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Merton Council

Cabinet Agenda

Membership

Councillors:

Stephen Alambritis (Chair)
Mark Allison
Laxmi Attawar
Kelly Braund
Tobin Byers
Caroline Cooper-Marbiah
Edith Macauley MBE
Eleanor Stringer
Martin Whelton

Date: Monday 27 January 2020

Time: 7.15 pm

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

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All Press contacts: communications@merton.gov.uk, 020 8545 3181

Cabinet Agenda

27 January 2020

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10	Exclusion of the public To RESOLVE that the public are excluded from the meeting during consideration of the following appendices on the grounds that they are exempt from disclosure for the reasons stated in the appendices.	
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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.

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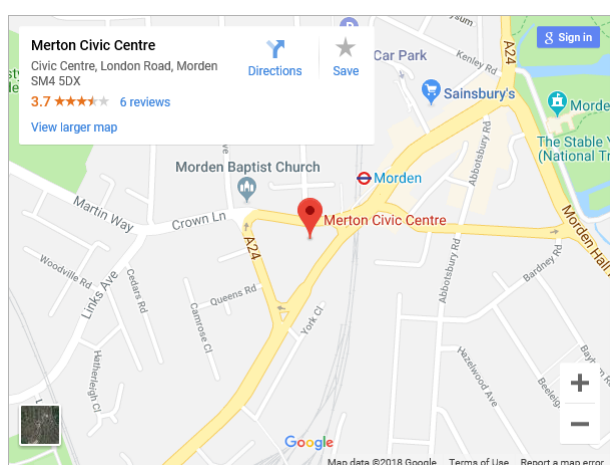
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Agenda Item 3

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CABINET

16 DECEMBER 2019

(7.15 pm - 7.40 pm)

PRESENT: Councillors Stephen Alambritis (in the Chair), Mark Allison, Laxmi Attawar, Kelly Braund, Caroline Cooper-Marbiah, Edith Macauley MBE and Martin Whelton

ALSO PRESENT: Councillors Daniel Holden and Peter Southgate

Ged Curran (Chief Executive), Hannah Doody (Director of Community and Housing), Caroline Holland (Director of Corporate Services), Chris Lee (Director of Environment and Regeneration), Rachael Wardell (Director, Children, Schools & Families Department), Fabiola Hickson (Manager business improvement law), Zara Bishop (Communications Manager), John Bosley (Assistant Director Public Space Contracts and Commissioning), Roger Kershaw (Assistant Director of Resources), Octavia Lamb (Policy and Research Officer (Labour Group)) and Louise Fleming (Senior Democratic Services Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from the Cabinet Member for Adult Social Care, Health and the Environment; and the Cabinet Member for Schools and Adult Education.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 11 November 2019 are agreed as an accurate record.

4 REFERENCE FROM OVERVIEW AND SCRUTINY COMMISSION - CLIMATE EMERGENCY (Agenda Item 4)

At the invitation of the Chair, Councillor Peter Southgate, Chair of the Overview and Scrutiny Commission, presented the reference report. He sent apologies on behalf of the Youth Parliament representative who had been unable to attend due to illness.

The theme of the Local Democracy Week event had been chosen by the youth parliament and the objectives were to both give young people some experience of the Council's scrutiny process; and to reach agreement on recommendations for future action on the climate change action plan, which he then outlined for the

Cabinet. Councillor Southgate thanked the Cabinet Member for setting out the Council's work in this area and the officers and young people involved in the event. He thanked the Leader and Cabinet Member for their support to the youth parliament and advised that the Youth Parliament was now sending representatives to the Climate Emergency Working Group.

The Chair thanked Councillor Southgate for his presentation and welcomed the report and the work of the youth parliament. It was also noted that representatives of the youth parliament had been invited to attend the Sustainable Communities Panel in February. The Director of Environment and Regeneration also thanked the young people for their hard work; and suggested a minor change on the wording of Recommendation 5, to avoid any confusion and clarify that items should be left out within the curtilage of the property and not on the public highway.

Cabinet Members welcomed the work of the youth parliament; their contributions at a successful event; and the opportunity to work with young people to help shape their future. Subject to the clarification on the wording of Recommendation 5, the Cabinet were happy to support and look into further.

The Chair welcomed the report and that Merton had come joint second out of the London boroughs in the Friends of the Earth local authority league table on tackling climate change.

RESOLVED

1. That the report and recommendations arising from the joint scrutiny exercise with the youth parliament on the issue of the climate emergency, attached as Appendix A to the Cabinet report be noted.
2. That, subject to clarification on the wording of Recommendation 5, the recommendations be responded to through an action plan to be drawn up by officers in consultation with the lead Cabinet Member.
3. That the action plan be submitted to the Overview and Scrutiny Commission for consideration.
- 5 SCRUTINY OF THE BUSINESS PLAN 2020-2024: COMMENTS AND RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY PANELS (Agenda Item 5)

At the invitation of the Chair, Councillor Peter Southgate Chair of the Overview and Scrutiny Commission presented the report which set out the comments made by the Commission and Panels in relation to the first round of budget scrutiny. It was noted that there was a significant level of uncertainty for the Council due to the delay in the funding announcement from central government. The scrutiny members would continue to support the Cabinet in lobbying central government for a more realistic, multi-year funding settlement.

The Deputy Leader and Cabinet Member for Finance thanked Councillor Southgate and the scrutiny panels for their work on the first round of budget scrutiny; and for accommodating the change in the timetable due to the delays caused by the General Election. In respect of the recommendation from the Sustainable Communities Panel, he wished to reassure Members and residents that the locations where moving traffic offences are monitored are checked regularly to ensure that they comply with regulations. The Cabinet would continue to lobby central government, as it was the consensus across local government that it was not being funded properly by central government. However there would still be a need to produce a balanced budget and therefore savings would need to be made which would have some impact on residents using those services. He looked forward to working with scrutiny in the second round to make the savings as least damaging as possible.

The Director of Corporate Services advised that due to the delays in the government's funding announcement, the timetable set out in the report had changed and the Business Plan would now be reported to the Overview and Scrutiny Commission and Cabinet meetings on 12 and 24 February 2020.

The Chair thanked the scrutiny panel members and chairs for their work.

RESOLVED

That in taking decisions relating to the Business Plan 2020-24, the Cabinet take into account the comments and recommendations made by the Overview and Scrutiny Commission and the outcomes of consideration by the Overview and Scrutiny Panels.

6 FINANCIAL MONITORING OCTOBER 2019 (Agenda Item 6)

The Deputy Leader and Cabinet Member for Finance presented the report and thanked the officers involved for their work. The headline figures were good and the Council was projecting a small underspend at year end, however the pressure on the Dedicated Schools Grant was a serious concern and the government needed to address the underfunding of local authorities. A report setting out the implications of the DSG on the MTFs would come to the January Cabinet meeting for consideration.

The Chair thanked the Cabinet Member and the Director.

RESOLVED

1. That the financial reporting data for month 7, October 2019, relating to revenue budgetary control, showing a forecast net underspend at year-end of £1,068k, -0.2% of gross budget be noted.
2. That £165,620 from the Outstanding Council Programme Board (OCPB) Reserve relating to the Children, Schools and Families Merton Improvement Board (MIB) project bid for the scanning and digital archiving of files be approved.
3. That the contents of Section 4 be noted and the amendments to the Capital programme contained in Appendix 5b and in the Table below be approved.

4. That there will be a separate report on the wider impact of the DSG on the MTFS to the January 2020 Cabinet meeting.

Scheme	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Narrative
Business Systems – Capita Housing	(100,000)	(100,000)			Reprofiled in accordance with projected spend
Customer Contact	(150,000)	150,000			Reprofiled in accordance with projected spend
Library Enhancement Works – West Barnes Library Re-fit	(200,000)	200,000			Reprofiled in accordance with projected spend
Disabled Facilities Grants	100,000	647,100			Additional budget funded by grant
Unallocated Primary School Project	(157,000)				Proposed Virement to fund projected costs
Morden Area Regeneration – Transportation Enhancements	(500,000)			500,000	Reprofiled in accordance with projected spend
Total	(1,007,000)	1,097,100	0	500,000	

7 STREET CLEANSING LOCALISED IMPROVEMENT PLAN (Agenda Item 7)

The Director of Environment and Regeneration presented the report, which had been brought forward by Veolia following issues raised at the meeting of the Sustainable Communities Scrutiny Panel meeting in August; and subsequent joint site inspections with the Directors of Veolia and the Cabinet Member. It had been acknowledged by Veolia that they were not meeting some service standards, particularly in the east of the borough and therefore they agreed to bring forward an improvement plan. The

current contract with Veolia was based on an output specification, which therefore meant that Veolia was responsible for inputs, allocation of resources and processes to achieve those outputs. The Council would continue to work closely with Veolia and monitor performance against their improvement plan, and there would be an expectation that Veolia would make necessary adjustments to the improvement plan in the event that any of the services standards were still not being met.

The Chair welcomed the report and it was

RESOLVED

1. That the Cabinet note the contents of the local improvement plan prepared by Veolia, the Council's street cleansing service provider.
2. That the Cabinet requests the improvement plan, focused on improved street cleansing outputs, be supported by the Council's client monitoring team through enhanced Officer monitoring of Veolia's service deliverables.
3. That officers work collaboratively with Veolia to identify areas of improved service delivery as outlined in the improvement plan in the future initiatives section.
4. That officers regularly review the progress and delivery of the local improvement plan until completion.

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Committee: Cabinet

Date: 27 January 2020

Agenda item: Risk and Resilience Service

Wards: All Wards

Subject: Contract Award - Risk and Resilience Service Contract 2020-2023

Lead officer: Rachael Wardell - Director of Children, Schools and Families

Lead member: Cllr Kelly Braund – Cabinet Member for Children

Contact Officer: Kate Jennings, kate.jennings@merton.gov.uk, 020 8545 3732

Recommendations:

Cabinet is asked to approve the following recommendation:

- A. That the council award to the organisation identified as Contractor A in the Confidential Annex to this report, the contract for the provision of Risk and Resilience Service for a period of 3 years from 1 April 2020, with an option to extend for up to two further years at the discretion of the council.
- B. That Cabinet grant delegated authority to the Director of Children Schools and Families after consultation with the Cabinet Member for Children to approve the additional 2 further years' extensions.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to seek the approval of Cabinet for the award of the contract for the provision of Risk and Resilience Service to Contractor A following an open procedure.
- 1.2. This new contract will be for an initial period of 3 years from 1 April 2020, with an option at the discretion of the council to extend the term for a further period or periods of any duration up to a maximum two years in total.

2 DETAILS

- 2.1. The Integrated Young People's Risk and Resilience Service incorporates prevention of and interventions for substance misuse, missing (home or care), exploitation, poor sexual health and detached youth activities for young people aged 24 and under.
- 2.2. In 2015, our young people's substance misuse treatment and prevention service was re-modelled to incorporate detached youth provision and sexual health promotion. Re-modelling has enabled some of our most vulnerable young people, who are at risk of or experiencing harm from substance misuse,

to seamlessly access alternative 'healthier options' including the promotion of their sexual health and diversionary youth activity. Re-configuring the service has also demonstrably increased the knowledge and skill base of our workforce whilst simultaneously reducing the duplication of service contact for targeted groups of young people and their families.

- 2.3. Further integration, enabled by the award of the contract for our integrated Missing from home and Child Sexual Exploitation (CSE) service in 2017 to the same provider, has seen numerous additional advantages:
- Kept costs low and outcomes high.
 - Targeted vulnerable young people with swift interventions.
 - Provided 'holistic' prevention packages for YP.
 - Significantly increased the number of Return Home Interviews delivered within a 72-hour timeframe.
 - Reduced multiple missing episodes for individuals and prevented peer related missing episodes.
 - Supported transitions to adulthood.
 - Encouraged engagement through building relationships with one key-worker.
 - Provided supported routes through to alternative positive activities.
 - Built support of and for the family network, including recognition of the impact of parental substance misuse.
 - Encouraged positive peer support among adolescents
- 2.4. The intention from 2020 is to formalise this integration into one single Risk and Resilience contract incorporating the above elements and in addition expand CSE to include other forms of exploitation including Child Criminal Exploitation (CCE) specifically, increase smoking cessation interventions and the range of interventions that promote good sexual health such as chlamydia screening.
- 2.5. As part of the development of our integrated service specification we have incorporated findings from the recently published 'First Step' Report on Return Home Interviews (RHIs).

Tender Process

- 2.6. The open procedure, as set out in the Public Contracts Regulations 2015, was used following a discussion with potential bidders at a Market Warming Event for the purpose of this tender exercise.
- 2.7. In accordance with the requirements of that procedure, potential contractors were requested to express an interest in the proposed contract following the publication of a Contract Notice in the Official Journal of the European Union. The tender opportunity was also advertised to interested bidders through the London Tenders Portal and Contracts Finder.
- 2.8. Interested contractors were invited to submit a request for tender and pricing schedule. 40 organisations registered an interest in applying for the contract, of which, 4 submitted tender applications to the council.

- 2.9. All bidders were provided details of the evaluation methodology to be employed in assessing each element of their bids.
- 2.10. Potential bidders were evaluated using a two phase approach. The first phase containing two stages: An initial Compliance Check and Suitability Assessment followed by a second phase evaluating the Bidders' proposals for pricing.
- 2.11. **Phase One:** The compliance check determined whether any of the circumstances described within Section III of the Tender Questionnaire - the Suitability Assessment 2.1 (Grounds for Mandatory Rejection), 2.2 (Non-payment of taxes) and 2.3 (Grounds for Discretionary Rejection), environmental management and health and safety would apply. If one of the circumstances described therein would apply, the Council reserved its right to exclude the Bidder from the tender process.
- 2.12. Bidders were also advised that in the event of a Bidder other than the current contractor being awarded this contract, the terms of the Transfer of Undertakings (Protection of Employment/Regulations 2006) were likely to apply and that employees of the current contractor could be the subject of a TUPE transfer. Approximately 12 employees of the current contractor could be the subject of a TUPE transfer.
- 2.13. All Bidders were required to set out their experience of handling transfers of staff under TUPE provisions in the past and proposals for successfully dealing with the transfer of the existing contractor's workforce, including where staff could potentially transfer to a subcontractor.
- 2.14. As a minimum requirement, Bidders were also required to indicate how they propose to provide an adequate pension provision for those members of staff of the current service provider who were formerly employed by the Council and are entitled to benefits equivalent to those offered by the Local Government Pension Scheme.
- 2.15. All four bidders were assessed to have passed this phase and the bids were passed to the evaluation panel to assess according to the advertised Suitability Criteria.
- 2.16. The qualitative elements of the tender submissions which were assessed included Bidders' proposals in relation to service model and delivery, contract compliance, quality assurance, (including safeguarding, staffing, training, and recruitment), mobilisation, subcontracting, publicity and promotion and social value.
- 2.17. **Phase Two:** Bidding organisations were asked to submit a price proposal for the provision of the contract. Prices were rated based on two elements – (A) the overall cost over the initial three year term of the contract and (B) an adjustment in respect of management overheads (where applicable). An initial score was awarded based on (A) and adjusted by an evaluation of the ratio of overheads to overall contract costs.
- 2.18. The financial element of the bids were assessed based on the overall price, staffing, premises, service running costs, technology costs, operational running costs and overheads.

2.19. Bidders were advised that the contract would be awarded in accordance with the criteria and weightings detailed in Table 1 overleaf. The Quality Criterion for the assessment of the Bidder's Tender was divided into 3 sub-criteria as follows:

- Quality
- Methodology
- Performance

2.20. Using these criteria, the Council undertook the evaluation of the Bidder's written Tender, site visits and interviews and awarded a weighted score for Quality overall out of 90% to provide a final mark for the overall assessment of the Bidder's Tender.

2.21. The Quality Criteria Weighting Table below indicates the weighting assigned to each of these criteria within the evaluation process.

Quality Criteria	Overall Weighting	Maximum Weighted Marks Available
Quality	40%	490
Methodology	30%	310
Performance	20%	170
Overall Quality Total	90%	-

Table 1 - Contract Award Quality Criteria

Tender Evaluation Methodology

2.22. The following was published as part of the invitation to tender, so was available to all prospective Bidders: 'The Council will evaluate the Bidder's Tender to deliver the Risk & Resilience service by the following means:

- An assessment of the Bidder's written Proposal for the Risk & Resilience service set out in its Tender;
- Visits by the Council's Young Commissioners' Team to existing services currently provided by the Bidder that are similar in nature to that required by the Council's Service Specification;
- An interview of the Bidder's representatives by an interview panel comprised of members of the evaluation team.'

2.23. An evaluation team was established for the assessment of bids consisting of:

- CSF Commissioning Manager
 - CSF Head of service for Education Inclusion
 - CSF Head of Service for MASH (Written Evaluation only)
 - CSF Contextual Engagement Manager (Representing CSF Head of service for Adolescent and Family Services)
 - Public Health Interim Adult Substance Misuse Commissioner
 - Public Health Intelligence Officer
 - Young Commissioners Panel (3 Young Inspectors)
- 2.24. The evaluation process was moderated by a CSF Contracts and Procurement Manager who acted in a quality assurance role to ensure EU procedures were being fully complied with, and that the approach of the team to scoring against the evaluation criteria was consistent for all elements of the tender. A moderation review of the scores was undertaken to ensure the integrity of the scoring process.
- 2.25. The council was seeking to appoint the most economically advantageous bidder based on the assessment of both quality and price in accordance with the published criteria and as approved by young people.

Young People's Evaluation

- 2.26. The procurement process for this Invitation to Tender embedded the council's long standing commitment to young people made within the Merton Participation Promise to encourage young people's participation in service delivery and design. To this end a small group of 3 young people from across Merton, including service users, were recruited and trained as 'Young Commissioners'. The group was led by one of our Young Inspectors under the guidance of both the Commissioning Manager and the young people's Participation Team.
- 2.27. The Young Commissioners Group (YCG) acted as a young people's advisory board for the duration of the procurement process.
- 2.28. The YCG reviewed the proposed service specification and evaluation method statements, agreeing to jointly score with the panel the three written questions most important to them. They also devised an additional two method statement questions of their own which were scored only by them. They advised on the weighting to be given to their related questions.
- 2.29. The YCG devised their own interview schedule for the site visits, where they met with service managers, front-line staff and young people who were currently using, or had previously used the service. All Bidders were asked to identify an equivalent or similar service site, provided by the bidder for this purpose. Site visits also incorporated a site tour, review of published materials available to service users and interviews as outlined above. The purpose of the site visits was to support the evaluation of the YCG written questions and establish the qualitative experience of the bidder's existing services.

- 2.30. Findings from the YCG were fed back to the evaluation panel to inform and/or adjust collective scoring where necessary.
- 2.31. Young people joined the expert panel to agree and approve the final recommendations for contract award and as such have requested provisions laid out in the confidential Annex for Bidder A and the Council to enact.
- 2.32. Based on the combined qualitative and pricing scores, Contractor A (as detailed in the confidential appendix to this report) achieved the highest overall score and is recommended for the award of this contract.

3 ALTERNATIVE OPTIONS

- 3.1. The Risk and Resilience Contract is offered as one of our Early Help services preventing a need for more intrusive crisis interventions; furthermore, the service meets statutory requirements (Return Home Interviews) and national evidence based frameworks:
 - Working together to safeguard children (2018) stresses that Local areas should have a comprehensive range of effective, evidence-based services in place to address assessed needs early... including, drug or alcohol misuse by an adult or a child.
 - Statutory Guidance on Children who go missing or Runaway from Home or Care (2017), issued under Section 7 of the Local Authority Social Services Act 1970.
 - The National Drugs Strategy (2017): places emphasis on building resilience and confidence of young people to prevent a range of risks.
 - National Institute for Health and Clinical Excellence (NICE) NG64: Drug Misuse Prevention – targeted interventions & CG51 Drug misuse in over 16s: psychosocial interventions¹.
 - Core principles of Public Health England (PHE, 2017)² young people’s specialist substance misuse services commissioning.
- 3.2. Alternative options for the contract were considered and are documented in the approved Business Case³. The following option was approved by both CSF DMT and the Corporate Procurement Board:
 - Re-commission the Integrated Risk and Resilience Service expanding the integration of missing, exploitation and smoking cessation interventions into the existing service contract. Align the contract to the development of the 0-25 years Early Help model and development of the emerging alliance based commissioning approach, via the Health and Care Together programme in future years.

