced by councils when embarking on commercial activities. When reflecting on the discussion it became clear that caution needs to be applied and tax-payers' money must be managed responsibly. The task group believes that gaining experience through engaging in and steadily increasing its oversight of innovative projects will enable the council to assess and control risk with growing confidence over time. Merton is certainly not a risk-averse council. It has for example taken a forward-looking approach in developing the shared services agenda across legal and audit services.

25. The task group chair was keen to explore how commercialisation was managed in other authorities and how they rise to the challenge to developing a risk based culture within the confines of a traditionally cautious political environment.
26. The Divisional Director of Commissioning at the London Borough of Harrow has led a programme to encourage commercialisation across the council. She reported that Harrow has developed a greater appetite for risk; Critically this has been driven from the top with culture endorsed by senior managers and politicians. They have created channels to consider new ideas. A Commissioning and Commercial Board provides challenge for new projects. For every idea, officers must develop a draft business case and attend the Board. Membership of the Board includes senior officers, as well as representatives from legal and finance. The ideas are thoroughly explored and its legality and viability are tested. It is challenged through a formal process involving all relevant council departments and partner organisations. Once the idea is considered robust it is discussed by a committee of councillors. The involvement of audit also protects the process.
27. The task group believes that councillors should be an integral part of a commercially-based culture. Therefore a commercial services task group such as this should convene at least once every two years to ensure that commercialisation and income generation remains a priority and that we are taking every opportunity to exploit innovative ideas about service delivery.

Recommendation:

28. That the Sustainable Communities and Overview and Scrutiny Panel has an agenda item on commercial services at least every twelve months to ensure that commercialisation and income generation remains a priority and that we are taking every opportunity to exploit innovative ideas about service delivery.

29. Considering existing opportunities across the council.

30. Parks and Green Spaces

31. Both officers and this task group recognise there are opportunities to generate income from our parks and green spaces. Clapham Common was put forward as an example hosting several events each year raising £1million which funds the maintenance of the parks. The task group was informed that the council is growing events in parks. It is seeking to capitalise on the SW19 Brand and the borough's association with Wimbledon Tennis Championships.
32. Merton is relatively new to hosting events in parks. Its experience so far has provided important learning for the team and has highlighted the associated challenges. In future the council needs to consider if it wishes to deliver events directly or especially as it tries to build its expertise in this area, give this responsibility to a third party, with the council providing a supporting role based on an agreed contract. If this is carefully negotiated it can minimise the risk for Merton and provide valuable learning opportunities so that in the future it can take on a more leading and profitable role.
33. Another important consideration is that events in parks can lead to complaints from local communities due to the additional litter, noise and footfall. This can be managed by consultation and engagement with residents but is a major consideration when seeking to grow this area of activity.
34. There is local competition as many local councils are investing in this area. We need to identify and promote our unique selling point and develop an attractive offer.

35. Recommendations

36. That the Sustainable Communities overview and scrutiny panel are provided with performance reports following large scale events.

37. Commercial Opportunities within Merton's Property Portfolio

38. The task group considered the opportunities within the council's existing property portfolio. The Head of Sustainable Communities reported that Merton Commercial Estate is inherited from the Greater London Assembly and London County Councils. Some parts of the portfolio are in protected areas of the London Plan⁶. The commercial estate includes corner shops and light industrial buildings. All of the council's commercial properties are currently fully let or under offer. The council is the freeholder and receives a ground rent which is set at commercial rates. The properties have long leases and low turnover. The council receives £2.5 million in rent annually and in

⁶ An example of this is the South Wimbledon business area

total the assets are worth £35 million. This is just part of the council's total property portfolio which is worth approximately £500 million.