¹ NICE NG64: Drug Misuse Prevention – targeted interventions & CG51 Drug misuse in over 16s: psychosocial interventions

² YP Specialist Substance Misuse Services, Evidence Review & Commissioning Principles (PHE 2017)

³ Business Case / Gateway 1: Young People’s Risk and Resilience Service (May 2019)

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. This re-commissioning option was recommended following extensive consultation with young people, stakeholders and Heads of Service including:
- 123 face to face focus groups with young people at Ricards Lodge, Phipps Bridge and Pollards Hill Youth Clubs, SMART Centre, South Thames College (Merton), Uptown Youth Club, Youth Parliament and School Council Action Day.
 - 1167 school aged pupils answering sexual health and Drug and Alcohol related questions on the Children and Young people Plan Electronic Survey.
 - Integrated Children's Commissioning Group (Director of Children's Social Care, CCG Joint Commissioner, Director of Public Health, Head of CSF Commissioning).
 - CSF DMT.
 - Merton CSF and PH Leadership Team (Head of Commissioning, Head of Integrated Youth Service, Head of LPP, Head of Adolescent and Family Service, Senior Public Health Consultant for Children and Adult Substance Misuse Commissioner).
 - Substance Misuse Partnership Board.
 - Consultation with the Young Commissioners Group.
- 4.2. This option forms part of our suite of early help services, meets our statutory obligations, offers value for money to the council, but above all, provides seamless interventions for our children and young people as they navigate risk through their transition to adulthood.
- 4.3. A procurement Task and Finish Group⁴ was established to guide the procurement process and establish the evaluation panel. Commercial Services and Legal Services have been consulted throughout the process to ensure probity existed at all times and to ensure we are able to fulfil our obligations at a later date in the event of a Freedom of Information Enquiry. Legal Services advised in detail on the drafting of the tender documentation.

5 TIMETABLE

- 5.1. It is anticipated that the new contract will commence on 1 April 2020.
- 5.2. Approval of the award of this contract to the selected provider is required to be made subject to observing a compulsory 'standstill' period of a minimum of 10 days from the day after notification to all tenderers of the council's intention to award to the successful tenderer. Provided no legal objection to the intended award is formally commenced or raised with the council by any unsuccessful tenderer during this standstill period the contract may be sealed.

⁴ R&R Recommissioning TFG TOR 040419

- 5.3. Following the formal award of the contract, officers will work with the successful contractor to manage the mobilisation to and implementation of the new contract.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Full details of the financial implications of the contract award are set out in the confidential appendix to this report.
- 6.2. The re-commissioning of the service is aligned to the Target Operational Models for the Public Health Division of Community and Housing and Children Schools and Families.
- 6.3. Estimated savings / value of cost avoidance over the life of the new contract are:
- A DfE cost/benefit analysis on young people's substance misuse services demonstrates that every £1 invested saves £1.93 within 2 years and £8.38 in the long term.
 - For every £1 spent on contraception, a saving of £12.50 is made through reduced health care costs.
 - A benchmarking review revealed that the Merton integrated service is a low cost, high impact service with potential savings of over £4.9 million to health and social care costs over the life of the contract.
 - Integrating the CSE and missing service contract has already demonstrated efficiency savings through amalgamating reporting requirements and reducing provider management costs.
 - The proposed price increase will enable the Council to continue benefiting from material savings delivered through combining the contracts. These benefits will accrue at an estimated 14% per year; made out of efficiency savings of 13% and inflationary reductions of 1%.
 - In terms of potential political and financial changes there is a clause in the terms and conditions to allow for further efficiency savings at the council's discretion and we have requested the provider engages in the Merton Health and Care Together Programme emerging alliance based commissioning approach.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The procurement process, in which SLLP and Commercial Services were involved, has been undertaken in accordance with Contract Standing Orders, UK and EU procurement guideline and the award of contract is lawful.
- 7.2. Legal Services and Commercial Services have been consulted at various stages throughout to comment and add input where necessary.
- 7.3. The contract terms for the tender have been prepared by the council's Legal Services team.
- 7.4. Legal Services advised in relation to the remainder of the documentation contained with the council's Invitation to Tender

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. There are no substantive human rights, equalities and community cohesion implications arising from the recommendations contained within this report.
- 8.2. The tender documentation required all tenderers to demonstrate that they comply with current equalities legislation.
- 8.3. All bidders were asked to demonstrate how they will work towards delivering an equitable and accessible service; considering the variety of diverse needs for Merton Young People. Contractor A demonstrated sufficiently their understanding of and intension to respond to this requirement.
- 8.4. The service specification requires the bidder to produce a full Equality Impact Assessment Report using the Council's EIA framework within 3 months of contract award. This will be reviewed and monitored by the Commissioning Team.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. There are no substantive crime and disorder implications arising from the recommendations contained within this report.
- 9.2. The provision of a Risk and Resilience Service contributes to a range of Public Health Outcomes that benefit the community. This includes the reduction of first time entrants to the youth justice system, the reduction of re-offending and the reduction of substance misuse.
- 9.3. Incorporating a responsibility for the service to identify and respond where young people may be experiencing exploitation (including CSE and CCE) will safeguard children and young people from present or potential harm.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. All organisations that are awarded contracts must have a health and safety policy that compliments the council's corporate procedures for effective health and safety and risk management. Tender documentation submitted by all tenderers included their health and safety documentation and practical arrangements for the safe delivery of the service.

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

- Confidential Appendix

12 BACKGROUND PAPERS

[Contract Standing Orders](#)

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Committee: Leaders Strategy Group

Date: 13 January 2020

Wards: All

Subject: Merton Adult Learning Strategic Objectives

Lead officer: Anthony Hopkins, Head of Library, Heritage & Adult Education Service

Lead member: Councillor Eleanor Stringer, Cabinet Member for Education & Adult Education

Contact officer: Anthony Hopkins, Head of Library, Heritage & Adult Education Service

Recommendations:

1. That Cabinet agree the strategic objectives for the next 3 years for Merton's Adult Learning Service.
 2. That Cabinet note progress in the evolution of the model of service following the transition in 2016 to a commissioning model of service and the recent 'Good' Ofsted inspection outcomes.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report outlines the new 3-year strategic objectives for Merton's Adult Learning Service and the evolution of the delivery model following the establishment of a commissioning model in 2016.
- 1.2. The strategic priorities reinforce the Council's commitment to ensuring good quality and sustainable adult learning provision is provided. It is underpinned by Cabinet's commissioning principles for adult learning and the original strategic objectives for the service. The strategic objectives have evolved to reflect the changing demographics and skills needs of Merton residents and responds to the GLA's recently published 'Skills for Londoners' strategy.
- 1.3. From 8 to 11 October 2019 Merton Adult Learning was inspected by Ofsted. Ofsted assessed the service as 'Good' in all six judgment areas with its Overall Effectiveness being viewed as 'Good'. This was the first full inspection of the service as a fully commissioned service and is a significant improvement following the previous two inspections.

2 DETAILS

- 2.1. The London Borough of Merton is committed to providing high quality and sustainable adult learning in order to improve the social, economic, health and wellbeing of our residents. We will deliver this through a strategic investment approach: commissioning provision to the best providers in the field and using an evidence based approach to inform commissioning decisions.
- 2.2. We aim to reduce inequalities across the borough by focussing investment on those most socially and / or economically disadvantaged whilst providing a broad range of learning opportunities to develop all of our resident's skills.

2.3. Underpinning this strategy are the commitments of our elected members to adult learning in Merton, the requirements of our funders and auditors such as the Greater London Authority (GLA) and Ofsted and our understanding of the current and future needs of our residents.

2.4. Adult learning in Merton will:

- Use an evidence based approach to commissioning to ensure the fullest return on investment.
- Embrace technological developments and support residents through the delivery of courses that improve learners' digital skills.
- Deliver courses to improve the health and wellbeing of our residents and reduce social isolation.
- Continue to provide popular courses whilst expanding provision for families to encourage intergenerational learning.
- Increase the quality and number of courses in employability and ensure that a thread of employability and life skills is weaved into all courses.
- Provide targeted courses for adults to improve literacy and / or numeracy skills to enable learners to participate more fully socially and / or economically.
- Further develop the range of courses for learners with learning difficulties and / or disabilities to enable them to live as independently as possible to improve their wellbeing and life chances. Ensure that the provision is joined up with the borough's SEND Strategy and supports learners transitioning into adulthood.
- Tailor the learning journey for all learners from beginning to end so that they progress onto new opportunities.
- Deliver excellent teaching and learning across providers and work collaboratively with them to ensure that best practice is shared and embedded in course provision.

2.5. Underpinning our objectives are the following key principles for adult learning:

- Provide a broad range of accredited and non-credited courses to meet market demand and based on evidence and intelligence of future needs.
- Make full use of national, regional and local data to understand, target and track the delivery of our services to different parts of the resident population to ensure the widest reach of adult learning.
- Ensure all courses (apart from some apprenticeship opportunities) are delivered in the borough.
- Be delivered in an inclusive and welcoming environment in high quality venues that are easy for people to access whilst ensuring the safeguarding of all our learners.

- Embed appropriate assessment and selection processes to ensure that course criteria match learner needs and they progress appropriately following course completion.
- Learn from, and contribute to, best practice around the country in the field of adult learning and actively seek to embrace new approaches.
- Continue to improve the quality of teaching provision and develop enhanced systems to manage quality and improve feedback from our learners.
- Clear pathways are established, recorded and monitored to enable progression of learners onto new courses, employment opportunities and / or improved health and wellbeing as appropriate.
- Market our services to the community through a variety of different methods and ensure a strong thread of localism is embedded into our course offer.

2.6. **Measuring Success**

2.7. Robust contract and performance recording mechanisms are in place and are embedded into our quality management processes and our contracts. Our key performance indicators (KPI's) are:

- Number of unique learners per annum (i.e. regardless of number of courses / modules)
- Number of new learners per annum (not registered as learner in previous year)
- Number of completers (% retention rate per annum)
- % overall achievement rate of accredited courses per annum
- % of end of course evaluations where teaching and learning is rated as good or above
- % of learners from deprived Merton wards (as defined by National Indices of Deprivation)
- Value for money: average cost per learner
- % of learners who report a positive progression pathway (i.e. move onto another learning opportunity or enhance their employment) having attended an adult learning course.

2.8. **Ofsted**

2.9. From 8 to 11 October 2019 Merton Adult Learning were inspected by Ofsted. The service was one of the first services to be inspected under the new Education Inspection Framework (EIF).

2.10. Ofsted noted that good progress has been made across the provision and judged the service as 'Good' in all 6 judgment areas. In particular they noted:

2.11. *"Learners gain a range of benefits from their courses. They enjoy the subjects they study. Those facing social isolation build their self-confidence*

and form new friendships while they study. Learners are taught valuable skills that help increase their self-esteem and play a more active role in the community. Learners who are not confident with English improve their speaking and comprehension.

- 2.12. *Tutors create a positive work-ethic among learners. It helps learners to develop the behaviours they need to go on to study at a higher level or increase their prospects of employment.*
- 2.13. *Learners receive a range of advice and guidance that enable them to make the right career and study choices. Specialist careers advisors know what learners who have been out of work for some time need to help them seek employment. Tutors help learners with learning difficulties and/or disabilities and their families find the right next step for them.*
- 2.14. *Learners appreciate the high-quality accommodation at the community venues in which lessons take place. They make productive use of the resources at the various community settings. Learners feel safe and know whom to approach should they have any concerns.*
- 2.15. *Tutors are experienced, knowledgeable and well qualified in their subjects. They have high expectations for their learners.*
- 2.16. *Leaders and managers ensure that learners benefit from high-quality courses. They pay close attention to planning a curriculum that meets the social, economic and health priorities of the borough. For example, learners with LDD benefit from courses such as cookery, information and communication technologies and gardening.*
- 2.17. *Leaders and managers work well with local partners to shape and deliver the curriculum offer. They work with subcontractors who offer courses that meet their curricular ambitions.*
- 2.18. *Effective governance has resulted in leaders working well together to improve the quality of the curriculum.*
- 2.19. *Leaders and managers place a suitable priority on safeguarding. Leaders are thorough in checking the safeguarding arrangements at subcontractors before working with them. Staff are appropriately trained in safeguarding and the 'Prevent' duty. When they need to act to safeguard learners and promote their welfare they do so promptly and effectively."*
- 2.20. Improvement actions have been incorporated into this year's Quality Improvement Plan (QIP).

3 ALTERNATIVE OPTIONS

- 3.1. The London Borough of Merton undertook an extensive consultation process before deciding upon its commissioning model. All options of delivery were considered and the new model has achieved financial sustainability and a more developed curriculum to better meet the needs of Merton residents. The curriculum will be further enhanced through the delivery of these new strategic objectives.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Extensive consultation was undertaken prior to the transfer of adult learning services to the new commissioning model. Various methods are undertaken by the Adult Learning Service to ascertain satisfaction and demand for provision from learners and residents.
- 4.2. Consultation continues to be undertaken with all learners through end of course evaluations. For the 2018/19 academic year 98% of learners rate the quality of teaching and learning across the provision as good or better.

5 TIMETABLE

- 5.1. Our Self-Assessment Report, Quality Improvement Action Plans and contracts with our commissioned providers provide further detail around our improvement plans. Our 3-year high level development plan will consist of:

Year One (2019/20)	Year Two (2020/21)	Year Three (2021/22)
Manage the transfer of funding from the ESFA to the GLA	Fully embed the recommendations of the Mayor's Skills for Londoners Strategy	Work towards Outstanding Ofsted status
Develop new provision to better meet the social, economic and health needs of Merton residents and particularly for those in low paid employment	Further develop new course provision for priority groups	Recommission main contract provision
Deliver more community based provision in priority parts of the borough	Bring in other sources of funding and develop new partnerships	
Good Ofsted status	Expand family learning provision in priority wards	
Continue to collaborate via regional networks to improve the quality and efficiency of services	Better align MAL strategies and plans with the work of other regional and national agencies such as Ofsted, GLA and SLP.	
Embed new practices relating to Ofsted's Education Inspection Framework (EIF) including making any necessary adjustments	Complete review of apprenticeship model and implement proposals	
Implement the work of the South London Skills & Education Plan for in work progression		

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Merton Adult Learning relies solely on external grants to provide its provision. From the 2019/20 academic year the majority of the grants are now administered by the GLA and their allocation for Merton this year is

£1,360,577. A smaller grant for out of London learners is administered by the ESFA of £36,710.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The main statutory basis for the adult learning service is section 15B of the Education Act 1996. This section empowers local authorities to secure the provision for their area of full-time or part-time education suitable to the requirements of persons who have attained the age of 19, including provision for persons from other areas. It includes power to secure the provision of training, including vocational, social, physical and recreational training, and of organised leisure time occupation which is provided in connection with the provision of education or training. The authority may do anything which appears to them to be necessary or expedient for the purposes of or in connection with the exercise of their functions under this section. In exercising their functions, the authority must in particular have regard to the needs of persons with learning difficulties or disabilities.
- 7.2. The authority does not therefore have a statutory duty to maintain an adult education service but must in considering whether to provide a service and what service to provide take account in particular of the needs of people with learning difficulties or disabilities. The council must also have regard to the Public Sector Equality Duty under section 149 Equality Act 2010. The council must, when exercising its functions, have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' under the Act and those who do not share a protected characteristic. A 'protected characteristic' is defined in the Act as age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. A significant proportion of Adult Learning's investment is on those most socially and / or economically disadvantaged whilst providing a broad range of learning opportunities to develop all resident's skills. Focussed programmes are developed that identify priority needs and use a wide range of sources to inform commissioning principles.
- 8.2. Following the change to a commissioning model the number of learners attending courses from priority wards in the east of the borough has increased. The curriculum is better tailored towards these groups and more courses are delivered there too. The KPI for learners from deprived wards measures this and in the 2018/19 academic year 30% of learners were from these wards.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. No implications identified for the purpose of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. No implications identified for the purpose of this report.

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

- Ofsted Inspection Report of Merton Adult Learning – 8 to 11 October 2019

12 BACKGROUND PAPERS

12.1. None included.

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Inspection of Merton Adult Education

Inspection dates: 8–11 October 2019

Overall effectiveness	Good
<hr/>	
The quality of education	Good
Behaviour and attitudes	Good
Personal development	Good
Leadership and management	Good
Adult learning programmes	Good
Overall effectiveness at previous inspection	Requires improvement

Information about this provider

Merton adult education provides adult education programmes. The courses are managed by a range of subcontractors, with three providing courses at the time of the inspection. The aims of the service are to improve social, economic and health outcomes for residents, particularly those living in disadvantaged areas of the borough. The borough is characterised by a difference between the more deprived east, Mitcham, and the more prosperous west, Wimbledon.

At the time of the inspection, there were 1,400 learners. Around two thirds were on community learning courses, with the rest on courses leading to qualifications. The main curriculum areas were: English for speakers of other languages (ESOL); GCSE and functional skills English and mathematics; arts and crafts and programmes for learners with learning difficulties and/or disabilities. Courses are from entry level to level 2.

What is it like to be a learner with this provider?

Learners gain a range of benefits from their courses. They enjoy the subjects they study. Those facing social isolation build their self-confidence and form new friendships while they study. Learners are taught valuable skills that help increase their self-esteem and play a more active role in the community. Learners who are not confident with English improve their speaking and comprehension.

Tutors create a positive work ethic among learners. It helps learners to develop the behaviours they need to go on to study at a higher level or increase their prospects of employment. Tutors help learners to recognise and overcome the barriers that hinder their learning. Consequently, learners can set and achieve clear personal goals.

Learners receive a range of advice and guidance that enable them to make the right career and study choices. Specialist careers advisers know what learners who have been out of work for some time need to help them seek employment. Tutors help learners with learning difficulties and/or disabilities and their families find the right next step for them.

Learners appreciate the high-quality accommodation at the community venues in which lessons take place. They make productive use of the resources at the various community settings. They like working quietly and respectfully together in relaxed and calm learning spaces. Learners feel safe and know who to approach should they have any concerns.

What does the provider do well and what does it need to do better?

Tutors are experienced, knowledgeable and well qualified in their subjects. They have high expectations for their learners. Most plan their teaching in a logical order so that learners have a sound foundation on which to build their knowledge and skills. For example, functional skills tutors in mathematics build on the basics of numbers, moving on to more complex topics such as ratios. ESOL tutors use verbs in basic sentences before moving learners on to more complex sentences and different types of text.

Tutors help learners to retain their knowledge and skills well. For instance, ESOL tutors use frequent spelling practice and reciting of words and sentences so that learners improve their spoken and written English and use the correct verbs.

Tutors use assessments effectively to help learners improve their skills and use the new knowledge they gain. For example, they assess well what learners know and can do at the start of their courses. Tutors then help learners to address specific gaps in their knowledge. Tutors check learners' homework assiduously to make sure learners have gone over and practised new concepts and skills. They use frequent tests that help learners on GCSE courses secure their knowledge of English and mathematics.

Tutors get to know their learners well and create a nurturing culture where learners feel able to approach staff if they are struggling with their course or have any concerns about their welfare. Learners' attendance at classes is high. They arrive on time and are ready to learn. They keenly take part in their classes.

Leaders and managers ensure that learners benefit from high-quality courses. They pay close attention to planning a curriculum that meets the social, economic and health priorities of the borough. For example, learners with learning difficulties and/or disabilities benefit from courses such as cookery, information and communication technologies and gardening. Tutors teach these well and consequently learners improve their well-being and develop the skills they need for work and their personal lives.

Leaders and managers work well with local partners to shape and deliver the curriculum offer. They work with subcontractors who offer courses that meet their curricular ambitions. For example, specialist subcontractors are skilled at supporting adults who are unemployed or in low-skilled jobs. They are adept at helping them learn the skills and knowledge that they need to gain employment or move forward in their career.

Effective governance has resulted in leaders working well together to improve the quality of the curriculum. Most learners, wherever they study, benefit from high-quality teaching. It supports them well to achieve their goals and qualifications and move on to further study.

Staff make sure that learners understand the importance of British values to their lives and the wider world. They build these aspects well into their programme of study. For example, ESOL learners discussed the role of the Queen and the prime minister and the relationships with the president of the United States of America, when building on their speaking and reading skills.

Across the provision, leaders ensure that the curriculum extends beyond learners' courses. This adds value to the learners' experiences and helps them develop a greater breadth of understanding of their subject. For example, learners with learning difficulties and/or disabilities are taught by staff how to use public transport and become more independent in their lives. Those studying creative arts visit exhibitions to help them recall critical artwork they have discussed in lessons. Learners on ESOL courses take part in activities such as charity events. This gives them a chance to practise and develop their language skills.

Leaders do not have a clear picture of the social, economic and health benefits of the courses for learners. They recognise this and are strengthening their information to help them better measure the impact.

ESOL tutors do not always check that learners have fully understood vital topics. As a result, they do not remember some important components from previous weeks and struggle at the beginning of their next class. A few learners on ESOL courses do not complete homework or understand the importance of this.

For a few learners with learning difficulties and/or disabilities, additional learning support in the classroom is not consistently effective. This hinders a few learners from engaging in the class, fully understanding the topic being taught and completing work.

Safeguarding

The arrangements for safeguarding are effective.

Leaders and managers place a suitable priority on safeguarding. Leaders are thorough in checking the safeguarding arrangements at subcontractors before working with them. They carry out frequent safeguarding reviews while working with them. Leaders and managers ensure that appropriate checks are in place to ensure that staff are suitable to work with learners. Staff are appropriately trained in safeguarding and the 'Prevent' duty. When they need to act to safeguard learners and promote their welfare they do so promptly and effectively.

What does the provider need to do to improve?

- Ensure that ESOL tutors check that all learners understand key components of knowledge during classes. Between classes, get learners to practise going over the knowledge they have gained, so they can remember it.
- Improve the quality of learning support for learners with learning difficulties and/or disabilities so that all learners can fully engage in classes, complete work and understand key topics.
- Gain a fuller picture of the impact of the curriculum on the outcomes that learners achieve. Ensure that leaders use this information to better understand the social, economic and health benefits to the community.

Provider details

Unique reference number	53325
Address	Merton Adult Education, Merton Civic Centre, London Road, Morden SM4 5DX
Contact number	020 8545 3640
Website	https://www.merton.ac.uk
CEO	Ged Curran
Provider type	Local authority
Date of previous inspection	13–16 November 2017
Main subcontractors	Merton College (South Thames Colleges Group) Richmond and Hillcroft Adult and Community College Global Solutions Services

Information about this inspection

The inspection team was assisted by the service manager, as nominee. Inspectors took account of the provider's most recent self-assessment report and development plans, and the previous inspection report. The inspection was carried out using the [further education and skills inspection handbook](#) and took into account all relevant provision at the provider. Inspectors collected a wide range of evidence to inform judgements including observing learning sessions, scrutinising learners' work, seeking the views of learners, staff and other stakeholders, and examining the provider's documentation and records.

Inspection team

Jon Bowman, lead inspector	Her Majesty's Inspector
Jane Hughes	Her Majesty's Inspector
Christina Christou	Ofsted Inspector
Joanna Walters	Her Majesty's Inspector
Mike Finn	Her Majesty's Inspector

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Committee: Cabinet

Date: 27 January 2020

Wards: All

Subject: DSG Recovery Plan

Lead officer: Director, Children, Schools and Families

Lead member: Cabinet Member, Children's Services, Cabinet Member Schools and Adult Education

Contact officer: Rachael Wardell

Recommendations:

1. To note the Recovery Plan requested by the Department of Education in response to Merton's overspend on the Dedicated Schools Grant caused by significant overspending of the high needs block, and the context and background in which this Recovery Plan has been required.
 2. To continue to lobby central government to ensure sufficient funding is made available through the DSG to achieve the intentions of the Children and Families Act 2014 for all children and young people to be able to achieve their full potential.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report outlines the context and background to the overspend in the Dedicated Schools Grant (DSG) in the 2018/19 financial year, and in the current financial year (2019/20), which has led to the Department for Education requiring Merton Council to produce a five-year 'Recovery Plan' with the purpose of bringing the DSG back into balance.
- 1.2. The five-year Recovery Plan submitted to the DfE is provided as an Appendix to this report.
- 1.3. The current five-year Recovery Plan, which is modelled on forecast requirements and government funding in the next five years, does not show the DSG coming back into balance during this period. This is because the forecast demands on the DSG continue to exceed the anticipated funding made available at this time.
- 1.4. The Children, Schools and Families Directorate is meeting with representatives from DfE on Tuesday 11 February to discuss the Recovery Plan in further detail, and to determine what the realistic prospects are for bringing the DSG back into balance. Feedback will be provided to Cabinet following this meeting.

2 DETAILS

- 2.1. Background to the DSG: The Dedicated Schools Grant is a ring-fenced specific grant. It must be used in support of the schools budget as defined in the School and Early Years Finance (England) (No 2) Regulations 2018; it can be used for no other purpose.

- 2.2. The DSG is divided into four notional blocks – the schools block, **the high needs block**, the central school services block (which allocates funding to local authorities for their ongoing responsibilities towards both maintained schools and academies) and the early years block. Each of the four blocks of the DSG are determined by a separate national funding formula.
- 2.3. In consultation with the schools forum, local authorities make decisions about the delegation of funds to schools and on the spending of funds held centrally, most of which is within the ‘high needs block’ used for making high needs provision for children and young people with special educational needs and disabilities. (High needs funding is allocated and can be used in accordance with the High Needs Funding Operational Guide).
- 2.4. Within the DSG the schools block is ring fenced, but (for 2019-20) local authorities had limited flexibility to transfer funding from the schools block to other areas where this matched local circumstances. The DfE anticipated that most proposals by local authorities to move funding from the schools block would arise as a result of pressures on their high needs budgets. To a certain extent this provision recognised the pressures emerging within the high needs block as the impact of the reforms in the Children and Families Act 2014 began to be felt across many local authorities.
- 2.5. Where a local authority has an overall deficit of DSG of 1% or more it is required to submit a recovery plan to the Department for Education, setting out how it plans to bring the overall DSG account into balance.
- 2.6. Merton SEN Context: Since the implementation of the Children and Families Act 2014, Merton has seen a significant increase in children and young people supported through Education Health and Care Plans.. This is in keeping with a significant national rise in the numbers of young people supported in this way, but the increase in Merton has notably been steeper than in many other local authority areas. Some of this national increase must have been both anticipated by government and intentional, because (among other provisions) the Act extended the age range beyond statutory school age, to the under 5s and up to 25 for eligibility for this support. However, no ‘new burdens’ funding was made available to cover these additional costs. For the coming financial year, the DfE has made available some additional funding nationally in acknowledgement of these financial pressures. Merton’s share of this national allocation has been built into our recovery plan spreadsheet, which is attached as Appendix 2.
- 2.7. In January 2016, the number of young people with Statements or Education Health and Care Plans was 1075. In January 2017 this had increased to 1242, by January 2018 to 1518 and by January 2019 (by which time all statements had been converted to EHCPs) to 1712. At the end of November 2019 there were 1973 EHCPs and this figure continues to rise. This increase is reflected in the financial pressures now clearly present in the High Needs Block of the DSG.
- 2.8. Merton Financial Context: Historically Merton had been able to contain its education spending within the DSG, leading to regular underspends which generated a ‘DSG Reserve’. In the budget outturn report for 2017/18, the Council reported about the DSG: *DSG funded services overspent by £1.896m. These budgets are not within the council’s general fund and*

cannot be offset against the local authority funded budgets. The overspend will be funded from the DSG reserve and applied after consultation with Schools Forum. The report went on to state: The pressure on the high needs block will continue in 2018/19. Due to the low level of DSG reserves, it is expected that this will go into a negative position at the end of next financial year, joining some other London LAs.

- 2.9. This prediction proved to be true and in the budget outturn report for 2018/19 the Council reported about the DSG: *DSG funded services overspent by £3.523m. Of this overspend, £494k was funded from the DSG reserve. The DSG ended with a deficit at year-end of £2,909k. This will be carried forward as a negative reserve, similar to other boroughs.*
- 2.10. In both years, the overspends, which eventually could not be contained within the DSG reserve, were attributable to overspends on the high needs block. In 2017/18 the main reasons for the variance were an overspend of £1,319m on Independent Day School Provision and £364k on EHCP allocations to maintained primary and secondary schools. In 2018/19 the main reason for the overspend related to £3,601m on Independent Day School provision. Other overspends included £661k on EHCP allocations to Merton primary and secondary schools, £879k on EHCP allocations to out of borough maintained primary, secondary and special schools, and £1.426m on one-to-one support, OT/SLT and other therapies as well as alternative education.
- 2.11. The number of children with Education Health and Care Plans has continued to grow, and with this growth an associated increase in spending which is required to meet the Council's statutory duty in respect of children's special educational needs. In this month's financial monitoring report to Cabinet, DSG is forecast to overspend by £10,557m an increase of £198k over last month. The cumulative overspend position at the end of last year, is therefore currently forecast to increase to £13,476m at the year end and is projected to increase further in future years. Clearly this is unsustainable.
- 2.12. Measures already taken, and proposed to be taken to try to manage down the spend in this area, while still complying with the Council's statutory duties, are outlined in the narrative to the DSG Recovery Plan attached as Appendix 1.
- 2.13. Treatment of DSG Deficits: The DfE's DSG Deficit Recovery Plan Guidance (March 2019) confirms that: *The DSG is a ring-fenced specific grant, provided outside the local government finance settlement. It should be used in support of the schools budget for the purposes defined in the School and Early Years Finance (England) Regulations. As funding is **ring-fenced there is no requirement for local authorities to top-up the grant from general funding or from non-ring-fenced revenue reserves**, but it is open to them to do so.* Despite this, prudent accounting treatment has required the Council to make financial provision within its MTFS for this growing deficit.
- 2.14. In October 2019, possibly in response to a number of local authorities proposing significant cuts to services in order to be able to make financial provision to cover the growing DSG deficits, the DfE initiated a consultation on changing the conditions of the DSG Grant (<https://www.gov.uk/government/consultations/consultation-on-changing-the->

[dedicated-schools-grant](#)). The consultation proposed: *changing the conditions and regulations applying to the dedicated schools grant (DSG) to clarify that it is a ring-fenced specific grant, separate from the general funding of local authorities. It will also clarify that local authorities are expected to carry forward any deficits they may have on their DSG account, and the deficit does not have to be covered by their general reserves.*

2.15. We are awaiting confirmation of the outcome of this consultation.

3 ALTERNATIVE OPTIONS

3.1. The DSG Deficit Recovery Plan is required by the DfE because of the size of Merton's DSG deficit. The Recovery Plan originally provided was a three year plan, which demonstrably did not recover the deficit position. By agreement with the DfE, Merton therefore has produced and submitted a five-year Recovery Plan. This is the plan appended to this paper. However, as shown in the narrative for the plan, the continuing increase in the number of young people needing an Education, Health and Care Plan means that the deficit cannot be recovered within five years. Following the meeting with representatives from DfE scheduled for 11 February, any possible alternative options will be put before Cabinet.

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. All expenditure in the DSG is undertaken in consultation with the Schools Forum. The Recovery Plan is shared with the Schools Forum.

5 TIMETABLE

5.1. Submission of 5 year Recovery Plan to DfE 12 November 2019

5.2. Presentation of 5 year Recovery Plan to Cabinet for information 27 January 2019

5.3. Meeting with DfE to discuss Recovery Plan 11 February 2020

5.4. Further actions TBA.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. The significant financial implications from this deficit and its management are covered in detail in the two Appendices. This pressure has also been reflected in the Business Plan Report elsewhere on this agenda. Members should note that we have reflected the latest (Period 8) forecast DSG deficit for 2019/20 of £10.557m in the MTFs. This compares to the £9.280m forecast deficit for 2019/20 in the table appended to this report (reflecting our submission to the DfE at the time).

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. The right to an assessment of a child's special educational needs, the production of an Education, Health and Care Plan which meets those needs and the commissioning of the required service provision outlined in the plan are statutory requirements under the Children and Families Act 2014.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. Children and young people with special educational needs and disabilities have protected characteristics (age, disability) under the Equalities Act 2010. Meeting those children and young people's needs mitigates some of the disadvantage they may experience as a result of their special educational needs and/or disabilities.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. Young people with Special Educational Needs and Disabilities are over-represented in the cohort of young people involved with the youth justice system.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Children and young people with special educational needs and disabilities are more vulnerable than the child population in general. Meeting our statutory duties in respect of these children and young people enables the Council to help manage some of the health and safety and other risks to which they may be exposed.

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

- DSG Recovery Plan Narrative for revised submission November19 final
- 5 year DSG recovery plan template updated V2

12 BACKGROUND PAPERS

- 12.1. Children and Families Act 2014:
<http://www.legislation.gov.uk/ukpga/2014/6/part/3/enacted>
- 12.2. SEND Code of Practice:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/398815/SEND_Code_of_Practice_January_2015.pdf
- 12.3. School and Early Years Finance (England) (No 2) Regulations 2018
<http://www.legislation.gov.uk/uksi/2018/1185/contents/made>
- 12.4. High Needs Funding 2019 to 2020 Operational Guide
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811096/High_needs_funding_operational__guide_2019_to_2020.pdf
- 12.5. DSG Recovery Plan Guidance:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/786390/DSG_deficit_recovery_plan_guidance_2019_to_2020.pdf

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Merton Council DSG Recovery Plan Revised Submission

Introduction

The council submitted its High Needs Block (HNB) Deficit Reduction Plan as required by the ESFA by 30 June 2019. However, in early July it became clear that the increase in EHCPs was continuing to rise at high levels. We have also been in discussion regarding submitting a 5-year plan rather than 3 years. We have therefore taken the opportunity to provide a revised document on this basis.

It should be noted that the council has sought to be realistic rather than unrealistically optimistic in setting out our plans, as the pressures that have led to the increases over the last 3 years are still with the council.

The Children and Families Act 2014 and the Code of Practice significantly and rightly raised expectations and aspirations of parents for children with SEND. The age range increased from statutory school age to include children under the age of 5 years and up to the age of 25 years. The test as to whether a child or young person should be assessed for an Education Health and Care Plan became a lower threshold, Part 3 Section 36 (8) of the Children and Families Act clearly states that an assessment should be carried out if the child/young person has or may have special education needs *and* it may be necessary for special educational provision to be made for the child/young person. This has led to an increase in the number of referrals for assessment by education settings but most significantly from parents who do not think their child's needs are being addressed at SEN Support. In addition to the legislative changes there has been a growth in the school age population, advances in life-expectancy for children, increasing poverty and improved identification and diagnoses all of which are also contributing to the growing number of children and young people with SEND.

There have been policy changes that affect inclusion within mainstream settings. The increased focus on inspection and through the broader accountability framework on Progress 8 and Attainment 8 does not incentivise mainstream schools to be inclusive. The shifting of the curriculum away from a vocational offer has given schools less flexibility to offer programmes of study likely to engage pupils less suited to traditional academic subjects. Decreasing funding has led to staffing cuts in mainstream schools which impacts on their ability to cater for children with SEND. There has also been cuts to supporting agencies budgets, which has decreased their ability to provide support services. The combination of these factors is leading both staff and parents to feel less confident about the ability of schools to meet children's needs at a pre statutory threshold level.

Whilst acknowledging all the wider factors, which make this particularly challenging we are not complacent about the work we need to do across the system to minimise the need for statutory assessment and decrease our reliance on the use of independent specialist placements.

We have ambitious plans to:

- continue expanding our state school provision (special schools and ARPs);
- work collaboratively with our state schools to provide support and encourage inclusive practice, hence reducing the need for specialist placements;
- improve the consistency of identification of SEN across borough settings and schools to provide support earlier in a child’s journey and reduce the need for statutory assessment;
- review intervention and support for young people age 14-25 so that we can develop more innovative and bespoke packages including apprenticeships and work experience placements.

1. Plans the council has put in place to reduce the deficit in increments over the next 5 years

The actions being undertaken to mitigate some of the cost pressures in Merton’s High Needs Block (HNB) are outlined below. It is noted that these actions do not reduce the deficit over the next 5 years – in fact the pressures on the system are such that despite these strategies the annual deficit will still rise from 2018/19 levels without further funding.

a) Expanding our state school provision (special schools and ARPs)

Over the next five years further expansion of our state funded provision should offset some of the growth in independent school placements. The further expansion of Perseid school that completed construction in September 2018 and the expansion of Cricket Green School will complete in two phases to enable additional children from September 2019. These expansions will provide an extra 67 placements by January 2022 compared to January 2019

As part of its High Needs assessment council officers have reviewed placements made into the independent sector over the past 5 years, and current trends and identified gaps where it is reasonable for the council to provide additional provision to reduce future Independent sector placements. As a result additional provision is planned and included in our capital programme that will provide for a further 100-120 places. Following a further review of the pressure, including benchmarking our current level of state funded provision from data provided by the DfE from January SEN2 return, the council is now considering further additional provision that will increase this to circa 140 places. The provision of an ASD base at Stanford Primary School (Academy) has been approved by the DfE and construction work is now completed for it to open and provide places from spring 2020. However, the other projects are generally at the early feasibility stage so will not start to have a positive financial impact until 2021/22 and beyond.

School and places	Project	Expected completion
Melrose School (SEMH) – expansion and change of	To reduce recent dependence on expensive primary independent SEMH provision	2021/2022

age range to provide primary annex – 16 places Subject to council approval expanding secondary SEMH provision by a further 16 places (new project since June 2019)		
Stanford Primary School ASD base - 24 places	ASD unit to meet need through adaptation of existing premises.	Early 2020
Secondary medical PRU - 20 places	Likely to be expansion of SMART Centre on Chaucer site	2021/2022
Subject to council approval ASD annex – 90 places agreeing the use of the site we are now planning for 90 places (previously a smaller project for 40 places in June 2019)	Adaption of council existing building to expand existing school	2021/2022

Therefore, while the council has implemented plans over the past 3 years, and future plans are in place to provide the most cost effective placement for children with SEND, they are preventing greater increases in spend on the High Needs block rather than decreasing expenditure.

b) Working collaboratively with our state schools to provide support and encourage inclusive practice, hence reducing specialist placements

The council held a borough wide conference with all its state schools on 10 May 2019. Entitled “Working together to meet the needs of children with Special Educational Needs and Disabilities in Merton”, the aim was to look at the problem together, and plan ahead strategically in the context of more being expected of schools and the Local Authority and less money to do this. It also outlined the legal context for schools including that a mainstream placement can only be refused if it would be incompatible with the efficient education of others, and there are no reasonable steps the LA could take to avoid this.

Over 90% of schools attended, and it was agreed to be part of a series of workshops to explore ways we can continue to work collaboratively across Merton to better meet the needs of children and young people with special educational needs and disabilities and in doing this address the deficit issue.

One element of this work is considering with schools how they can be better supported to develop strategies to enable more pupils to have their needs met at SEND support reducing the need for statutory assessment which will over time reduce the numbers of EHCPs and demand for more expensive specialist placements. This will also enable us to meet our joint stated aspirations of keeping as many children and young people in their local communities and educated as close to home as possible.

Recent reports from the NAO and London councils on the scale of the strategic challenge facing the system and ways that schools and LAs can work together to increase the inclusion in mainstream schools will be used as part of the planning and implementation of these sessions. Good practice in schools where children are held and effectively supported at SEN support, without the need for a statutory assessment will be shared and locality based planning and joint working considered.