39. Following a recommendation from a previous task group the council is forming a partnership with a property development company. On the right terms a stream of revenue is preferable to a one-off capital receipt. Much of the partnership's development will be for private residential but will also include commercial, industrial and rental schemes which promise to be profitable throughout the borough.
40. The task group asked if the council has a strategic approach to its property portfolio. They were told that although in the past the approach has sometimes been opportunistic, the council now have a clear strategy.
41. When a site becomes vacant the council considers what opportunities are available. Future Merton considers the business case for each property and determines if retaining existing land and buildings is financially beneficial to the council. Alternatively sale of disposable land and buildings is based on maximising commercial return. Although many council properties are locked into long term leases. If there is a break or termination this provides an opportunity to consider the asset's strategic place in our portfolio.
42. Affordable work space has been identified as an emerging market and Merton benefits from its close proximity to central London with more affordable accommodation than in the capital. The task group queried if the council can attract companies seeking to move their back offices to exploit these advantages.
43. The council could work with a consultant to create a high specification brochure and website with an artist's impression of Modern Town Centre. The literature could highlight the benefits of Morden including being 40 minutes from the M25 and an hour from Gatwick or Heathrow Airports and is situated on the Northern Line. Promotional material would also highlight that the town centre benefits from good quality parks and open spaces such as Morden Hall Park. The task group believe that Morden has the potential to be a business hub. A major bank similar to the Close Brothers which has recently located to Wimbledon, could be attracted to a purpose built development that has been built to its specification. Guildford Borough Council and Seven Oaks District council have adopted this approach, full case studies are listed in **Appendix A**

44. Recommendation:

45. That officers consider new opportunities within the council's property portfolio on a case by case basis to assess most appropriate use. This would include

the opportunity to provide built office accommodation in the borough of a purpose built nature for anchor tenants or tenants who can in turn attract other businesses. For example a large office can attract a supermarket, gym, cafes etc.

46. Town centre Regeneration

47. The regeneration of Morden town centre has the potential to deliver a huge economic boost for the borough. It could attract more businesses to the area, create employment and improve the current look and feel of the high street.
48. At the time of this review, the specific proposals for Morden were in the early stages. However it was clear to the task group that this project will present an important opportunity to improve physical and economic prosperity of the area. Therefore the task group explored some options that could be considered as part of this project.

49. Joint Venture Companies

50. Joint venture companies can bring together public and private sector enterprise and enable the council to share the risk with the private sector and gain access to additional resources. The council is able to bring capital assets, a positive brand and local knowledge, while the private sector can bring capital, willingness to take risk, resources and access to markets.⁷
51. The task group considered whether the council could use its own land to develop a specification on behalf of an anchor tenant such as a supermarket chain. The council would benefit from the increased value of the asset as well as the revenue from rent and business rates. This is a Local Asset Backed Vehicle (LABV) where a local authority provides the land or buildings and a private sector firm the capital to deliver the investment. The benefit of this approach is that the council is not “selling the family silver” and will receive maximum return from the investment through the increasing value of the asset and revenue income.⁸ Birmingham City Council and Gateshead Borough Council have adopted this approach, full case studies are listed in **Appendix A**
52. The task group has developed a case study setting out the possible financial opportunities with a venture of this nature.

⁷ Commercial Councils, The rise of entrepreneurialism in local government, Localis, 2015.

⁸ Commercial Councils, The rise of entrepreneurialism in local government, Localis, 2015.

53. Merton Joint Venture opportunity – A hypothetical illustration

54. The council owns a piece of land worth £5 million. The task group put forward two choices to realise the maximum value from the asset:

55. Option one

56. The council could sell the land for a profit.

57. Option two

58. The council enters into a joint venture agreement with a private sector organisation that has a recognised brand and a strong balance sheet. The council spends £10 million, with borrowing from public sector sources, to have the land developed to its specification.

59. Upon completion the development is worth £20 million due to the capital growth. Over a ten year period the property increases in value by 5% per year, amounting to £10 million over ten years. The development is then worth £30 million and the council's stake is now £10 million.

60. By retaining the property the council has doubled its money. There is also additional revenue from business rates and rent, which amounts to an additional income of £4.6 million over 10 years.

61. The council has doubled the value of its initial investment within ten years and generated revenue income. This development will also have positive effects on the local economy by creating jobs and encouraging ancillary services and businesses to support the anchor tenant.

62. Option three

63. The council uses its own land and finances to build a purpose built specification on behalf of a developer. The Developer will be required to sign a 30 year lease with no clauses and pay rent to the council.

64. The task group believes that Morden Town Centre will be an important local development which will have a lasting impact on the economic prosperity of the area. Therefore, rather than giving the development portfolio to a property developer and consultants, our residents will be better served if the council

takes a leading role deciding priorities for local need in consultation with residents. The project should be delivered in partnership with an anchor tenant using preferential borrowing rates or partnership with a developer on a joint venture.