We have set a realistic target for the percentage of children with EHCPs to remain in mainstream school to increase from 34% to 38% over the next three years, and thus proportionally more of the growth in EHCPs being within mainstream schools and the knock-on effect of the equivalent of 80 fewer pupils in independent school

c) Improve the consistency of identification of SEN across borough schools

The council now has a dedicated SEN advisor and one of our aims is that this will improve the consistency of identification of SEN across borough mainstream schools. This is being undertaken with the aim that schools will be able to continue to meet needs within a mainstream setting at SEN Support rather than increasing the number of EHC Needs assessments, which in turn can lead to an increase in EHC Plans and placements in more expensive specialist placements.

d) More intervention and support for age 14-25 cohort

The number of education placements for this cohort has gone up from 22 in January 2016 to 146 in January 2019, to a cost of £2.2 million in the 2018/19 financial year. Based on this trend continuing this is forecast to increase to a cost of £2.8 million in 2021/22 without further action.

It is therefore proposed to have a specific support officer to work with families to explore local options for encouraging increased use of apprenticeships and employment rather than staying in an education placement to age 25 when this is no longer the most appropriate option for further developing independence and preparing for adulthood.

2. How continuous improvement has reduced the deficit/ is going to reduce the deficit (e.g. sharing best practice, new contracts, and efficiency savings).

Plans for the future deficit are covered in the section above. The following in recent years has reduced the deficit:

a) Provision of extra state school placements:

The council has more than doubled its specialist provision places over the last 10 years, with the following expansions implemented or in the process of being implemented:

Cricket Green School (Special for Additional complex and varied needs)	Capacity 130 in 2012; current capacity 190 and now under construction to increase capacity to 260 places
Perseid School (Special for Severe and complex learning difficulties)	Increased capacity from 70 to 168. New Upper site in 2011 and further expansion

	completed in autumn 2018 to fill through year groups
Hatfeild Primary School (ASD Resourced provision)	14 places opened 2016
Raynes Park High (ASD Resourced provision)	Increased from 20 to 30 in 2016

The expansion of our special schools has enabled the council to provide 96 extra places in our Merton special schools in January 2019 compared to 2012. If this had not been provided and placements had instead gone to the Independent sector the cost would have been an additional £2.54 million per annum on the High Needs block (based on £48,900 average costs for independent sector Vs £22,400 in our state funded special schools).

b) Minimise our use of residential placements

One of Merton's strategies to reduce placement cost is to minimise the number of independent residential provisions we make as this often means young people are further away from their home and community and this is the most expensive placement for the local authority. Any of these placements now need to be authorised by both Assistant Director of Education and Social Care. In 2018/19 the cost of these placements was reduced by £1.045m compared to 2017/18 as detailed in the table below.

	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Actual paid	3,094,756	3,227,136	3,191,289	3,494,780	2,449,010
Increase/(decrease) in cost		132,380	(35,847)	303,491	(1,045,770)

c) Reduced independent provision placements inflation increases through joint working with South London Consortium including use of a Dynamic Purchasing System:

Merton is a member of the South London Commissioning Program who introduced a Dynamic Purchasing System (DPS) across 10 Local Authorities to commission school placements within the independent non-maintained sector. Total savings on school placements has been £212,991.00 with Merton saving £43,306 in savings since the introduction of the DPS in 2017. The South London Commissioning Program also negotiates inflationary fee uplifts with the independent non-maintained providers on behalf of the Local Authority members. The total savings to the 10 Local Authorities on inflationary fee uplifts since 2017 is £1.8 million. Outside of the council's control, the DPS is being decommissioned; however, Merton will continue to utilise the processes implemented as part of this system to commission independent placements when required, and to issue contracts. The South London Consortium Program will continue to negotiate the inflationary fee uplifts on behalf of consortium members.

d) Inflated both ARP and EHCP banding allocations only once since 2013/14

Rather than reducing band funding to maintained schools, Merton only increased fees once in the past six years, requiring schools to fund inflation costs from within the school budgets. We have not reduced this funding as the message from schools is that they are struggling to support the EHCPs with the funding we are providing. With the number of schools ending up in deficit in Merton increasing from 2 in March 2014 to 9 in March 2019, we have been of the opinion that a reduction to budget would only move the pressure from the HNB to the SB. Schools have also had to fund the additional staff salary increases of up to 8% as most of the support on EHCPs is done by Teacher Assistants. Government only provided additional grant for teacher salary increases and left schools to pick up this additional cost pressure.

3. Details of any previous involvements between blocks, what current cost pressures those movements covered, and why those transfers have not been adequate to counter the new cost pressures

Transfer allowable 0.5% from schools block to the high needs block

The table below details the transfers that have been between blocks. The transfers undertaken up to 2016/17 and the transfer in 2017/18 was used to right-size the blocks on a permanent basis going forward. Since 2018/19 Merton has been transferring the 0.5% allowable amount from the SB to the HNB, although these transfers have not been moved permanently to the HNB and need to be agreed on an annual basis with both schools and schools forum.

With school budgets coming under more pressure this carries the risk that the transfer request could be rejected in future and therefore leave the HNB with an even bigger overspend.

Block	2016/17	2017/18	2018/19	2019/20
Schools	(4,183,180)	(250,000)	(500,000)	(600,000)
High Needs	4,114,810	250,000	500,000	600,000
Early Years	68,370			

The changes related to how the ESFA funded LAs.

The majority of the transfer was agreed with Schools Forum when Merton DSG increased in 2015/16. This was used to address HNB pressures at that stage which included independent day school provision as well as further education and independent special school provision for post 16 pupils.

Every year that the schools block grant increased more than just due to pupil numbers, the growth in funding was shared between maintained schools and academies and the special schools. As special schools were funded from the HNB, a transfer was required to allow the increase.

Although the additional funding was used to cover pressures in previous years, due to the increase in EHCPs and the inability to continue to transfer funding from the

schools block, these transfers were not sufficient to fund the growing number of plans.

A sub group of the Schools Forum has been set up to work with the Local Authority on strategically planning for actions to reduce the deficit including, how we can reduce the reliance on requests for statutory assessments and the use of the centrally retained HNF.

4. Details of contributions coming from the health and social care budgets towards the cost of high needs provision.

Children who are eligible for Child Continuing Health Care currently receive allocated nursing hours or packages of care which are included in the Education Health and Care Plan. The Council has a children's tripartite meeting to negotiate funding agreements but further negotiation regarding the funding split for residential or independent day placements is required to ensure joint funding for health provision is in place.

The current arrangement is for Education to fund 38 weeks of a 52 week residential placement with Social Care funding the remaining 14 weeks. A review of all residential placements is taking place to look at provision and funding arrangements.

5. How the LA has discharged its duties under the Equality Act 2019, C&F Act 2014 and common law to consult with those affected by the changes proposed

The changes proposed in this plan would not contravene the council's duties under the Equality Act 2019, C&F Act 2014 and common law.

Merton has sought to work with stakeholders as far as possible. In 2018 the LA undertook a High Needs Strategic Review consultation inviting responses from all parents of children with an EHCP and those undergoing a statutory assessment but not completed; all schools and settings and other professionals involved in supporting children with SEND.

The review outlined our aspirations for children and young people with SEND. In Merton our aspirations for children with special educational needs and disabilities are as ambitious as for all children and young people

- that children can attend provision close to where they live
- that they achieve well in their local early years, schools and college settings
- that children and young people can build relationships and friendships with their peers in their local community.
- that there is a sufficient range and choice of provision locally that meets children's educational outcomes
- that there is seamless transition from local education into independent living

Key outcomes included need for:

- (i) More in-borough specialist provision;
- (ii) Training for staff in schools to ensure they are sufficiently skilled to meet the need of the range of special educational needs of children within mainstream setting;
- (iii) Focus on developing children's skills for future independence;
- (iv) Easier access to children's health and therapy support;
- (v) Support for children's mental health needs
- (vi) Clear streamline EHCP process including multi agency support for children's annual reviews

We are currently consulting on our SEND Strategy 2020-23 which outlines our shared vision for the local area and outlines key priorities for the next three years in our implementation of the SEND reforms.

Summary of the savings and/or measures you propose to implement over the next three years which will reduce the overspend

The figures are provided in the financial template

7. A summary of the local circumstances and pressures that have contributed to the deficit, including a forecast spend (Divided into Mainstream schools, State-funded special schools, Further education and sixth form colleges, Independent specialist provision and Alternative provision

The figures are provided in the financial template

8. Please provide any further detail here if required, including any attachments that support your recovery and any disapplication reference number

The DSG deficit is due to over spending in the High Needs block. £31,565,594 of the £37,550,670 spend (85 %) in 2018/19 is pupil placement related costs, and the increase in spending over the last 3 years has been largely due to the rise in EHCPs and the related additional cost of specialist placements, with income into the DSG not increasing at the same rate.

Growth in EHCPs and related cost of specialist placements

The table below shows our analysis of the growth in placements of children with EHCPs over this period:

	Jan 2016 Total Statements and EHCPs	Jan 2017 Total Statements and EHCPs	Jan 2018 Total Statements and EHCPs	Jan 2019 Total Statements and EHCPs
PVI settings (Early Years)	0	1	7	7
State mainstream school	422	461	526	584
Additional Resourced/base Provision	110	111	116	125
State Funded Special School	358	388	416	440
Independent Schools	132	153	176	228
Post 16 College and traineeships	25	93	183	212
Post 16 Specialist	10	25	44	37
Alternative Educative	15	10	22	28
No placement (including NEET)	3	0	28	51
Total	1075	1242	1518	1712

Analysis from annual SEN2 returns. Note – the recording requirements for NEET etc. changed in 2018 and 2019

The council has increased its state specialist provision, hence the increase from 358 to 440 children in state funded special school placements. This has been possible through our expansion of our ‘Outstanding’ Perseid and Cricket Green special schools. Mainstream schools and Additional Resourced Provision are also providing for more SEND children with EHCPs. The expansion of our special schools has enabled the council to provide 96 extra places in our special schools compared to 2012. If this had not been provided and placements had instead gone to the Independent sector the cost would have been an additional £2.54 million per annum on the High Needs block (based on £48,900 average costs for independent sector Vs £22,400 in our state funded schools).

However, the expansion has not met the extent of the increase in demand and as a result the number of placements in the more expensive Independent provision has increased disproportionately from 132 placements to 228 (SEN2 return January 2016 and 2019). With the average cost of these placements being calculated as £48,900 in 2018/29, this increase of 96 placements is costing the council an extra £4.7 million per annum. The increase is in day placements; the council has ensured that the cost of residential placements has reduced (see section 2) by some £500k in the last 4 years.

The table below shows how the expenditure on day placements has increased by £6.2 million over the past 6 years, £4.5 million of which has been in the last 3 years.

	Expenditure £000	Pupil Numbers
12/13	£2,372	69
13/14	£2,826	84
14/15	£3,634	97

15/16	£4,100	116
16/17	£4,720	124
17/18	£6,117	149
18/19	£8,565	210

Note – these are day placements only – figures in other table include residential placements that have remained stable/reduced slightly

Other specialist placements to state funded schools and post-16 specialist are also having a financial impact.

Grant assumptions

The DSG Grant has not kept track with the growth in numbers of EHCPs over the past few years. We have built in the additional grant expected following the growth announcement in October 2019. We have assumed that this will be the final grant amount for 2020/21 and that any future increases in grant funding due to changes in numbers will be offset by the import/export adjustment as Merton has also lost significant amounts through this adjustment over the past two years.

The deficit recovery plan assumes this grant increase will continue in future. If this is removed from 2021/22, the deficit recovery plan will be worse off by £2.946m every year (accumulative £8.838m for the three years to 2023/24 and therefore £75.0m deficit in total).

General commentary on forecast spend

The forecast spend largely depends on the future number of EHCPs and future placements from this. The council has considered a number of models and its previous forecast on future EHCPs was that the growth should flatten as the implications of the 2014 and others reforms have flowed through the school system. However, it has become clear that there is no current sign of this as the council has recorded over 150 additional EHCPs in the 6 months from January SEN2 return to the end of July 2019. The council's model tracking EHCPs by year group as a percentage of the GLA (Greater London Authority) general population forecast, with some adjustment is not proving to be a forecast model with reliability and the council's view is that without a change in legislation or government guidance, the following increases need to be planned for over the next five years:

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Pre-school	20	50	55	60	65	70
Primary	676	840	940	980	1010	1040
Secondary (Yrs 7-11)	584	665	710	770	815	860
Secondary Year 12+	286	296	316	336	346	356
Total post 19 (Year 15 to year 20)	146	166	196	221	231	241
Total all	1712	2017	2217	2367	2467	2567
Year on year increase		305	200	150	100	100

Based on these assumptions, it is therefore even more challenging to realistically see how expenditure can be reduced compared to 2018/19 levels, and the actions in this plan are designed to contain increases in expenditure while still meeting the council's statutory responsibilities.

We have therefore developed two financial models, the “do nothing model” that assumes mainstream schools will take the same proportion of EHCP children and we will not develop our state funded school provision and therefore all current placements and future growth goes to the independent sector, and “planned expansion model” that realistically shows the growth in our state funded provision, and an assumption that mainstream schools will provide for proportionally more. The tables below shows expenditure on these two scenarios and now shows it for the five years to 2023/24.

“Do nothing” - Without increase in Merton state provision etc.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
All						
Early Years (inc. Private & Voluntary S	£73,809	£171,264	£188,640	£205,080	£221,364	£237,648
Mainstream School (inc. Academies)	£5,211,207	£6,292,207	£6,933,198	£7,319,233	£7,606,220	£7,893,207
ARP (Additional Resourced Provision)	£2,241,090	£2,232,253	£2,243,901	£2,238,227	£2,242,308	£2,246,390
State Funded Special School	£9,863,705	£9,866,101	£9,871,186	£9,865,556	£9,861,078	£9,856,600
DAY Independent/Non-Maintained Prov	£8,700,741	£14,705,957	£18,113,318	£20,884,835	£22,900,996	£24,917,156
RESIDENTIAL Independent/Non-Maint	£2,449,010	£2,666,473	£2,908,322	£3,142,544	£3,270,346	£3,398,148
Post 16 College and traineeships	£936,267	£1,010,478	£1,129,324	£1,235,050	£1,281,522	£1,327,995
Post 16 Specialist	£1,243,370	£1,386,267	£1,605,314	£1,790,986	£1,867,134	£1,943,283
Other (including children Educated at H	£846,396	£951,055	£1,036,722	£1,121,069	£1,173,383	£1,225,697
NEET/"Do not include"	£0	£0	£0	£0	£0	£0
Total	£31,565,594	£39,282,056	£44,029,925	£47,802,578	£50,424,351	£53,046,125

With management actions (increase in Merton state provision and increase in mainstream)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
All						
Early Years (inc. Private & Voluntary S	£73,809	£171,264	£188,640	£205,080	£221,364	£237,648
Mainstream School (inc. Academies)	£5,211,207	£6,738,372	£7,468,596	£7,943,864	£8,320,084	£8,651,688
ARP (Additional Resourced Provision)	£2,241,090	£2,232,253	£2,387,331	£2,525,086	£2,636,740	£2,640,822
State Funded Special School	£9,863,705	£10,516,209	£11,014,479	£12,286,647	£13,044,364	£13,667,577
DAY Independent/Non-Maintained Prov	£8,700,741	£11,352,988	£13,062,644	£12,650,962	£12,544,991	£13,160,545
RESIDENTIAL Independent/Non-Maint	£2,449,010	£2,666,473	£2,908,322	£3,142,544	£3,270,346	£3,398,148
Post 16 College and traineeships	£936,267	£1,010,478	£1,129,324	£1,235,050	£1,281,522	£1,327,995
Post 16 Specialist	£1,243,370	£1,386,267	£1,605,314	£1,790,986	£1,867,134	£1,943,283
Other (including children Educated at H	£846,396	£951,055	£1,036,722	£1,121,069	£1,173,383	£1,225,697
NEET/"Do not include"	£0	£0	£0	£0	£0	£0
Total	£31,565,594	£37,025,360	£40,801,372	£42,901,287	£44,359,929	£46,253,403

The values in the forecast models are calculated using the 2018/19 average costs for placements. This is different to the higher overspend forecast of £9.990m at the end of September 2019 which was reported to Council as part of the normal budget monitoring reporting which is based on the latest expected numbers and the current year costs. The forecast models will be updated with new average costs after the year-end figures are available.

Many of the new projects planned for Merton will not have an impact until after 2021/22 but the action of Merton council (identified as S1 to S8) in the financial summary) would save just under £7 million per annum compared to the “do nothing option”. With the further savings of S9 and S10 the total saving is £7.13 million

However, since this is expected to be against the background of a further increase in EHCPs and demand for specialist placements, it will just be reducing the expenditure

on placements in 2023/24 from being £53.05 million to £46.25 million, so £14.69 million above 2018/19 levels rather than £21.28 million above 2018/19 levels.

Even if the increase in EHCPs was all kept in mainstream school (at £8,293 per child based on the 2018/19 average) the 855 extra EHCPs forecast between 2018/19 and 2023/24 calculates to an additional cost pressure of over £7 million per annum.

What Merton has considered but does not propose to implement

Merton has considered the following but is of the view that it would either not be beneficial or deliverable in a wider context:

Reducing the offer provided by SEN support services,

This would be counterproductive when considering the increase in EHCPs and our legal obligation to provide the support stated in the plans. It would also risk preventing the existing lower cost placements from being able to continue effectively, thus risking fall-out to more expensive placements and more cost to the HNB.

Transfer from the Schools Block to be more than 0.5%

We have not requested this in our consultation with schools as we are in line with the national picture and schools are struggling to balance their own budgets. This can be demonstrated by the increasing number of schools in Merton ending the financial year in deficit over the past three years, as per the table below.

	2015/16	2016/17	2017/18	2018/19
Number of schools in deficit	2	4	6	9

Use school balances

As outlined above, a number of schools have deficit budgets and the majority only have minor balances and these are generally planned to manage finances over a 3-year period. If any balances are clawed back from schools, currently totalling £8m, there are wide ranging implications, with risks that schools may have some perverse incentives to spend to avoid claw-back. With any reserve, the use would have a one off effect and would not address the ongoing nature of the deficit. Any proposal would require further discussion with our Schools Forum and more generally.

Reduced EHCP bandings, ARP or special school top-up fees

We have also not reduced EHCP bandings, ARP or special school top-up fees due to the same pressures as discussed in the previous paragraph.

Removing scheme where additional funding is provided to schools where more than 2.5% of their number on roll has EHCPs

Merton still runs its scheme where additional funding is provided to schools where more than 2.5% of their number on roll has EHCPs. Due to budget pressures in general school budgets the notional SEN funding is already stretched so taking away this funding would have a negative impact on services provided to these pupils and could risk more pupils with SEN exiting mainstream in favour of higher cost specialist provision.

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Education, Health and Care Plans

	Number of CYP with Statements/ EHCPs	Total HNB	Outturn	Cumulative
2016	1078	£37,034,000	£36,155,524	-£1,200,307
2017	1242	£31,686,000	£32,432,648	-£453,659
2018	1490	£32,104,000	£34,103,396	£1,545,737
2019	1712	£32,825,000	£37,783,810	£6,504,547
2020	2017	£35,771,000	£45,051,126	£15,784,673
2021	2217	£35,771,000	£46,228,482	£26,242,155

	2016	% against total	2017	% against total	2018	% against total	2019	% against total	2020	% against total	2021	% against total
Under Age 5	20	2%	17	1%	20	1%	20	1%	50	2%	55	2%
Aged 5-10	453	42%	495	40%	584	39%	676	39%	840	42%	940	42%
Aged 11-15	466	43%	477	38%	506	34%	584	34%	665	33%	710	32%
Aged 16-19	108	10%	194	16%	267	18%	286	17%	296	15%	316	14%
Aged 20-25	31	3%	59	5%	113	8%	146	9%	166	8%	196	9%
Total	1078	100%	1242	100%	1490	100%	1712	100%	2017	100%	2217	100%

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Committee: Cabinet

Date: 27/1/2020

Wards: ALL

Subject: Annual Review and other matters relating to the Veolia Street cleaning and waste contract.

Lead officer: Chris Lee, Director of E & R

Lead member(s): Councillor Mark Allison, Deputy Leader and Cabinet Member for Finance and Councillor Tobin Byers, Cabinet Member for Adult Social Care, Health and the Environment

Contact officer: John Bosley, Assistant Director, Public Space

Recommendations:

- A. That Members agree the outcome of the annual review of the South London Waste Partnership agreement with Veolia, as set out in the report.
 - B. Note changes arise as a result of a combination of growth in the number of households across the borough, and updated evidence of the cost of providing the waste service that have arisen since the last review.
 - C. Continue to support separate measures to monitor and improve service performance as outlined in this report.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report sets out the rationale for updates to the contractual agreement with Veolia reflecting the operation of the annual review process and other items relating to service delivery. These are matters that apply to and are being considered by all four (4) South London Waste Partnership (SLWP) boroughs.
- 1.2. The updates are considered appropriate and lawful and are consistent with the proper operation of the contract. The exempt attachment to this report (Appendix 1.) sets out the financial detail that is being considered. A further report will be made to the SLWP Strategic Steering Group (SSG), which shall include the contractual basis for this recommendation and the details of additional costs to the other SLWP boroughs.

2 DETAILS

- 2.1. The contract with Veolia commenced in April 2017. The contract has provision within it for an Annual Review (Clause 41) and it is this process that has been undertaken over the recent months to identify changes that are required in contract costs and service changes.
- 2.2. In addition, the Council has considered changes required to respond to the growth in fly-tipping that has affected all local authorities, including Merton, since the contract started three years ago. The Council's draft Fly-Tipping Strategy identifies the challenge this poses and Officers have worked with

the service provider to trial the appropriate resource required to manage increases in the prevalence of these occurrences. This report recommends that the capacity tested and operated by Veolia this year is fully funded and sustained for the remainder of the contract.

ANNUAL REVIEW

2.3. Core Contract price

2.4. As per the Annual Review process, a change to the core contract price is proposed to reflect changes in the number of households and the number of assisted collections due to growth since the acceptance of the original bid model.

2.5. The figures proposed within Year 3 represent the amount by which the current core contract will be adjusted and will form the baseline for future revision during the Annual Review process.

2.6. In Year 2, the outcome of the Annual Review process proposes a mutually agreeable settlement, noting that during this period, the service was being reconfigured into its current state (i.e. containerisation of waste and improved containerisation of recyclates).

2.7. Adjustments for Public Rights of Ways (PROWs) and green spaces cleansing

2.8. During the review, an update to the bid model was mutually agreed, clarifying resource requirements for undertaking the service delivery model at the agreed contractual specification.

2.9. Adjustment as a result of improvements to kerbside recycling capture rates and recycling market changes

2.10. As well as the proposed changes above, it is recognised that there has been a significant change in the boroughs' recycling rates. The success of the recycling service kerbside capture rates has resulted in a different configuration for the collections rounds than that modelled at the time of the bid. The current recycling collection fleet vehicles are designed with to accommodate a 35/65 split for collecting food waste and dry recyclables. We have benefited by a substantial increase in the amount of food waste recycled, which has borne savings in our disposal costs, however, this has added additional pressure on the efficiency of the collection vehicles by adding up to 50% more material than originally modelled. This requires additional resource to be applied to the operational model to accommodate for this growth. In addition, the collapse of the global mixed paper recycle markets has resulted in Veolia adding the operation of a paper sorting line in its operation in order to be able to market the recyclates collected.

2.11. Container costs

2.12. As part of the Annual Review process Veolia have identified above baseline cost for the provision of additional containers in Year 2. This is a one-off payment and as such does not carry forward into any financial adjustment to the base case for Year 3.

2.13. **Fly-Tipping**

2.14. As part of the recognised increase in the rise in fly-tipping nationally and the recorded incidents across the borough, it is recommended that the required additional capacity invested by Veolia in Year 3 is fully funded and sustained for the remainder of the contract.

2.15. **Other contract changes and benefits**

2.16. In addition to the revision of the base case model, Veolia have suggested improvements and planned initiatives to address areas of concern within the borough and to aid in providing more effective service deliverables.

2.17. In relation to street cleansing, this will include the programmed deep cleansing of Neighbourhood Recycling Centres (NRCs) and trialling alternative footway cleansing methodologies, utilising footway mechanised sweepers in tandem with manual operatives.

2.18. Fly-tipping proactive visiting and removal will be established for identified hot-spot locations as informed by the data gathered over the last year. It is intended that this will both reduce the need for reporting and lower the time interval of collection.

2.19. The Service Performance Indicators have also been reviewed and whilst the specific content has remained consistent, the application and proportional weighting of values has been modified. This will enable the Council's contract management team the ability to focus attention of the most pressing matters with the intention of driving improvement in these areas.

2.20. The review of standards applied, the application of the Service Performance Indicators and improvements to the client management of the service provider will be delivered through a divisional staff review currently being undertaken. Emphasis will be placed on 'in-field' contract monitoring and management on a Ward-by Ward basis with the objective to have a greater localised presence to tackle service non-performance issues.

2.21. Moving forward, we have been able to reach commitment from the service provider for a fixed rate of the applied income rate that will be utilised. This provides the benefit of longer term financial security of the costs associated with the service if further extensions are exercised.

2.22. **Performance Deductions**

2.23. In the first contract year the standard of service delivery was significantly below acceptable standards outlined within the contract. The application of the service performance indicator (SPI) framework was not fully operated as it required IT integration with Council systems. Due to the monitored performance of the contract a set application of deductions was applied which had an annual accumulated value of £410K. In Year 2, the SPI framework was integrated and service improvements were made, with the annualised performance deductions being £73k.

2.24. The client management team is maintaining the SPI framework and the AR has considered the application of this in future years as outlined in 2.19.

3 ALTERNATIVE OPTIONS

- 3.1. The Council could decide not to make these payments. This would open the SLWP and the Council to the possibility of action by Veolia under the contract. This would in the first instance be via the arbitration process within the provision of the contract.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. There has been no consultation on this matter which is in large part a result of an agreed contractual clause.

5 TIMETABLE

- 5.1. The payments are to be made this year and for future years. The Annual Review update will be going to the other three boroughs in the Partnership for notification of their additional payments.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. The additional payments relating to Year 3 (2019/20) onwards totals £3.2M for the Partnership, of which Merton's contribution is £740k. A 2020/21 growth item for this ongoing additional cost is being presented to Cabinet as part of the Business Plan update elsewhere on this agenda.
- 6.2. The additional lump sum payment relating to the Year 2 (2018/19) AR process, which was conducted simultaneously, totals £1.3M of which Merton's contribution is £304k.
- 6.3. The financial impact of the increase in fly-tipping detailed in Para 2.14 is £197k for 2019/20 onwards. A 2020/21 growth item for this ongoing additional cost is being presented to Cabinet as part of the Business Plan update elsewhere on this agenda.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The changes proposed by this contract have been agreed in principle by the SLWP acting on the advice of external solicitors and represent a lawful and reasonable settlement both of the claims made by Veolia and the concerns of the partner councils. As such, they will allow the parties to concentrate on service improvement and to avoid the need for an ongoing costly dispute. A deed of variation to the existing contract will be drawn up to ensure certainty over the parties' respective obligations in the future.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None for the purposes of this report.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purposes of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. None for the purposes of this report.

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

- Appendix 1 [Exempt]. – Annual Review price adjustments to Phase C. Lot 1 Waste Management Contract with Veolia

12 BACKGROUND PAPERS

12.1. None.

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Cabinet

Date: 27 January 2020

Subject: Financial Report 2019/20 – November 2019

Lead officer: Roger Kershaw

Lead member: Mark Allison

Recommendations:

- A. That Cabinet note the financial reporting data for month 8, November 2019, relating to revenue budgetary control, showing a forecast net underspend at year-end of £378k, -0.1% of gross budget.
- B. That Cabinet note the contents of Section 4 and the amendments to the Capital Programme contained in Appendix 5b and approve the amendments in the Table below:

Scheme	2019/20 Budget	2020/21 Budget	Narrative
Corporate Service			
Invest to Save	(100,000)	100,000	Re-profiled in accordance with projected spend
Planned Replacement Programme - Data Centre	(150,000)	150,000	Re-profiled in accordance with projected spend
Planned Replacement Programme - Equipment Purchase	100,000	0	Vired from Corporate Cap Maint to cover projected costs
Other Buildings - Capital Maintenance	(100,000)	0	Vired to IT Planned Rep Prog to cover projected costs
Housing Company	(1,564,460)	1,564,460	Re-profiled in accordance with projected spend
Westminster Coroners Court	(455,000)	455,000	Re-profiled in accordance with projected spend
Children, Schools and Families			
Cricket Green - Capital Maintenance	102,250	0	Vired from various Cap Maint Schemes to cover projected costs
Cricket Green Expansion	(100,000)	100,000	Re-profiled in accordance with projected spend
Environment and Regeneration			
Replacement Fleet Vehicles	(284,000)	284,000	Re-profiled in accordance with projected spend
Highways & Footways - Traffic Schemes	(100,000)	100,000	Re-profiled in accordance with projected spend
Highways & Footways - Bridges and Structures	(100,000)	100,000	Re-profiled in accordance with projected spend
Wimbledon Area Regen - Crowded Places/Hostile Vehicle	(259,030)	268,000	Re-profiled in accordance with projected spend
Borough Regeneration - Haydons Rd Shopfronts	(204,000)	204,000	Re-profiled in accordance with projected spend
Parks Investment - Canons Parks for the People	(688,300)	688,300	Re-profiled in accordance with projected spend
Mitcham Area Regen - Canons Parks for the People	(1,244,290)	1,244,290	Re-profiled in accordance with projected spend
Morden Leisure Centre	(231,820)		Scheme complete relinquished budget
Sports Facilities - Wimbledon Park Lake	(1,318,160)	1,318,160	Re-profiled in accordance with projected spend
Parks Investment - Resurface Tennis Courts (Wimb Pk)	150,440		Funded by a contribution from a renewal reserve
Total	(6,546,370)	6,576,210	

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 This is the financial monitoring report for period 8, 30th November 2019 presented in line with the financial reporting timetable.

This financial monitoring report provides -

- The income and expenditure at period 8 and a full year forecast projection.
- An update on the capital programme and detailed monitoring information;
- An update on Corporate Items in the budget 2019/20;
- Progress on the delivery of the 2019/20 revenue savings

2. THE FINANCIAL REPORTING PROCESS

- 2.1 The budget monitoring process in 2019/20 continues to focus on children's social care, which overspent in 2018/19 and continues to have budget pressures. There are also significant pressures on the Dedicated Schools Grant (DSG) which are being monitored. The deficit recovery plan is attached as Appendix 9.
- 2.2 Chief Officers, together with budget managers and Service Financial Advisers are responsible for keeping budgets under close scrutiny and ensuring that expenditure within budgets which are overspending is being actively and vigorously controlled and where budgets are underspent, these underspends are retained until year end. Any final overall overspend on the General Fund will result in a call on balances; however this action is not sustainable longer term.

2.3 2019/20 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

Executive summary – At period 8 to 30th November 2019, the year-end forecast is a net £378k underspend compared to the current budget. This excludes any monies due from the last year of the Business Rates London Pilot Pool.

Summary Position as at 30th November 2019

	Current Budget 2019/20 £000s	Full Year Forecast (Nov) £000s	Forecast Variance at year end (Nov) £000s	Forecast Variance at year end (Oct) £000s	Outturn variance 2018/19 £000s
Department					
3A. Corporate Services	11,425	11,135	(290)	(291)	(2,511)
3B. Children, Schools and Families	61,360	62,766	1,406	1,212	2,271
3C. Community and Housing	63,767	63,642	(124)	(34)	(197)
3D. Public Health	0	0	0	12	0
3E. Environment & Regeneration	16,045	16,225	180	(668)	(1,526)
Overheads	0	0	0	0	(33)
NET SERVICE EXPENDITURE	152,597	153,769	1,172	232	(1,996)
3E. Corporate Items					
Impact of Capital on revenue budget	10,481	10,332	(149)	(149)	403
Other Central budgets	(20,764)	(22,165)	(1,401)	(1,151)	(6,064)
Levies	949	949	0	0	0
TOTAL CORPORATE PROVISIONS	(9,334)	(10,884)	(1,550)	(1,300)	(5,661)
TOTAL GENERAL FUND	143,263	142,885	(378)	(1,068)	(7,657)
FUNDING					
Revenue Support Grant	0	0	0	0	0
Business Rates	(44,026)	(44,026)	0	0	0
Other Grants	(8,169)	(8,169)	0	0	0
Council Tax and Collection Fund	(91,070)	(91,070)	0	0	0
FUNDING	(143,265)	(143,265)	0	0	0
NET	(1)	(380)	(378)	(1,068)	(7,657)

The current level of GF balances is £13.778m and the minimum level reported to Council for this is £12.53m.

3. DEPARTMENTAL SUMMARY OF CURRENT POSITION

Corporate Services

Division	2019/20 Current Budget £000	2019/20 Full year Forecast (November) £000	2019/20 Full Year Forecast Variance (November) £000	2019/20 Full Year Forecast Variance (October) £000	2018/19 Outturn Variance £000
Customers, Policy & Improvement	3,740	3,578	(162)	(125)	(246)
Infrastructure & Technology	11,795	12,050	255	281	(64)
Corporate Governance	2,438	2,334	(104)	(128)	(294)
Resources	5,887	5,835	(52)	(73)	(707)
Human Resources	1,919	2,151	232	230	16
Corporate Other	734	275	(459)	(476)	(1,216)
Total (Controllable)	26,513	26,223	(290)	(291)	(2,511)

Overview

At the end of period 8 (November) the Corporate Services (CS) department is forecasting an underspend of £290k at year end. This has remained in line with the £291k underspend forecast in period 7 (October).

Customers, Policy and Improvement - £162k under

Customer Contact is forecasting a £42k underspend due to lower than budgeted licence costs. There is a forecast underspend of £59k on Cash Collections, capturing future year savings early in 2019/20. The Translations Service has a forecast underspend of £17k, mainly as a result of additional income from internal translation requests compared to the budgeted amount and a vacancy within the team. Marketing and Communications have a £44k underspend forecast from less than budgeted spend on the council magazine and graphic design. A further £55k underspend is forecast on Community Engagement, this is a result of maternity leave in the team and other underspends on running costs. The policy team are forecasting a £30k underspend mainly due to notional rents and grants to voluntary organisations being less than budgeted.

A £12k overspend is forecast on the Registrars Service relating to various running cost budgets such as ground maintenance and marketing as well as a partially underachieved staffing saving in year (2019-20 CS05). This is partly offset by the overachievement of income. Additionally, Press and PR are forecasting a £47k overspend due to the underachievement of income and the use of agency staff.

The forecast underspend in CPI has increased by £37k since period 7. This is mainly due to the reduced forecast for voluntary sector grants and notional rents.

Infrastructure & Technology - £255k over

I&T are forecasting overspends on Telecoms of £101k due to system upgrades and delays in the PABX telecoms implementation. A £59k overspend is forecast on the Professional Development Centre (Chaucer Centre) due to the underachievement of rental income. There is also a £200k overspend forecast for Microsoft Licences which is a best estimate of the cost at this stage, pending the outcome of a procurement exercise. Facilities Management are forecasting a £41k overspend reflecting the use of agency staff and only a partial achievement of a saving in year (2018-19 CS04) following a recent restructure of the energy team. Facilities are forecasting a further £49k overspend on the external fees account due to the use of additional agency staff during the year. The Business Systems Team is also forecasting an overspend of £78k due to recruitment costs, hardware purchases, IT licences and the underachievement of income.

Various underspends within the division are partly offsetting the above overspends. The Print and Post Room are forecasting a £48k underspend with a vacancy held in the team. The Corporate Print Strategy is forecasting a £46k underspend due to less than budgeted multi-functional device (MFD) costs. Additionally, Transactional Services are forecasting a £74k underspend resulting from the recovery of expenses in previous years and there is a £71k underspend forecast on Garth Road Archive Storage due to rental income.

The forecast overspend in I&T has reduced by £26k since period 7. This is mainly due to increased recovery of costs by Transactional Services and a £10k improvement in the level of income generated by the Professional Development Centre.

Corporate Governance – £104k under

The underspend within Corporate Governance is formed of £17k from various running cost budgets held by the AD, £16k from Democracy Services largely due to vacancies and £15k running costs. A further £37k underspend is forecast in the Information Governance team due to vacancies and consultants budget not required in year. Additionally, Legal Services outside of SLLp are forecasting a £39k underspend due to expenditure budgets not required in year.

The South London Legal Partnership (SLLp) is forecasting a £70k deficit, of which £14k is attributable to Merton. The SLLp deficit has increased from £10k in period 7 largely due to increased agency and running expenses as well as a reduced digital courtrooms income forecast.

The forecast underspend on Corporate Governance has reduced by £24k from the position at period 7. This is mainly due to the increased SLLp deficit as well as additional costs within democracy services for printing and traffic management at the recent remembrance service.

Resources - £52k under

There are various underspends forecast within Senior Management, made up of the Chief Executive's budget (£40k under), Director of Corporate Services (£82k under) and AD Resources (£28k under) due to subscription and consultancy budgets not expected to be required in year.

Accountancy has a £87k overspend forecast on Corporate Accountancy and £10k overspend on the Budget Management Team largely due to agency spend.

An £80k overspend is forecast on the Financial Information System (FIS) team mainly due to additional system support costs, with a business case pending to review ongoing budget pressures within the team.

The Insurance and Treasury teams are forecasting an overspend of £103k due to property valuation fees ahead of a re-tendering of insurance contracts, partly offset by a recharge of staff time to the pension fund.

The Merton and Sutton Bailiff Services are forecasting to underspend by £117k due to additional income in excess of the budget. Benefits Administration is forecasting a £261k underspend mainly due to additional income from DWP for various schemes though this is in part offset by agency spend. There is a forecast overspend of £210k on Local Taxation Services due to various running costs and agency spend which is not fully offset by additional income relating to the cost of collection for NDR and council tax.

The forecast underspend in the Resources division has reduced by £21k compared to period 7. This is largely due to £15k added to the forecast for financial advice within the AD Resources budget and various running costs within the Local Taxation Service.

Human Resources – £232k over

Learning and Development is forecasting a £164k overspend due to recruitment costs as well as interim cover for the Head of Organisational Development and HR Strategy post. £57k of the L&D overspend relates to training, a review of the planned training for the rest of the year is being carried out and the forecast will be updated in line with this in the coming months. The overspend forecast in Learning and Development also includes an additional temporary resource to assist with implementing the new recruitment system.

The HR AD budget is also forecasting an overspend of £33k due to the interim cover of the Head of HR post and recruitment costs. A significant budget pressure within HR is from the Transactions budget which is currently forecasting a £75k overspend. This is due to a £15k budget pressure on DBS recharges to clients, which no longer include an internal admin charge as the work is carried out by the London Borough of Kingston, and the remainder relates to the shared payroll system and iTrent client team charges, also by the London Borough of Kingston. The underachievement of schools buyback income is also contributing to the HR overspend.

Payroll has an underspend forecast of £31k as a result of a restructure in year, which captures part of a future year saving early, and a vacancy held in the team.

Overall the HR overspend has increased by only £2k since period 7. This is mainly due to reduced agency costs expected over the Christmas period, offset by the extension of the temporary resource assisting with the implementation of the new recruitment system.

Corporate Items - £460k under

The Housing Benefit Rent Allowances budget shows a forecast surplus of £1.202m on the account against a budgeted surplus of £1m. The additional surplus relates to a £500k underspend against the budget to top-up the bad debt provision, part offset by an overpayment recovery shortfall.

An additional surplus of £80k is forecast following the introduction of a scheme to recover old housing benefit debts which had previously been written off, due to new access to information from HMRC. The corporately funded items budget has a forecast underspend of £115k due to budget not expected to be required in year. A further £100k not required in year has been transferred to the spending review reserve.

The Coroners Court is forecasting an overspend of £46k, incorporating a contingency for additional charges from Westminster. This part offsets with £40k additional income from the Magistrates Court. A further £46k underspend is forecast on the pensions added years budget.