65. Preferential Borrowing Rate

66. The task group considered how the council can maximise the use of the local authority preferential borrowing rates to generate additional income. Councils benefit from the advantage of being able to borrow money from central government at a cheaper rate than many businesses. This however is governed by strict regulations. The task group was informed that councils are prohibited from lending at below market rate and giving competitive advantage to a developer because of State Aid rules. Additionally, they are not permitted to enter into deals which are not market competitive. However there are ways in which councils can maximise their capital borrowing and this should be explored in more detail.

67. Recommendation

68. That officers explore options for maximising the use of local authority preferential borrowing powers to generate income, while monitoring borrowing limits and utilising external knowledge.

69. Council to explore opportunity to retain control of parts of Morden town centre regeneration by developing properties which may include opportunities for anchor tenants.

70. To explore the opportunities to develop a joint venture with a developer as illustrated in this report.

71. Merton Brand

72. The task group considered the possibility of using a third party to provide services using the Merton Council Brand. This would involve conducting an audit of services that the council can no longer offer but are still in demand. The council could tender to find a private company to deliver the service and receive a profit share for loaning its brand and expertise to attract a customer base. This is similar to the Virgin strategy and is linked to the principle of

outsourcing. Rushcliffe Borough Council and Cheshire East Council have adopted similar approaches, full case studies are listed in **Appendix A**.

73. The task group was informed that the council already does this successfully in a number of areas. For example within the Contractors Health and Safety Assessment Scheme (CHAS) which generates money from health and safety approvals. It is an arms length company. The council has recently employed a Managing Director to grow the business. The task group believes the council should build upon the success of this model by looking for similar opportunities elsewhere.
74. The council also takes this approach with Kingdom, the company which provides the litter enforcement service. They issue a fixed penalty charge to residents who drop litter and a percentage of the revenue is shared with the council. The potential to grow this approach needs to be considered across each directorate to assess the opportunities available, potentially deploying the service under the Merton brand.
75. Again, task group members looked at good practice from other councils. Harrow has a commercial services website which is separate from the main website. They have also started active marketing campaigns; making it easier for residents to know what services are provided. They have commercialised a number of their services including the gardening service. Camden Council was also cited as a good practice example for its MOT service.

76. Recommendation:

77. That officers explore services that would be suitable to be delivered under the Merton logo. The opportunity would be best suited to a pre-existing contract or selling spare capacity.

78. Solar street lighting system.

79. The task group was very keen to test innovative ideas. It met with Solar Sonic marketing a new ground breaking product in the both in the UK the Middle East and Africa. The product is a multi-purpose solar-powered street lighting system, which offers revenue generating opportunities. It provides lighting totally off grid and stand alone and therefore has no impact on existing

services. These lamp posts emit half of the power of current solar panels in Merton. Each unit can include high quality cameras which are better than current generation CCTV, as well as Wi-Fi capability. Individual lamp posts can be used for advertising and therefore generate income for the council. There will be no necessity to work with advertising agencies and we could offer advertising spaces to customers such as local businesses.

80. Solar Sonic reported that the council can generate approximately a minimum of £300,000 in revenue per year. No capital would be required in advance and the company will provide staff training and deal with the service and maintenance of the lamp posts. The technology would be constantly updated as part of the maintenance agreement.

81. The task group believes that an opportunity such as this could provide a significant income contribution to the council. It also has the benefits of supporting community safety through advanced closed circuit television and support for local businesses with affordable advertising. The lamp posts also contribute to energy efficiencies with low running costs. Doncaster Borough Council has adopted a similar scheme. The full case study is listed in **Appendix A**

82. As Councillor Najeeb Latif is a Director at Solar Sonic he resigned from the task group before the discussion and recommendations were agreed.

83. Recommendation:

84. That officers explore the possibility of installing a pilot multi purpose lighting system in Merton

85. Energy Services Company (ESCO) for Merton

86. In 2014, the Sustainable Communities Panel commissioned a task group to review Climate Change and the Green Deal. One of its principal recommendations asked the council to develop a business case for developing an Energy Services Company (ESCO). The Panel has asked this task group to review the progress with the ESCO given that all the other recommendations of the Climate Change and Green Deal task group have been implemented.