The forecast underspend on corporate items has reduced by £16k since period 7 due to a reduced Housing Benefits overpayment recovery forecast.

Environment & Regeneration

Environment & Regeneration	2019/20 Current Budget	Full year Forecast (Nov)	Forecast Variance at year end (Nov)	Forecast Variance at year end (Oct)	2018/19 Outturn Variance
	£000	£000	£000	£000	£000
Public Protection	(12,947)	(13,104)	(157)	(149)	(753)
Public Space	14,629	14,881	252	(322)	(1,449)
Senior Management	975	1,105	130	115	(17)
Sustainable Communities	8,223	8,178	(45)	(313)	694
Total (Controllable)	10,880	11,060	180	(669)	(1,525)

Description	2019/20 Current Budget	Forecast Variance at year end (Nov)	Forecast Variance at year end (Oct)	2018/19 Variance at year end
	£000	£000	£000	£000
Overspend within Regulatory Services	648	66	67	112
Underspend within Parking Services	(14,466)	(317)	(338)	(964)
Overspend within Safer Merton & CCTV	871	94	122	99
Total for Public Protection	(12,947)	(157)	(149)	(753)
Overspend within Waste Services	13,672	460	(127)	(1,611)
Underspend within Leisure & Culture	416	(250)	(254)	(222)
Overspend within Greenspaces	1,236	8	23	145
Overspend within Transport Services	(695)	34	36	239
Total for Public Space	14,629	252	(322)	(1,449)
Overspend within Senior Management & Support	975	130	115	(17)
Total for Senior Management & Support	975	130	115	(17)
Underspend within Property Management	(2,713)	(118)	(199)	368
Underspend within Building & Development Control	4	(60)	(73)	275
Overspend within Future Merton	10,932	133	(41)	51
Total for Sustainable Communities	8,223	(45)	(313)	694
Total Excluding Overheads	10,880	180	(669)	(1,525)

Overview

The department is currently forecasting an overspend of £180k at year end. The main areas of variance are Parking Services, Waste Services, Leisure & Culture, Senior Management & Support, and Future Merton.

Public Protection

Parking Services underspend of £317k

The underspend is mainly as a result of additional penalty charge notices being issued, following the implementation of the ANPR system across the borough (£701k), and P&D income (£538k).

The section has a £1,900k saving this year relating to the review of parking charges, based on an October start date. Cabinet approved a revised set of charges in September and officers are preparing to follow the statutory order making process. The forecast reflects a prudent approach to the delayed implementation, and associated income of £950k.

Public Space

Waste Services overspend of £460k

Following the conclusion of discussions between the South London Waste Partnership (SLWP) and Veolia pursuant to the Annual Review (AR) process, which takes account of factors such as property growth and other contractual matters, the SLWP have proposed to the partnership authorities seeking permission for additional payments of which Merton's contribution is £740k. A 2020/21 growth item for this ongoing additional cost is presented to Cabinet elsewhere on the agenda.

The SLWP have also recommended an additional lump sum payment relating to the Year 2 (2018/19) AR process, which was conducted simultaneously, of which Merton's contribution is £304k.

Officers are seeking agreement for these proposals within the separate report elsewhere on this agenda, with details of the above figures being provided in the exempt appendix to the report.

The revenue impact of the above on the 2019/20 forecast is an increase in net revenue spend of £366k, as the figure is being partially offset by £119k relating to capital expenditure which forms part of the capital programme, £410k of deductions relating to contract performance, and an agreed 2018/19 reserve of £150k relating to this contract.

Merton, in common with the rest of the country, has experienced a significant increase in fly-tipping and abandoned waste. The service has been handling approximately 12,000 incidents across the borough each year. In order to take a proactive approach to fly tipping the service has recently implemented a new fly-tipping strategy and agreed action plan for 2020/21. The forecast cost to address the increase in fly tipping is £197k for 2019/20 onwards. A 2020/21 growth item for this additional cost is presented to Cabinet elsewhere on the agenda.

The section is forecasting to overspend on its current waste collection and street cleansing contract by £323k. This is largely due to the internal debt charge of £676k for capital spend, along with recharges for additional services being undertaken by the service provider.

The section is also forecasting to overspend on its employee costs by £46k, which is mainly due to a delay in fully implementing a 2018/19 saving (ENR6 £200k), and the temporary employment of a Public Space Inspector which will be in place for six months to provide greater resilience in the monitoring of our service provider performance.

The above overspends are being partially mitigated by a forecast underspend on disposal costs of £532k. Following the introduction of the new wheelie bin service we have seen a significant reduction in the level of general refuse being collected and disposed of through our energy waste facility at Beddington, alleviating the need for landfill and the associated landfill tax charges.

Over this period, we have seen a 12% reduction in refuse, which equates to a monthly average reduction of over 500 tonnes per month this financial year. The main contributor to this success is the increase in food waste participation which has seen an increase of over 66% or 184 tonnes per month.

Leisure & Culture underspend of £250k

The forecast underspend is mainly as a result of the final year, under the previous contractual agreement, of the profit share arrangement with our service provider for the Leisure Centres Contract (£214k). Changes to this contract came into effect from 1st December 2018, which has resulted in future guaranteed annual income, now being built into the Medium Term budget. Due to this guaranteed income the likelihood of future profit shares is now unlikely.

Senior Management & Support

Senior Management & Support overspend of £130k

The overspend relates to the parking review project currently being undertaken to analyse and develop the Council's staff travel plans and reduction in car use.

Sustainable Communities

Property Management underspend of £118k

The principal reason for the forecast underspend relates to exceeding the commercial rental income expectations by £646k, which includes £95k of one-off income from conducting the backlog of rent reviews in line with the tenancy agreements.

This is being partially offset by an overspend of £417k on premises related expenditure, in particular, utility and repairs & maintenance costs. In addition, a £125k overspend on supplies & services is being forecast, mainly relating to employment of consultants to progress rent reviews due to lack of internal resource, valuations to support asset valuations, and additional costs from holding Worsfold House vacant.

Future Merton overspend of £133k

The principal reason for the forecast overspend is the additional costs being incurred in relation to the Bishopsford Bridge collapse (£235k). These additional revenue costs include those relating to investigating why the bridge collapsed (e.g. specialist consultants fees, legal costs, staff time) time spent on insurance investigations, negotiating liabilities, and communications. Revenue costs are likely to extend into 2020/21 until liabilities are resolved, and communications to residents etc. cease with the reopening of the bridge. Some of these costs may be recoverable but it is too early to determine this.

This is being partially offset by the forecast underspend on CPZ consultation and implementation costs of £95k based on the current programme of work, mainly as a result of roll-out delays pending the review of parking charges.

Children Schools and Families

Children, Schools and Families	2019/20 Current Budget £000	Full year Forecast Nov £000	Forecast Variance at year end (Nov) £000	Forecast Variance at year end (Oct) £000	2018/19 Variance at year end £000
Education	24,894	25,134	240	279	(37)
Social Care and Youth Inclusion	19,571	21,633	2,062	1,772	3,211
Cross Department budgets	1,029	977	(52)	(32)	(20)
PFI	8,573	8,108	(465)	(438)	(354)
Redundancy costs	2,183	1,805	(378)	(369)	(529)
Total (controllable)	56,250	57,657	1,407	1,212	2,271

Overview

At the end of November Children Schools and Families forecast to overspend by £1,407m on local authority funded services, an increase in overspend of £195k from October's outturn forecast. The pressure is primarily due to increases in agency staff costs within social care safeguarding teams, permanency and placement teams after a robust evaluation of forecasts.

Due to the volatile nature of placement and SEN transport budgets, and the current volume of CSC activity and Education, Health and Care Plan (EHCP) requests forecasts are vulnerable to change. Despite an increasing population, Merton has managed to hold steady our number of children in care through a combination of actions, which are detailed in the management action section below. However, EHCP numbers continue to rise from 1,941 in October to 1,973 in November, an increase of 32.

The CSF department received £500k growth for 2019/20 which was all allocated against the SEN transport cost due to the continuing pressure in this area.

Local Authority Funded Services

The table below details the significant budget variances identified to date:

Description	Budget £000	Nov £000	Oct £000	2018/19 £000
Procurement & School organisation	594	(281)	(202)	(411)
SEN transport	4,705	1,196	1,097	1,223
Early Years services	3,117	(179)	(216)	(349)
CWD team staffing	571	(84)	(72)	(88)
Internal legal hard charge	543	(110)	(133)	(32)
Other small over and underspends	15,364	(302)	(195)	(380)
Subtotal Education	24,894	240	279	(37)
Fostering and residential placements (ART)	7,111	676	696	1,057
Un-accompanied asylum seeking children (UASC)	75	261	281	488
Community Placement	0	385	385	500
No Recourse to Public Funds (NRPF)	21	141	141	301
MASH & First Response staffing	1,618	311	311	354
Legal costs	526	224	224	280
Other small over and underspends	10,220	64	(266)	231
Subtotal Children's Social Care and Youth Inclusion	19,571	2,062	1,772	3,211

Education Division

The procurement and school organisation budget is forecast to underspend by £281k because of lower spend on revenue budgets. This budget relates to the revenue cost of construction projects and is affected by slippage of capital schemes. The majority of this is used for temporary classrooms usually required due to rising pupil demand when it is not viable to provide permanent buildings.

The SEN transport budget is forecast to overspend by £1.196m. The forecast for maintained school taxis is £3.567m, circa £284k more than last year. This is our best estimate based on the information available at the end of November. The current estimated cost includes a small forecast for new placements that may be required towards the end of the year. There is a risk that this cost could increase more than currently allowed for as we have seen a major increase in the number of EHCPs, although not all plans will necessarily be eligible for support under Merton's transport policy. To support the cost pressure in this area, the £500k growth allocated to the department in 2019/20 has been allocated against this budget. However, this has been insufficient to cover the full extent of the growth in this area.

As part of management action to reduce the overall in-year departmental overspend, where possible in the Early Years' service, recruitment to vacancies is being delayed. At the end of November this is estimated to deliver a £179k underspend.

The Children with Disabilities (CWD) team, which transferred to the Education division this year, is holding vacant posts which is expected to deliver a £84k underspend in the current financial year. Some of this underspend is being used to offset agreed social work activities in the fostering service.

The internal legal hard charging budget is estimated to underspend by £110k. This forecast is based on spend to date and will fluctuate if usage increases towards year-end.

There are various other small over and underspends forecast across the division netting to a £302k underspend. These combine with the items described above to arrive at the total divisional overspend forecast of £240k.

Children's Social Care and Youth Inclusion Division

At the end of November Merton had 170 looked after children (LAC). This is an increase of 9 children from October. The numbers of Looked after Children (LAC) in Merton remain relatively stable and we continue to maintain relatively low levels of children in care as detailed in the table below, although the rate per 10,000 (at 36) is currently the highest it has been since March 15/16:

Overview	2015/16	2016/17	2017/18	2018/19
Number of children in care as at 31st March	163	152	154	160
Of which UASC	22	20	28	34
Rate per 10,000	35	33	33	34
London Rate	51	50	49	tbc
England Rate	60	62	64	tbc

The complexity of a significant proportion of cases is causing cost pressures as detailed below.

Service	Budget £000	Nov Forecast spend £000	Variance		Placements	
			Nov £000	Oct £000	Nov No	Oct No
Residential Placements	2,305	2,006	(300)	(300)	15	15
Independent Agency Fostering	1,753	1,953	200	200	49	42
In-house Fostering	993	1,697	704	704	73	70
Secure accommodation	138	138	0	0	0	0
Mother and baby	103	103	0	0	0	0
Supported lodgings/housing	1,819	1,911	92	92	56	61
Total	7,111	7,807	696	696	193	188

The ART service seeks to make placements with in-house foster carers wherever possible and in line with presenting needs, however, the capacity within our in-house provision and the needs of some looked after children mean that placements with residential care providers or independent fostering agencies are required. Some specific provision is mandated by the courts.

The placement forecasts includes a prediction of costs expected for known placements as well as an estimated cost for movement in placements, including new cases, expected during the year. These assumptions are reviewed and updated every month and estimates adjusted accordingly to provide our best estimate of full year costs.

- The Residential placement expenditure is forecast to underspend by £300k at the end of the financial year. We currently have 15 residential (including 10 respite).
- The Independent Agency Fostering expenditure is forecast to overspend by £200k. We currently have 49 placements, an increase of 7 placements (inclusive of one mother and baby placement) from last month. The cost difference of the increased placements is contained within the expected movement built into the full year estimated cost.
- The In-house Foster carer expenditure is forecast to overspend by £704k. We currently have 73 placements. There has been 8 new placements and 5 Placements ended in November. The cost difference of this change in placements is contained within the expected movement built into the full year estimated cost.
- The Youth Justice secure accommodation expenditure is projected to spend to budget in November. We currently have no placements but are forecasting for possible additional placements expected before the end of financial year.
- The mother and baby assessment unit expenditure is forecast budget for the current year. We currently have no placements but are forecasting for possible additional placements expected before the end of financial year.
- We are forecasting that the budget for the semi-independent accommodation and supported lodgings/housing placements will overspend by £92k in November. There has been one new placement while 6 placements ended. The cost difference of this change in placements is contained within the expected movement built into the full year estimated cost.
- At the end of November, UASC placements and previous UASC that are now Care Leavers were forecasting to overspend by £273k, down from £281k in October (which was itself down from £551k in September's forecast).

Service	Budget £000	Nov Forecast spend £000	Variance		Placements	
			Nov £000	Oct £000	Nov No	Oct No
Independent Agency Fostering	380	482	102	116	11	12
In-house Fostering	325	679	354	360	33	33
Supported lodgings/housing	570	675	105	105	25	24
UASC grant	(1,200)	(1,500)	(300)	(300)		
Total	75	336	261	281	69	69

At the end of November, we had 35 placements for UASC young people under 18. Of these, 32 were placed in foster care and 3 in semi-independent accommodation. The administration's commitment (in line with other London Labour Councils) for Merton is 37 unaccompanied asylum-seeking children or young people (0.08% of the child population). We receive UASC grant towards these placements although it is not sufficient to cover the full cost of placement, subsistence and social work intervention.

Merton had 41 young people aged 18+ who were formerly UASC in our care at the end of November, 12 in foster care, 22 in semi-independent accommodation and 7 who received non-accommodation related support. Once UASC young people reach age 18, we retain financial responsibility for them as Care Leavers until their immigration status is resolved.

We are currently forecasting to 'over-achieve' our projected UASC grant income by £300k. The grant income is offset against the additional costs incurred through having higher numbers of UASC in our care.

We are estimating a £385k spend on the un-budgeted community placement for the current financial year. This includes a £485k estimated cost for 2019/20 reduced by an over accrual in 2018/19 of £100k. The figure is our best current estimate and is subject to change as the case is extremely complex and subject to review. Forecast costs are currently based on an interim arrangement in place while further work is undertaken to secure the right long term support arrangements, although it may not be possible to establish permanent arrangements until the young person is an adult.

The NRPF budget is forecast to overspend by £141k in the current financial year. This is £160k less than last year's overspend. The NRPF worker is working closely with housing colleagues to manage cases as they arise and also reviews historic cases to identify ones where claimant circumstances have changed and they can therefore be stepped down from services. We continue to use the Connect system to progress cases and continue to review open cases with the aim to limit the cost pressure on the council. Strong enquiry and assessment approaches have resulted in a reduction of overall numbers from a peak of 30 in 2016/17 to a current caseload of 6 families where we support 9 children with accommodation and 6 with subsistence.

We are forecasting to overspend by £311k on the MASH and First Response teams' staffing costs. This is because the team is covering 11 vacancies out of an establishment of 30 with agency staff due to difficulty in recruiting permanent members of staff in this area.

Legal costs are forecast to overspend by £224k, unchanged from October. This cost relates to third party legal fees including Counsel, court and medical fees as well as independent expert witness and Family Drug and Alcohol Court (FDAC) costs. The investment in the FDAC is intended to reduce placement costs due to fewer children coming into care. The evidence is that this is effective in those cases that go through the FDAC process, but that this is more than offset by increases in other placement costs.

There are various other small over and underspends forecast across the division netting to a £64k overspend. These combine with the items described above to arrive at the total divisional forecast overspend of £2.062m.

Dedicated Schools Grant (DSG)

DSG funded services are forecast to overspend by £10.557m, an increase of £198k over last month. The DSG had a cumulative overspend of £2.909m at the end of 2018/19. The overspend in the current financial year will be adding to this balance, currently estimated at £13.476m. There will be a separate report on the DSG Deficit Recovery Plan to Cabinet in January 2020.

The main reason for the variance relates to a £6.769m overspend on Independent Day School provision. This is a £130k increase from October 2019. The reason for the overspend is the high number of placements. Following a data cleansing exercise the number of placements has slightly fallen from 261 in October to 252 in November. This fall is also partly due to some young people no longer being in education.

Based on past years' experience, we would expect this number to increase towards the end of the year. We are seeking to increase the number of local maintained special school places in the borough, in order to reduce these costs, but it will take time to bring these additional places on stream. At present the annual increase in the number of EHCPs significantly exceeds the number of additional special school places we are able to create in the borough. Based on the number of new EHCPs still being awarded following assessment, we would expect this cost to still increase towards year-end and the £13.476m cumulative deficit to increase further.

Other overspends include £889k on EHCP allocations to Merton primary and secondary schools, £1.834m on EHCP allocations to out of borough maintained primary, secondary and special schools, and £1.254m on one-to-one support, OT/SLT and other therapies as well as alternative education.

The table below shows the increase in number of EHCPs over the past 4 years since the entitlement changed following the implementation of the Children and Families Act. At the end of November 2019 there were 1,973 EHCPs, a 15% increase year to date.

Type of Provision	Jan 2016 Total Statements and EHCPs		Jan 2017 Total Statements and EHCPs		Jan 2018 Total Statements and EHCPs		Jan 2019 Total Statements and EHCPs	
	No	%	No	%	No	%	No	%
Early Years (inc. Private & Voluntary Settings)	0	0%	1	0%	7	0%	7	0%
Mainstream Schools (inc. Academies)	422	39%	461	37%	526	35%	584	34%
Additional Resourced Provision	110	10%	111	9%	116	8%	125	7%
State Funded Special Schools	358	33%	388	31%	416	27%	440	26%
Independent Schools	132	12%	153	12%	176	12%	228	13%
Post 16 College and traineeships	25	2%	93	7%	183	12%	212	12%
Post 16 Specialist	10	1%	25	2%	44	3%	37	2%
Alternative Education	15	1%	10	1%	22	1%	28	2%
No placement (including NEET)	3	0%	0	0%	28	2%	51	3%
Total	1075	100%	1242	100%	1518	100%	1712	100%
Change over previous year				16%		22%		13%

There are various other smaller over and underspends forecast across the DSG netting to a £78k underspend which, combined with the items above, equates to the net overspend of £10.557m. This will be added to Merton's negative reserve and conversations continue with government over the funding of this.

We continue to keep abreast of proposed changes to the National Funding Formula, especially in relation to risks associated with services currently funded by de-delegated elements of the DSG. We are also working with other authorities on the deficit DSG issue and await the response to the national consultation about the accounting treatment of DSG deficits.

The Early Years block of the DSG is normally adjusted in the July following the end of the financial year as it is based on January census information. We are therefore not in a position to estimate this adjustment until year-end. For 2018/19 this additional grant was £338k.

Merton was required to return to the DfE a Deficit Recovery Plan for the DSG, which is a 5-year plan, taking us up to 2023/24.

In addition to the pressures on the high needs block, which are clear from the budget monitoring figures highlighted above and continue into 2019/20 and beyond, some schools are also having trouble in setting balanced budgets with the funding provided to them through the funding formula. The Finance Service monitors this closely, and before any deficit budget is agreed, work is undertaken with the school to ensure they are maximising every opportunity to reduce costs and spend wisely. The number of schools setting deficit budgets has reduced from 14 in 2018/19 to 13 in 2019/20. There are various reasons for schools requiring to set deficit budgets including unfunded non-teacher pay increases, increased costs relating to children that require additional support but do not meet statutory thresholds for additional funding, reduction in pupil numbers and reduced levels of reserves that schools would previously have used to balance their budgets. Total school balances, including capital balances, did however increase last year.