87. The purpose of the Merton ESCO should be to generate and/or distribute heat and power through a local district heat network (either independently or in partnership with a third party). The overarching strategic aim of the ESCO was, be to generate income and address fuel poverty which was a real threat.

88. The recommendation from the Climate Change and Green Deal task group was;
89. That Cabinet commission a feasibility study to look at establishing an Energy Services Company (ESCO) for Merton, with a view to producing a business case for the ESCO which should include a risk assessment of the proposals. A further detailed investigation into the potential for a Merton ESCO should include:
90. Future Merton obtaining specialist legal advice on the Council's scope and legal limitations in generating, distributing and selling energy and advise on the development of an ESCO;
91. Feasibility investigations into the potential for district heating at Morden Town Centre and Colliers Wood / South Wimbledon
92. Further scoping of energy efficiency retrofit potential in Merton
93. Identification of where existing regeneration proposals/programmes may take forward energy efficiency improvements, alone or in partnership without the need for an ESCO to be in place.
94. The task group found that the case for developing an ESCO was strengthened during the course of this review. This initiative will generate money for the council. As a service is it efficient and not labour intensive or complex. A new development will benefit the most from an ESCO and Merton currently has five developments taking place with the estates regeneration as well as Morden town centre and the leisure centre.

The task group were exasperated at the slow pace of this project. The Head of Sustainable Communities reported that the procurement for business case has begun.

95. Recommendation:

96. That the officers seek advice and expertise from councils who have implemented an ESCO, such as Peterborough.
97. That officers present the business case for the ESCO to the Sustainable Communities Overview and Scrutiny Panel alongside the new Estates Plan

Appendix A

Local Authority case studies on commercialisation projects

In **Basingstoke and Deane Council** 30 per cent of their income comes from grants and tax, and 70 per cent from other sources - the reverse of the normal proportion. The council receives £15.5m from their commercial property portfolio (the 5th biggest in the country), and £3.5m from investment income, and have purchased the freehold of the Festival Place shopping centre as it gives them a 5-6 per cent annual return.

Birmingham City Council has set up Business Birmingham, an inward investment programme, in partnership with the Greater Birmingham & Solihull LEP and Invest Black Country. In 2013/14, the programme's efforts resulted in a 57 per cent rise in foreign investment projects, driven largely by the area's strengths in sectors such as advanced manufacturing and the automotive industry, as well as its backing for fast-growing new industries such as digital media and IT services. Investment by foreign firms generated a record 4,337 new jobs in the area in 2013/14; almost double the number created the previous year. The jobs boost is worth £362 million to the economy. *Contact:* tony.smith@birmingham.gov.uk

Cheshire East Council recently launched the first two in a series of wholly-owned arm's-length service delivery companies. Waste and street scene services will be operated by Ansa Environmental Services, and bereavement services – including burial, cremation, memorial and bereavement support will be managed by Orbitas Bereavement Service. Both will be chaired by councillors.

Doncaster Borough Council has taken a broader invest-to-save approach through a £50m Investment and Modernisation Fund in 2013/14. Financed through borrowing, the idea is that the fund will pay for itself over time by enabling the council to adopt new, cheaper approaches to delivering its services. By enabling local authorities to bypass the more costly and time-consuming channels for capital borrowing offered by central government, the scheme will not only help the council to meet its budget reduction targets, but also deliver more efficient public services.

One of the main projects in this portfolio was smart lighting. By replacing the existing lamps in each of Doncaster's 33,000 residential street lights with more energy efficient LED lamps, the council made substantial savings while simultaneously providing better quality lighting for its residents. The lights will also be fitted with telecells that enable dimming control and remote access through an innovative new

computer management system, which prevents wasted energy on streets and sites where additional lighting is not required, in effect providing a hyper-local response to lighting.

According to the council, the need for budget savings was the key driver of the project. They estimate that the new lights will bring total energy consumption down from 10.9 to 2.2m kW/h, generating energy savings of around 80 per cent. They have calculated that lower energy costs alone will cut £857,000 annually from the total energy bill. Further savings will be made from the new computer management system, which will allow the council to tailor their 'dimming and trimming' of the lights to the fluctuations of electricity prices. By automatically identifying defective lights, the computer system will also greatly reduce the cost of employing scouts to manually identify faults and lower the risk of third party claims. At this rate, the project will have paid for itself in six years, after which the council will save £1.3m per year.

Gateshead is utilising new development opportunities - A new Trinity Square development in Gateshead Town Centre incorporates a Tesco Extra store, 47 other retail units, a cinema and accommodation for 1,000 University of Northumbria students. The council built partnerships with Tesco, training providers and the Work Programme, bringing together partners around a strategy to ensure that local unemployed residents were given the support and opportunities to access job opportunities. Over 150 unemployed residents have moved into employment in the development so far. *Contact: heatherlee@gateshead.gov.uk*

Guildford Borough Council, like many authorities, owns a variety of investment property. The Council acquired the assets over a number of years to facilitate the economic development of the borough and generate rental income that helps support the wider financial position of the Council. In 2012, the Council implemented an asset strategy to ensure that all assets, including investment property were reviewed to ensure assets were still fit for purpose and, in the case of investment property, achieved the required returns.

In 2013/14 the Council bought two new additional investment properties for a total of £17million. The acquisitions generated gross additional income of nearly £1.4million to the general fund, once interest and MRP are taken into account this is net additional income of £793,000.

Since the introduction of the revised strategy in September 2014, the Council has acquired one additional property and re-purchased 3 long leases on units it held the freehold title for within the industrial estates. The Council has so far spent £7.1million of its £25million fund and generated additional income of £530,000 (£410,000 net of

MRP and interest). We continue to look for further opportunities to spend the remainder of the fund but are on target to meet or exceed our income target.

In addition, the Council has a number of redevelopment schemes in which it aims to provide capital investment to generate income. This includes the redevelopment of the town centre in partnership with the developers Land Securities. Under the development agreement the Council will receive a ground rent and car parking income in return for contributing its land and some finance to the scheme.

Rushcliffe Borough Council has developed a project called Streetwise which currently provides a wide range of grounds maintenance, street cleaning and environmental services to the council and a number of parish councils. The council has an ambitious vision to transform this service into a successful social enterprise with the longer-term aspiration of it developing into social franchise. This project will reduce costs to the council, build the capacity of community involvement, promote social inclusion, and secure and grow employment.

Seven Oaks District Council plans to become financially self-sufficient by generating income from a property portfolio alongside cutting costs and making small increases in council tax. The council has already invested £8m of reserves and approved a further £10m where borrowing from the Public Works Loan Board may be used to finance the scheme. Current investments include a working men's club next to Council-owned housing development land, a petrol station and an office block. The council is investing to meet its economic and social goals by supporting a new hotel in Sevenoaks and developing mixed tenure housing in nearby Swanley. It has also set up its own Property Investment Company, Quercus7.

Woking Borough Council has had to deal with a 40% cut from their budgets since 2010 but due to the success of the following income generating activities they have not had to close any frontline services for local residents. A mixed economy approach has been taken with a variety of different delivery models and partners being used including the private sector as well as not for profit. Interestingly Woking have increased their support for the not for profit sector to £1.4 million a year.

The councils own a number of companies, one example is an arms-length company to build and finance power stations. The council operates as a private sector landlord and developer and this alone generates £1.25 million a year in income. They also provide energy for Milton Keynes which produces additional income which is then reinvested in improving energy efficiency for Woking residents.

Another innovative example is the joint venture company that the council has set up with a private sector partner to undertake redevelopment projects, for example an Asda store. In addition the council Investment Strategy Reserve has raised £350 million worth of funding to invest in. The projects are making an immediate return and therefore a net benefit to local taxpayers.

In 2005, **Wychavon District Council** entered into a joint venture with Waitrose to build a supermarket and to help regenerate Droitwich Spa town centre.

The project came about as a result of problems Waitrose were having acquiring land to build a new store in Droitwich. Wychavon was keen for Waitrose get the land they needed, as the town's retail offer was split between a run-down high street and a 1970s shopping precinct in desperate need of an update.

The joint venture aimed to acquire land and build the new Waitrose. It would include a refurbished car park, providing more than 340 parking spaces in the heart of the town.