Merton has been working in conjunction with Association of Directors for Children's Services (ADCS), Society for London Treasurers (SLT), London Councils and the Children's Commissioner to lobby Central Government for additional funding. All commissioned analysis shows that the funding shortfall is a national issue that requires additional grant funding.

Management action

Staffing report

We continue to reduce the use of agency by imposing a three month recruitment drag, where appropriate, for non-social work posts. We continue to prioritise meeting our statutory duties when determining whether recruitment drag may be applied to any vacant post. Children's Social Care and Youth Inclusion are currently reviewing the distribution of social work staffing to ensure workloads in the MASH and First Response Service are at a level that supports recruitment and retention of permanent staff.

Placements

We continue to use the Panel processes to ensure that spending on IFAs instead of in-house placements can be justified, as well as continuing our scrutiny on residential children's home placements.

Our ART Fostering Recruitment and Assessment team is continuing to recruit new foster carers who will offer locally based placements with a campaign targeted at attracting foster carers for teenagers and UASC young people. We have recruited 5 new foster carers this year so far and are taking 3 families to the November panel. However, the target for this financial year is to recruit 20 new foster carers and we are therefore behind target.

Our aim is to slow down the increase in more expensive agency foster placements. In addition, we are implementing actions to retain our experienced existing foster carers such as increasing the support offer to them through the trauma based training and support to enable them to take and retain children with more challenging behaviours in placement and implementing the Mockingbird

Model. We are also targeting our recruitment to increase our number of in-house mother and child foster placements.

Our ART Placement service is working with providers to establish more local provision and offer better value placements to the Council. We continue to convene the Semi-Independent Accommodation (SIA) Panel which will record costs incurred. We are working to identify our Housing Benefit payments and what we should be getting and what are the actuals received. This work is continuing with the aim to further reduce under-achievement of housing benefits during this year.

We have contracted with a provider to block purchase five independent units for care leavers aged 18+ to act as a step down into permanent independent living. Building on these cost reductions, we expect to be able to procure further placements of this type in 2019/20 and 2020/21.

We have updated our Staying Put policy for young people aged 18+ to enable them to remain with their foster carers in line with statutory requirements and as recommended by Ofsted in our inspection. However, the increased use of Staying-Put for young people aged 18+ impacts on available placements for younger teenagers, therefore highlighting again the need for targeted recruitment for foster carers for teenager and UASC young people. We continue to focus our foster carer recruitment on carers for teenagers to mitigate these potential additional costs.

Our average placements costs against each budget code are reported each month. Due to the low numbers in UASC independent agency (non-grant) placements and secure accommodation units, small changes in numbers result in big variations in the average weekly unit costs as detailed in the following table.

Description	March	May	June	July	Aug	Sep	Oct	Nov	Movement from last month	Nov
	£	£	£	£	£	£	£	£	£	No
ART Independent Agency Fostering	900	879	854	889	898	896	910	910	0	49
ART In-house Fostering	440	438	443	430	428	438	435	434	-1	72
UASC Independent Agency (Grant)	803	822	822	821	821	818	818	820	2	9
UASC In house Fostering (Grant)	490	410	388	452	419	422	425	477	52	23
UASC Independent Agency (Non-Grant)	237	802	802	802	802	618	599	599	0	2
UASC In house Fostering (Non-Grant)	589	409	417	405	426	422	420	415	-5	10
ART Residential Placements	3,978	3,919	3,887	3,886	3,916	3,925	3,870	3,874	4	15
ART Secure Accommodation	3,374	1,323	1,890	1,890	2,457	1,816	1,804	1,760	-44	0
ART Mother & Baby Unit	3,589	4,204	4,204	3,401	3,401	3,401	3,405	3,405	0	0
Supported Housing & Lodgings (Art 16+ Accommodation)	585	611	619	627	652	671	676	699	23	56
Supported Housing & Lodgings - UASC (Grant)	782	788	736	687	687	685	708	716	8	3
Supported Housing & Lodgings - UASC (Non Grant)	642	451	410	400	427	434	428	427	-1	22

Children with additional needs

We are working with colleagues in CCGs through the tripartite process in order to secure appropriate health contribution to funding for children with complex needs, particularly through continuing healthcare (CHC) funding. This is an area we need to improve with closer working with the CCG a focus going forward. This will mainly affect the CWD budget as many of the children discussed will be placed at home with shared packages of care. Details of any arrangements made will be recorded and reflected in budget returns.

We have tried to reduce costs associated with SEND transport through a number of strategies but this is a continuing challenge with the increasing numbers of children eligible for this service. Strategies introduced include: the introduction of a dynamic taxi purchasing system; the re-provisioning of taxi routes to ensure best value for money; the introduction of bus pick up points where appropriate; promotion of independent travel training and personal travel assistance budgets where this option is cheaper.

We have a multi-agency SEND panel providing strategic oversight of the statutory assessment process to ensure that at both request-for-assessment stage and the agreement of a final EHCP, criteria and thresholds are met and the best use of resources is agreed.

To limit the increased costs to the DSG High Needs block of the increased number of children with EHCPs we have expanded existing specialist provision and have approved a contract to expand Cricket Green special school. We have increased Additionally Resourced Provision (ARP) in Merton mainstream schools and have further plans for new ARP provision and expansion of existing bases. Additional local provision should also assist with minimising increases to transport costs.

We are also part of a South West London consortium, which uses a dynamic purchasing system for the commissioning of specialist independent places, this enables LAs together to challenge any increases in cost and ensure best value for money in the costs of these placements, although there is evidence that other LAs are not making best use of this and it is likely to be decommissioned.

New burdens

There are a number of duties placed on the Local Authority that have not been fully funded or not funded at all through additional burdens funding from Central Government. Excluding the cost of these duties would leave a net departmental overspend of £696k, however that figure masks substantial one off windfalls and non-recurrent and recurrent management action. The table below highlights the continued estimated overspends relating to these unfunded duties:

Description	Budget £000	Nov overspend forecast £000	Oct overspend forecast £000	2018/19 over £000
Supported lodgings/housing- care leavers	1,819	92	92	52
Supported lodgings/housing- UASC	570	105	105	774
UASC	705	476	476	211
No Recourse to Public Funds (NRPF)	21	141	141	301
UASC grant	(1,200)	(300)	(300)	
Total	1,915	514	514	1,338

The above table summarises the placement cost in relation to additional burdens. On top of these costs there will also be staffing costs to support these cases.

Following changes introduced through the Children & Social Work Act, local authorities took on new responsibilities in relation to children in care and care leavers. Local authorities are required to offer support from a Personal Adviser to all care leavers to age 25. There has been no on-going funding for the additional work required.

Other unfunded burdens include:

- The increase in the age range of EHCPs, particularly for those young people aged 18-25, due to legislation changes, which is causing cost pressures in both the general fund (in education psychology and SEN transport) and the DSG (High Needs Block costs relating to most EHCP services);
- New statutory duties in relation to children missing from education have increased the cases dealt with by the Education Welfare Service by 79% (from 290 in the 6 months from September to March 2016 to 519 in the same 6 months the following year and the level of referrals has remained at this level).
- SEND tribunals will cover all elements of children's care packages, not just education.
- New requirement of social work visits to children in residential schools and other provision.

Further new burdens are expected for 2019/20 including the DfE requirement for new assessment process for all social workers (National Assessment and Accreditation System).

Community and Housing

Overview

Community and Housing is currently forecasting an under spend of £124k as at November 2019. The department continues to have under and over spends in a number of its services except in Merton Adult Learning which continues to forecast a breakeven position.

Community and Housing Summary Outturn Position

Community and Housing	2019/20 Current Budget £000	2019/20 Forecast Spend £'000	2019/20 Forecast Variance (Nov'19) £000	2019/20 Forecast Variance (Oct'19) £000	2018/19 Outturn Variance £000
Access and Assessment	45,199	44,737	(462)	(467)	(258)
Commissioning	4,438	4,303	(135)	(104)	(5)
Direct Provision	4,706	4,775	69	68	6
Directorate	1,142	1,431	289	312	90
Adult Social Care	55,485	55,246	(239)	(191)	(167)
Libraries and Heritage	2,186	2,241	55	68	45
Merton Adult Learning	(8)	(8)	0	0	0
Housing General Fund	1,926	1,986	60	89	(73)
Other Services Sub-total	4,104	4,219	115	157	(28)
Public Health	(148)	(148)	0	12	0
Grand Total Controllable	59,441	59,317	(124)	(22)	(195)

Adult Social Care

Access & Assessment - £462k underspend

This service is currently forecasting an under spend of £462k as of November 2019 There was a minor increase in placements.

There is an expectation that placement numbers will increase over the winter months due to the current increase in hospital admissions.

The net underspend is largely due to savings for 2020/21 being achieved in advance, which is therefore a one off position and will be netted off once the saving is removed from the budget in the new financial year. It is also important to note that included in Adult Social Care income is £300k Independent Living Fund (ILF) grant, which ceases next year.

The position is before winter pressures hit. There are already significant demand pressures in the health system, and that is before any flu has impacted. ASC has put in place contingency plans in concert with our health partners. But is likely to see a surge in activity in the New Year as increased admission via A&E turns into increased discharges.

The table below shows significant movement in budget variances in the Access & Assessment division

Access & Assessment	Forecast Variance Nov'19 £000	Forecast Variance Oct'19 £000	Outturn Variances March 19 £000
Underspend on Concessionary Fares-(taxi-cards scheme)	(91)	(91)	(42)
Equipment	41	99	95
Other- Incl. Employee Related & Premises	159	99	(104)
Placements & Placements Other	1,845	1,776	1,111
Income (IBCF & ILF, Client Contribution)	(2,416)	(2,350)	(1,318)
Total Controllable	(462)	(467)	(258)

Direct Provision-£69k overspend

This service is currently forecasting an over spend of £69k. This is a minimal change since October.

The service continues to overspend on salaries at Meadowsweet, Riverside, JMC and the Supported living services.

The salaries budget for Supported Living was set when there were twenty two clients at one establishment and has grown to thirty eight clients, with three twenty-four hour shared supported schemes plus floating support. This will be addressed in the 2020/21 budget.

The JMC has a number of health staff that were transferred over to Merton and continue to have National Health terms and conditions. Health pay awards are higher than Merton and the increase has caused pressure on the budget.

Meadowsweet and Riverside Drive are residential services who have a shortfall due to single status. Sickness levels are causing additional costs and are being addressed through management action with individuals.

C&H-Other Services

Libraries-£55k overspend

The library service is currently forecasting an over spend of £55k which is an improvement since October. This is due to revision in forecast on employee related, libraries building related, equipment and printing related costs.

Merton Adult Learning

The service continues to forecast a breakeven position.

Housing - £60k overspend

The Housing service is currently forecasting an over spend of £60k as at November 2019 which is a reduction of £29k since October 2019. This is due to a combination of items, such as a reduction in salary forecast, increase in client and Housing Benefit contributions and conversely the increases in subsidy, rent deposits and rent sanctuary costs.

The housing enforcement budget reflects the increased capacity within the team to allow the service to work with private Landlords and their agents to improve housing conditions in the borough and to take a robust approach to housing enforcement. This has proved to be successful and in recent months we have seen three prosecutions against Landlords who have flouted the Law. This enforcement approach is a central plank to the work of the team and contributes to improving housing conditions in the borough and will continue into the New Year.

The temporary accommodation budget continues to fluctuate to reflect numbers of households being admitted into temporary accommodation, numbers of households leaving temporary accommodation and the income received from households living in temporary accommodation via Housing Benefit.

Housing benefit Income and subsidy costs are affected by the fluctuation in the number of households accessing the service in accordance with the provisions of the Housing Act. There was an increase of 4 cases in November. In the same period the service saw an increase in income.

Since the introduction of the Homelessness Reduction Act 2017 (HRA), the service is required by statute to deliver homelessness prevention activities (now referred to as 'Prevention & Relief Duties'). Accordingly, the prevention of homelessness remains a central plank to the work of the team and contributes to the wider council prevention agenda, which is seeking to ensure that households are able to continue to occupy their homes and avoid the trauma that a homelessness episode brings. It is also the case that the service is required to deliver outcomes to the rough sleeper population in line with MHCLG and the GLA requirements.

The service continues to provide outcomes to the most vulnerable members of our community who are rough sleeping. Recently the hub provided 18 bed spaces for those most entrenched rough sleepers. Any resident residing in the hub have had their housing and support needs assessed and appropriate pathways drawn up so as to minimise the risk of their returning to rough sleeping.

Other initiatives that are being developed following successful applications to MHCLG for grant funding. These include:-

Rough Sleeping Initiative, Rapid Rehousing Pathway, Controlling Migration Fund, And Outreach Rapid Response Team. These projects are all in progress and will contribute to the reduction of vulnerable rough sleepers sleeping

Prevention Activities undertaken as part of the New Burdens for Housing

Activities undertaken to prevent homelessness:-

- Rent rescue
- Rent Deposits
- Landlord liaison and negotiation with excluder
- Referrals to landlords, hostels and supported housing providers
- Legal advice on security of tenure, i.e. non-compliant s21 Housing Act 1988 notices
- Advice on prevention from eviction and landlord harassment
- Advice on income maximisation and welfare benefits

The table below shows the number of homelessness prevented to November 2019.

Period	Homelessness Prevention Targets 2019-20
Full Year Target	450
Target YTD	300
Achieved-Apr'19	57
Achieved-May'19	86
Achieved-June'19	118
Achieved-July'19	152
Achieved-Aug'19	193
Achieved-Sept'19	233
Achieved-Oct'19	273
Achieved-Nov'19	309

The service has exceeded its target to date and it is expected to over achieve its annual prevention target. This is the second year of the additional duties undertaken by the housing team and the team continue to exceed its target.

Analysis of Housing and Temporary Accommodation Expenditure

The table below shows the analysis of housing expenditure to November 2019.

Housing	Budget 2019/20 £000	Forecast (Nov'19) £'000	Forecast Variances (Nov'19) £'000	Forecast Variances (Oct'19) £000	Outturn Variances (March'19) £000
Temporary Accommodation-Expenditure	2,368	2,984	616	593	562
Temporary Accommodation-Client Contribution	(140)	(494)	(354)	(308)	(518)
Temporary Accommodation-Housing Benefit Income	(2,005)	(2,513)	(508)	(444)	(26)
Temporary Accommodation-Subsidy Shortfall	322	1,090	768	720	455
Temporary Accommodation-Grant	0	(450)	(450)	(450)	(531)
Subtotal Temporary Accommodation	544	617	73	112	(58)
Housing Other Budgets-Over/(under)spend	1,382	1,369	(13)	(23)	(15)
Total Controllable	1,926	1,986	60	89	(73)

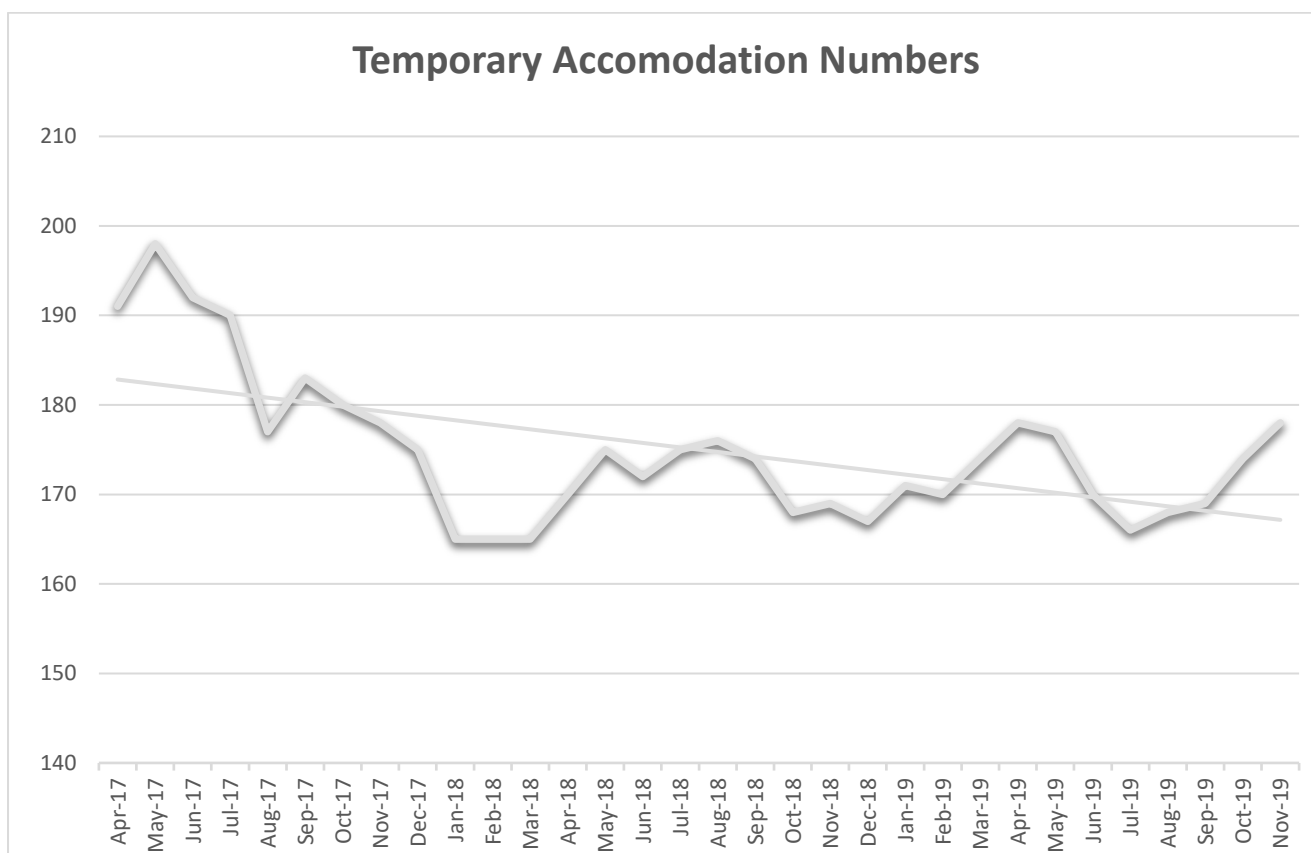
Temporary Accommodation (TA) movement to November 2019

The data below shows the total number of households (i.e. families and single occupants) in temporary accommodation as at November 2019.

Temporary Accommodation	Numbers IN	Numbers OUT	Total for the Month	2018/19
Mar'17	-	-	186	
Mar'18	16	16	165	
Mar'19	15	11	174	
April'19	15	11	178	170
May'19	15	16	177	175
June'19	11	18	170	172
July'19	16	20	166	175
Aug'19	16	14	168	176
Sept'19	14	13	169	174
Oct'19	17	12	174	168
Nov'19	19	15	178	169

Temporary accommodation numbers has slowly increased in the last 5 months.

The graph below shows the trend of temporary accommodation clients since April 2017 to date.



Although the trend line is indicating a reduction it should be note that in the last 5 months there has been an increase in numbers. The above also shows that over the winter months there is usually a peak in numbers in temporary accommodation.

Public Health - nil overspend

Public Health has reduced its overspend to nil. This is due to less than anticipated agency cost for maternity cover and revised forecast for healthy lifestyles activities. The service will continue to work towards achieving a breakeven position.