Waitrose thus secured a prime spot for their store and Wychavon gets a better return on its investment through renting the site back to Waitrose, which ultimately helps keep council tax down. As part of the arrangement the council now owns the entire site plus the supermarket which has been leased to Waitrose until 2030.

The Waitrose store has been successful and is trading over its expected levels. The project has helped to regenerate the town centre, attracting more vibrant shops and offering better car parking. There are early signs of increased visitor numbers to the town and, anecdotally, the retail sector remains relatively strong. The retail vacancy level in Droitwich town centre has remained below national and regional levels.

December 2012



Sustainable Communities Work Programme 2016/17

This table sets out the Sustainable Communities Panel Work Programme for 2016/17; the items listed were agreed by the Panel at its meeting on 9 June 2016. This Work Programme will be considered at every meeting of the Panel to enable it to respond to issues of concern and incorporate reviews or to comment upon pre-decision items ahead of their consideration by Cabinet/Council.

The work programme table shows items on a meeting-by-meeting basis, identifying the issue under review, the nature of the scrutiny (pre-decision, policy development, issue specific, performance monitoring, partnership related) and the intended outcomes.

Chair: Cllr Abby Jones

Vice-chair: Cllr Daniel Holden

Scrutiny Support

For further information on the work programme of the Sustainable Communities Scrutiny Panel please contact: -
Annette Wiles, Scrutiny Officer
Tel: 020 8545 4035; Email: annette.wiles@merton.gov.uk

For more information about overview and scrutiny at LB Merton, please visit www.merton.gov.uk/scrutiny

Meeting date: 9 June 2016 (*Deadline for papers: 12pm, 1 June 2016*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Setting the work programme	Agreeing the 2016/17 work programme	Written report	Annette Wiles, Scrutiny officer	To enable the Panel to agree the draft 2016/17 work programme
Scrutiny review	Morden Leisure Centre	Verbal update	Christine Parsloe, Leisure and Culture Development Manager	To provide the Panel with an update on work undertaken and planned in relation to the Morden Leisure Centre development.
Performance monitoring	Performance Reporting	Basket of indicators plus verbal report	Chris Lee, Director Environment and Regeneration	To highlight to the Panel any items for concern where under performance is evident and to make any recommendations or request information as necessary
Performance monitoring	Circle Housing: agreeing questions for meeting on merger	Discussion	Cllr Abby Jones (Chair)	To ensure that the Panel has agreed what questions it wants Circle Housing to answer on its merger with Affinity Sutton during its attendance at the next meeting. This is to make sure the meeting makes best use of the time available.

Pre-decision scrutiny	South London Waste Partnership Phase C (LOTS 1 and 2)	Written report	Chris Lee, Director Environment and Regeneration	To provide the Panel with the opportunity to scrutinise awarding LOTS 1 and 2 as part of the South London Waste Partnership prior to going to Cabinet for decision
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Meeting date: 7 September 2016 (**Deadline for papers:** 12pm, 30 August 2016)

Scrutiny Category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Setting the work programme	Priorities for 2016/17 – Cabinet Member for Regeneration, Environment and Housing	Verbal report	Cllr Martin Whelton	To provide an overview of portfolio priorities to establish where the Panel might focus its work programme and add value to the work of the Council
Pre-decision scrutiny	Diesel premium report	Written report	Chris Lee, Director of Environment and Regeneration and John Hill, Head of Public Protection	To give the Panel the opportunity to scrutinise proposals to reduce diesel emissions prior to these going to Cabinet for its decision
Performance monitoring	Performance reporting	Basket of indicators plus verbal report	Chris Lee, Director of Environment and Regeneration (and a representative from Community and Housing)	To highlight to the Panel any items for concern where under performance is evident and to make any recommendations or request information as

				necessary
Pre-decision scrutiny	Highways maintenance contract	Written report	Chris Lee, Director of Environment and Regeneration and James McGinlay, Head of Sustainable Communities	To provide members with an opportunity to comment on the highways maintenance contract renewal and to make any recommendations to Cabinet for consideration
Scrutiny review	Draft final report of the commercialisation task group including recommendations	Written report	Cllr Russell Makin, task group chair	To give the Panel the opportunity to consider the findings and agree the recommendations of the task group before these are taken to Cabinet for its approval
Scrutiny review	Scoping the task group for 2016/17 (air quality)	Written report	Annette Wile, Scrutiny Officer (supported by Stella Atinkan, Scrutiny Officer)	The Panel to consider an initial scoping for the 2016/17 task group on air quality
Performance review	Questions to Circle Housing on its merger with Affinity Sutton	Question and answer session	Cllr Abby Jones (Chair) and representatives from Circle Housing	Circle Housing is in the process of merging with another housing company (Affinity Sutton). This session will be used to focus on the merger and what effect this will have on Circle's residents and the quality of its customer service.

Performance monitoring	Circle Housing: agreeing questions for meeting on repairs and regeneration	Discussion (Possibly to happen outside of the meeting depending on the time available.)	Cllr Abby Jones (Chair)	To ensure that the Panel has agreed what questions it wants Circle Housing to answer on repairs and regeneration during its attendance at the next meeting. This is to make sure the meeting makes best use of the time available
Setting the work programme	Work programme 2016/17	Written report	Annette Wiles, Scrutiny Officer	To amend/agree the Panel's work programme and accommodate any pre-decision or other items that the Panel may wish to consider

Meeting date: 1 November 2016 (***Deadline for papers: 12pm, 24 October 2016***)

Scrutiny Category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Setting the work programme	Priorities for 2016/17 – Cabinet Members for Community and Culture and Cleanliness and Parking	Verbal report	Cllrs Nick Draper and Ross Garrod	To provide an overview of portfolio priorities to establish where the Panel might focus its work programme and add value to the work of the Council
Pre-decision scrutiny	Budget/Business Plan Scrutiny (Round 1)	Written report	Chris Lee, Director of Environment and Regeneration, Simon Williams, Director Community and	To comment on the Council's budget proposals at phase 1

			Housing and Caroline Holland, Director of Corporate Services	
Performance monitoring	Performance reporting	Basket of indicators plus verbal report	Chris Lee, Director of Environment and Regeneration (and a representative from Community and Housing)	To highlight to the Panel any items for concern where under performance is evident and to make any recommendations or request information as necessary
Performance review	Questions to Circle Housing on repairs and regeneration	Question and answer session	Cllr Abby Jones (chair) and representatives from Circle Housing	This session will be used to focus on Circle's record on repairs and regeneration against the commitment set out in the agreement with the Council
Pre-decision scrutiny	Planning shared service	Written report	Chris Lee, Director of Environment and Regeneration and James McGinlay, Head of Sustainable Communities	To comment on the development of a new shared service to provide planning services
Scrutiny review	Commercial Services Task Group	Written report	Stella Akintan	To receive the final report and recommendations of the Commercial Service Task Group
Setting the work programme	Work Programme 2016/17	Written report	Annette Wiles, Scrutiny Officer	To amend/agree the Panel's work programme and accommodate any pre-decision or other items

				that the Panel may wish to consider
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A meeting of the Public Transport Liaison Committee will be held during the autumn to address some of the issues raised by LB Merton's residents regarding public transport. Additionally, Crossrail 2 representatives will be invited to attend and to discuss the next phase of the consultation.

Meeting date: 12 January 2017 (Deadline for papers: 12pm, 4 January 2017)

Scrutiny Category	Item/issue	How	Lead member and/or /lead officer	Intended outcomes
Pre decision scrutiny	Budget and business plan scrutiny (round 2)	Report	Chris Lee, Director of Environment and Regeneration and James McGinlay, Head of Sustainable Communities	To comment on the budget and business plan proposals at phase 2 and make any recommendations to the Commission to consider and coordinate a response to Cabinet
Performance monitoring	Performance reporting	Basket of indicators plus verbal report	Chris Lee, Director of Environment and Regeneration (and a representative from Community and Housing)	To highlight to the Panel any items for concern where under performance is evident and to make any recommendations or request information as necessary

Performance monitoring	Merton Adult Education	Written report	Anthony Hopkins, Head of Library and Heritage Services	To give the Panel and opportunity to start to assess the performance of Merton's Adult Education now it is being delivered through an outsourced service
Performance monitoring	To assess the new ANPR system to ensure it is well established and beginning to have the desired outcome in terms of revenues and starting to address minor traffic offences.	Written report	Chris Lee, Director of Environment and Regeneration	The new ANPR service went live in June 2016. This provides an early opportunity for the Panel to scrutinise its initial performance
Pre-decision scrutiny	Environmental health, trading standards and licensing shared services expansion	Written report	Chris Lee, Director of Environment and Regeneration and John Hill, Head of Public Health	This is a well established and successful shared service. This will provide the opportunity for the Panel to scrutinise the service as it expands to include and additional authority
Scrutiny review	Monitoring of the implementation of the recommendations of the housing supply task group	Written report	Steve Langley, Head of Housing Needs and Strategy, and James McGinlay, Head of Sustainable Communities	For the Panel to monitor the implementation of the recommendations it made and were accepted by Cabinet
Performance monitoring	Town Centre regeneration update (including updates on developments ie:	Presentation	James McGinlay, Head of Sustainable Communities and Paul McGarry, Head of	To provide a progress update on the delivery of the Council's town centre regeneration

	cycling provision)		futureMerton	programme
Setting the work programme	Work programme 2016/17	Written report	Annette Wiles, Scrutiny Officer	To amend/agree the Panel's work programme and accommodate any pre-decision or other items that the Panel may wish to consider

Meeting date: 22 February 2017 (*Deadline for papers: 12pm, 14 February 2017*)

Scrutiny Category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Performance monitoring	Performance reporting	Basket of indicators plus verbal report	Chris Lee, Director of Environment and Regeneration (and a representative from Community and Housing)	To highlight to the Panel any items for concern where under performance is evident and to make any recommendations or request information as necessary
Performance monitoring	Parking update report (including pavement parking and RINGO)	Written report	Chris Lee, Director of Environment and Regeneration and James McGinlay, Head of Sustainable Communities	To providing the Panel with the opportunity to monitor the performance of the Council's arrangements for parking in the borough

Performance monitoring	Libraries Annual Report	Presentation	Anthony Hopkins, Head of Library and Heritage Services	To provide the annual report on libraries service and to inform members of proposed future development of the libraries service
Scrutiny review	Car club proposal	Written report	Chris Lee, Director of Environment and Regeneration	To provide the Panel with an overview of the new car club proposal.
Scrutiny review	Monitoring the work of the air quality task group	Written report	Task group chair	To update the Panel on the task group's progress and to enable it to comment on the work of the task group going forward
Setting the work programme	Work programme 2015/16	Written report	Annette Wiles, Scrutiny Officer	To amend/agree the Panel's work programme and accommodate any pre-decision or other items that the Panel may wish to consider.

Meeting date: 21 March 2017 (**Deadline for papers:** 12pm, 13 March 2017)

Scrutiny Category	Item/issue	How	Lead member and/lead officer	Intended outcomes
Performance monitoring	Performance reporting	Basket of indicators plus verbal report	Chris Lee, Director of Environment and	To highlight to the Panel any items for concern

			Regeneration (and a representative from Community and Housing)	where under performance is evident and to make any recommendations or request information as necessary
Scrutiny review	Monitoring of the implementation of the recommendations of the housing supply group	Written report	Steve Langley, Head of Housing Needs and Strategy, and James McGinlay, Head of Sustainable Communities	For the Panel to monitor the implementation of the recommendations it made and were accepted by Cabinet.
Performance monitoring	Facilities for physical activity in children's playgrounds	Written report	Chris Lee, Director of Environment and Regeneration	For the Panel to monitor how the Council provides facilities that support children in the borough to be physically active
Scrutiny review	Topic suggestions 2016/17	Written report	Annette Wiles, Scrutiny Officer	To seek topic suggestions from the Panel to inform discussions about the Panel's 2017/18 work programme
Performance reporting	Town Centre regeneration update (including updates on developments re: developing cycling provision)	Presentation	James McGinlay, Head of Sustainable Communities and Paul McGarry, Head of futureMerton	To provide a progress update on delivery of the Council's town centre regeneration programme

Scrutiny review	Executive response and action plan – commercialisation task group	Written report	TBC	To provide the Panel with a response to the report and recommendations of the commercialisation task group following Cabinet consideration
Setting the work programme	Work programme 2015/16	Written report	Annette Wiles, Scrutiny Officer	To amend/agree the Panel's work programme and accommodate any pre-decision or other items that the Panel may wish to consider.