Corporate Items

The details comparing actual expenditure up to 30 November 2019 against budget are contained in Appendix 2. Based on expenditure and income as at 30 November 2019 there is an underspend of £1.550m forecast on corporate items as summarised in the following table:-

Corporate Items	Current Budget 2019/20 £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	Outturn Variance 2018/19 £000s
Impact of Capital on revenue budget	10,481	10,332	(149)	(149)	403
Investment Income	(664)	(1,143)	(479)	(479)	(364)
Pension Fund	3,279	3,179	(100)	(100)	(254)
Pay and Price Inflation	100	100	0	0	(1,122)
Contingencies and provisions	3,560	2,982	(577)	(327)	(3,366)
Income Items	(1,503)	(1,749)	(246)	(245)	(956)
Appropriations/Transfers	(2,632)	(2,632)	0	0	(6)
Central Items	2,139	738	(1,401)	(1,151)	(6,068)
Levies	949	949	0	0	0
Depreciation and Impairment	(22,903)	(22,903)	0	0	4
TOTAL CORPORATE PROVISIONS	(9,334)	(10,884)	(1,550)	(1,300)	(5,661)

There has been an increase of £0.250m since October in the forecast level of underspend in the contingency budget. The figures in the table above have also been adjusted to reflect the transfer of the following amount, to the Spending Review Reserve

	£000
Excess Inflation provision	100
Total	1,250

The addition of this amount will increase the balance on the Spending Review Reserve to £5.845m.

4 Capital Programme 2019-23

4.1 The Table below shows the movement in the 2019/23 corporate capital programme since the last meeting of Cabinet, there has been considerable movement in the programme this month as this is the last opportunity to reprofile into future financial years in 2019-20:

Depts	Current Budget 19/20	Variance	Revised Budget 19/20	Current Budget 20/21	Variance	Revised Budget 20/21	Revised Budget 21/22	Variance	Revised Budget 21/22	Revised Budget 22/23	Variance	Revised Budget 22/23
CS	9,419	(2,269)	7,150	26,578	2,344	28,923	4,245	0	4,245	16,075	(75)	16,000
C&H	1,096	(39)	1,057	1,965	39	2,004	913	0	913	882	0	882
CSF	9,243	(180)	9,063	5,786	180	5,966	3,150	0	3,150	1,900	0	1,900
E&R	14,089	(4,483)	9,606	8,379	4,468	12,847	7,504	0	7,504	4,901	0	4,901
TOTAL	33,846	(6,971)	26,875	42,708	7,031	49,739	15,812	0	15,812	23,758	(75)	23,683

4.2 The table below summarises the position in respect of the 2018/19 Capital Programme as at November 2019. The detail is shown in Appendix 5.

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Corporate Services	1,753,152	2,358,010	(604,858)	7,149,230	6,950,649	(198,581)
Community and Housing	557,461	498,700	58,761	1,057,490	957,490	(100,000)
Children Schools & Families	6,391,293	6,567,413	(176,119)	9,062,400	9,049,340	(13,060)
Environment and Regeneration	5,058,357	5,687,718	(629,361)	9,606,240	9,570,260	(35,980)
Total	13,760,262	15,111,841	(1,351,578)	26,875,360	26,527,739	(347,621)

a) Corporate Services – All budget managers are projecting a full spend against budget, apart from Customer Contact which is currently showing in year slippage of £180k and works to other buildings £19k. The Table below summarises the adjustments to the programme within this department:

Scheme		2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Narrative
Corporate Service						
Invest to Save	(1)	(100,000)	100,000			Re-profiled in accordance with projected spend
Planned Replacement Programme - Data Centre	(1)	(150,000)	150,000			Re-profiled in accordance with projected spend
Planned Replacement Programme - Equipment Purchase	(1)	100,000	0			Vired from Corporate Cap Maint to cover projected costs
Other Buildings - Capital Maintenance	(1)	(100,000)	0			Vired to IT Planned Rep Prog to cover projected costs
Business Systems - Spectrum Spatial Analysis (GIS)			75,000			Vired from Corporate Cap Contingency in 2022-23
Corporate Capital Contingency					(75,000)	Vired to Spectrum Spatial Ana. (GIS) in 20-21 to cover projected costs
Housing Company	(1)	(1,564,460)	1,564,460			Re-profiled in accordance with projected spend
Westminster Coroners Court	(1)	(455,000)	455,000			Re-profiled in accordance with projected spend
Total Corporate Services		(2,269,460)	2,344,460	0	(75,000)	

(1) Requires Cabinet approval

b) Community and Housing – All budget managers are projecting a full year spend apart from disabled facilities grants which is showing in year slippage of £100k. Only one adjustment is being made to the departmental budget and this is to re-profile £39k from 2019/20 to 2020/21.

- c) Children, Schools and Families – Officers are currently projecting in year slippage of £13k over various sites. The following virements and re-profiling are being progressed this month:

Scheme		2019/20 Budget	2020/21 Budget	Narrative
Children, Schools and Families				
Singlegate Expansion		(11,000)	0	Vired to Perseid Expansion to cover projected costs
Perseid Expansion		11,000	0	Vired from Singlegate Expansion which is now complete
Dundonald Expansion		(31,150)	0	Vired to Harris Merton Expansion to cover projected costs
Harris Merton Expansion		31,150	0	Vired from Dundonald Expansion which is now complete
Hatfeild - Capital Maintenance		(25,710)	0	Vired to Cricket Green Capital Maint to cover projected costs
Cricket Green - Capital Maintenance	(1)	102,250	0	Vired from various Cap Maint Schemes to cover projected costs
Gorringer Park - Capital Maintenance		(17,000)	0	Vired to Cricket Green Capital Maint to cover projected costs
Cranmer - Capital Maintenance		(22,000)	0	Vired to Cricket Green Capital Maint to cover projected costs
Unallocated - Capital Maintenance		(7,540)	0	Vired to Cricket Green Capital Maint to cover projected costs
Raynes Park - Capital Maintenance		(30,000)	0	Vired to Cricket Green Capital Maint to cover projected costs
Melrose Primary SEMH		(50,000)	50,000	Re-profiled in accordance with projected spend
Melbury College - Healthy Schools		(30,000)	30,000	Re-profiled in accordance with projected spend
Cricket Green Expansion	(1)	(100,000)	100,000	Re-profiled in accordance with projected spend
Total Children, Schools and Families		(180,000)	180,000	

(1) Requires Cabinet approval

- d) Environment and Regeneration – Officers are projecting full spend on all budgets apart from underspends on Alleygating (£20k) and Fleet Vehicles (16k) . The following virements and re-profiling are being progressed this month:

Scheme		2019/20 Budget	2020/21 Budget	Narrative
Environment and Regeneration				
Parks Investment - Merton Parks Green Walks		(38,000)	38,000	Re-profiled in accordance with projected spend
Parks Investment - Abbey Recreation Ground		(39,750)	39,750	Re-profiled in accordance with projected spend
Parks Investment - Gap Road Corner Park	(1)	42,130	0	£32k Contributions, £8k S106 and £2k Neighbourhood CIL
Replacement Fleet Vehicles	(1)	(284,000)	284,000	Re-profiled in accordance with projected spend
SLWP - Wheelie Bins	(1)	(30,350)	30,350	Re-profiled in accordance with projected spend
SLWP - Premises/IT		(17,690)	17,690	Re-profiled in accordance with projected spend
Highways & Footways - Casualty Reduction		(70,000)	70,000	Re-profiled in accordance with projected spend
Highways & Footways - Traffic Schemes	(1)	(100,000)	100,000	Re-profiled in accordance with projected spend
Highways & Footways - Bridges and Structures	(1)	(100,000)	100,000	Re-profiled in accordance with projected spend
Cycle Routes Imps - Cycle Access and Parking		(10,000)	10,000	Re-profiled in accordance with projected spend
Mitcham Transport Imps - Figges Marsh Bus Priority		(55,000)	55,000	Re-profiled in accordance with projected spend
Wimbledon Area Regen - Crowded Places/Hostile Vehicle	(1)	(259,030)	268,000	Re-profiled in accordance with projected spend
Borough Regeneration - Haydons Rd Shopfronts	(1)	(204,000)	204,000	Re-profiled in accordance with projected spend
Parks Investment - Canons Parks for the People	(1)	(688,300)	688,300	Re-profiled in accordance with projected spend
Mitcham Area Regen - Canons Parks for the People	(1)	(1,244,290)	1,244,290	Re-profiled in accordance with projected spend
Colliers Wood Area Regen - Wandale Waymarking		15,000		New Section 106 Scheme
Morden Leisure Centre	(1)	(231,820)		Scheme complete relinquished budget
Sports Facilities - Wimbledon Park Lake	(1)	(1,318,160)	1,318,160	Re-profiled in accordance with projected spend
Parks Investment - Resurface Tennis Courts (Wimb Pk)	(1)	150,440		Funded by a contribution from a renewal reserve
Total Environment and Regeneration		(4,482,820)	4,467,540	

(1) Requires Cabinet approval

4.3 The table below summarises the movement in the Capital Programme for 2019/20 since its approval in March 2019 (£000s):

Depts.	Original Budget 19/20	Net Slippage 2018/19	Adjustments	New External Funding	New Internal Funding	Re-profiling	Revised Budget 19/20
Corporate Services	28,857	1,686			60	(23,453)	7,150
Community & Housing	971	225				(139)	1,057
Children Schools & Families	10,203	566		594	50	(2,350)	9,063
Environment and Regeneration	13,498	404	(232)	450	519	(5,034)	9,606
Total	53,529	2,881	(232)	1,044	629	(30,976)	26,875

4.4 The table below compares capital expenditure (£000s) to November 2019 to that in previous years':

Depts.	Spend To November 2016	Spend To November 2017	Spend to November 2018	Spend to November 2019	Variance 2016 to 2019	Variance 2017 to 2019	Variance 2018 to 2019
CS	1,386	1,538	3,534	1,753	367	215	(1,781)
C&H	348	473	608	557	209	85	(51)
CSF	9,684	3,575	4,297	6,391	(3,293)	2,816	2,095
E&R	7,834	7,768	9,897	5,058	(2,775)	(2,710)	(4,838)
Total Capital	19,252	13,354	18,336	13,760	(5,491)	407	(4,576)

Outturn £000s	30,626	32,230	31,424	
Budget £000s				26,875
Projected Spend November 2019 £000s				26,528
Percentage Spend to Budget				51.20%
% Spend to Outturn/Projection	62.86%	41.43%	58.35%	51.87%

4.5 November is two thirds into the financial year and departments have spent just over 51.5% of the budget. Spend to date is lower than two of the three previous financial years shown.

Department	Spend To October 2019 £000s	Spend To November 2019 £000s	Increase £000s
CS	1,659	1,753	94
C&H	502	557	56
CSF	5,583	6,391	808
E&R	3,242	5,058	1,816
Total Capital	10,986	13,760	2,774

4.6 During November 2019 officers spent just under £2.8 million, allowing for year end accruals average monthly spend of just under £2.7 million per month will achieve the projected outturn. An allowance for further slippage against this figure will be allowed for the in the Medium Term Financial Strategy as finance officers are projecting an outturn position of circa £25 million..

5. DELIVERY OF SAVINGS FOR 2019/20

Department	Target Savings 2019/20	Projected Savings 2019/20	Period 8 Forecast Shortfall	Period Forecast Shortfall (P8)	Period 7 Forecast Shortfall	2020/21 Expected Shortfall
	£000	£000	£000	%	£000	£000
Corporate Services	1,484	1,401	83	5.6%	83	35
Children Schools and Families	572	572	0	0.0%	0	0
Community and Housing	1,534	1,416	118	7.7%	121	0
Environment and Regeneration	3,370	2,097	1,273	37.8%	1,273	130
Total	6,960	5,486	1,474	21.2%	1,477	165

Appendix 6 details the progress on savings for 2019/20 by department.

Progress on savings 2018/19

Department	Target Savings 2018/19	2018/19 Shortfall	2019/20 Projected shortfall	2020/21 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,024	505	395	10
Children Schools and Families	489	0	0	0
Community and Housing	2,198	442	0	0
Environment and Regeneration	926	523	172	97
Total	5,637	1,470	567	107

Appendix 7 details the progress on unachieved savings from 2018/19 by department and the impact on the current year and next year.

Progress on savings 2017/18

Department	Target Savings 2017/18	2017/18 Shortfall	2018/19 shortfall	2019/20 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,316	196	0	0
Children Schools and Families	2,191	7	0	0
Community and Housing	2,673	0	0	0
Environment and Regeneration	3,134	2,188	694	305
Total	10,314	2,391	694	305

Appendix 8 details the progress on unachieved savings from 2017/18 by department and the impact on the current year and next year.

6. CONSULTATION UNDERTAKEN OR PROPOSED

6.1 All relevant bodies have been consulted.

7. TIMETABLE

7.1 In accordance with current financial reporting timetables.

8. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

8.1 All relevant implications have been addressed in the report.

9. LEGAL AND STATUTORY IMPLICATIONS

9.1 All relevant implications have been addressed in the report.

10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

10.1 Not applicable

11. CRIME AND DISORDER IMPLICATIONS

11.1 Not applicable

12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

12.1 The emphasis placed on the delivery of revenue savings within the financial monitoring report will be enhanced during 2016/17; the risk of part non-delivery of savings is already contained on the key strategic risk register and will be kept under review.

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

Appendix 1-	Detailed position table
Appendix 2 –	Detailed Corporate Items table
Appendix 3 –	Pay and Price Inflation
Appendix 4 –	Treasury Management: Outlook
Appendix 5a -	Current Capital Programme 2019/20
Appendix 5b -	Detail of Virements
Appendix 5c -	Summary of Capital Programme Funding
Appendix 6 –	Progress on savings 2019/20
Appendix 7 –	Progress on savings 2018/19
Appendix 8 -	Progress on savings 2017/18

14. BACKGROUND PAPERS

14.1 Budgetary Control files held in the Corporate Services department.

15. REPORT AUTHOR

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Summary Position as at 30th November 2019

	Original Budget 2019/20 £000s	Current Budget 2019/20 £000s	Year to Date Budget (Nov.) £000s	Year to Date Actual (Nov.) £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	Outturn variance 2018/19 £000
Department	-	-	-	-	-	-	-	-
3A. Corporate Services	10,930	11,425	16,578	17,147	11,135	(290)	(291)	(2,511)
3B. Children, Schools and Families	60,819	61,360	32,860	26,836	62,766	1,406	1,212	2,271
3C. Community and Housing	-	-	-	-	-	-	-	-
Adult Social Care	58,657	58,650	36,742	40,082	58,410	(240)	(191)	(169)
Libraries & Adult Education	2,878	2,878	2,034	2,624	2,933	55	68	45
Housing General Fund	2,219	2,239	889	424	2,299	60	89	(73)
3D. Public Health	0	0	(817)	(1,911)	0	0	12	0
3E. Environment & Regeneration	15,832	16,045	3,409	(12,016)	16,225	180	(668)	(1,526)
Overheads	0	0	0	0	0	0	0	(33)
NET SERVICE EXPENDITURE	151,335	152,597	91,695	73,186	153,769	1,172	232	(1,996)
3E. Corporate Items	-	-	-	-	-	-	-	-
Impact of Capital on revenue budget	10,481	10,481	4,210	4,312	10,332	(149)	(149)	403
Other Central items	(19,500)	(20,764)	(177)	3,577	(22,165)	(1,401)	(1,151)	(6,064)
Levies	949	949	700	700	949	0	0	0
TOTAL CORPORATE PROVISIONS	(8,070)	(9,334)	4,733	8,590	(10,884)	(1,550)	(1,300)	(5,661)
TOTAL GENERAL FUND	143,264	143,263	96,429	81,776	142,885	(378)	(1,068)	(7,657)
Funding	-	-	-	-	-	-	-	-
- Business Rates	(44,026)	(44,026)	0	0	(44,026)	0	0	0
- RSG	0	0	0	0	0	0	0	0
- Section 31 Grant	0	0	(2,739)	(2,739)	0	0	0	0
- New Homes Bonus	(2,108)	(2,108)	(1,581)	(1,581)	(2,108)	0	0	0
- PFI Grant	(4,797)	(4,797)	(2,398)	(2,398)	(4,797)	0	0	0
- Brexit Grant	(210)	(210)	(210)	(210)	(210)	0	0	0
- Adult Social Care Grant	(1,054)	(1,054)	(4,093)	(4,093)	(1,054)	0	0	0
Grants	(52,195)	(52,195)	(11,022)	(11,022)	(52,195)	0	0	-
Collection Fund - Council Tax Surplus(-)/Deficit	(1,949)	(1,949)	0	0	(1,949)	0	0	0
Collection Fund - Business Rates Surplus(-)/Deficit	3,250	3,250	0	0	3,250	0	0	0
Council Tax	-	-	-	-	-	-	-	-
- General	(92,028)	(92,028)	0	0	(92,028)	0	0	0
- WPCC	(343)	(343)	0	0	(343)	0	0	0
Council Tax and Collection Fund	(91,070)	(91,070)	0	0	(91,070)	0	0	-
FUNDING	(143,265)	(143,265)	(11,022)	(11,022)	(143,265)	0	0	-
NET	(0)	(1)	85,407	70,754	(380)	(378)	(1,068)	(7,657)

Appendix 2

3E. Corporate Items	Council 2019/20 £000s	Original Budget 2019/20 £000s	Current Budget 2019/20 £000s	Year to Date Budget (Nov.) £000s	Year to Date Actual (Nov.) £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	Outturn Variance 2018/19 £000s
Cost of Borrowing	10,481	10,481	10,481	4,210	4,312	10,332	(149)	(149)	403
Impact of Capital on revenue budget	10,481	10,481	10,481	4,210	4,312	10,332	(149)	(149)	403
Investment Income	(664)	(664)	(664)	(443)	(712)	(1,143)	(479)	(479)	(364)
Pension Fund	3,429	3,429	3,279	3,552	3,552	3,179	(100)	(100)	(254)
Corporate Provision for Pay Award	877	877	(0)		0	(0)	0	0	(744)
Provision for excess inflation	450	450	100		0	100	0	0	(378)
Pay and Price Inflation	1,327	1,327	100	0	0	100	0	0	(1,122)
Contingency	1,500	1,500	750		0	500	(250)	0	(1,398)
Single Status/Equal Pay	100	100	50		0	50	0	0	(84)
Bad Debt Provision	500	500	500		0	500	0	0	(33)
Loss of income - P3/P4	200	200	100		0	0	(100)	(100)	(200)
Loss of HB Admin grant	83	83	34		0	0	(34)	(34)	(83)
Apprenticeship Levy	450	450	250	167	138	250	0	0	(217)
Revenuisation and miscellaneous	2,070	2,070	1,875		257	1,682	(193)	(193)	(1,351)
Contingencies and provisions	4,904	4,904	3,560	167	395	2,982	(577)	(327)	(3,366)
Other income	0	0	0	0	(246)	(246)	(246)	(245)	(953)
CHAS IP/Dividend	(1,407)	(1,407)	(1,503)	(821)	(830)	(1,503)	0	0	(3)
Income items	(1,407)	(1,407)	(1,503)	(821)	(1,076)	(1,749)	(246)	(245)	(956)
Appropriations: CS Reserves	(711)	(711)	(1,007)	(1,007)	(351)	(1,007)	0	0	0
Appropriations: E&R Reserves	(146)	(146)	(446)	(446)	0	(446)	0	0	0
Appropriations: CSF Reserves	9	9	(586)	(586)	(976)	(586)	0	0	0
Appropriations: C&H Reserves	(104)	(104)	(104)	(104)	0	(104)	0	0	0
Appropriations: Public Health Reserves	(1,200)	(1,200)	(1,200)	(1,200)	0	(1,200)	0	0	0
Appropriations: Corporate Reserves	(2,034)	(2,034)	711	711	2,745	711	0	0	(6)
Appropriations/Transfers	(4,186)	(4,186)	(2,632)	(2,632)	1,418	(2,632)	0	0	(6)
Depreciation and Impairment	(22,903)	(22,903)	(22,903)	0	0	(22,903)	0	0	4
Central Items	(9,019)	(9,019)	(10,283)	4,033	7,889	(11,833)	(1,550)	(1,300)	(5,661)
Levies	949	949	949	700	700	949	0	0	0
TOTAL CORPORATE PROVISIONS	(8,070)	(8,070)	(9,334)	4,733	8,590	(10,884)	(1,550)	(1,300)	(5,661)

Pay and Price Inflation as at November 2019

In 2019/20, the budget includes 2.8% for increases in pay and 1.5% for increases in general prices, with an additional amount, currently £0.450m, which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. With CPI inflation currently at 1.5% and RPI at 2.2% this budget will only be released when it is certain that it will not be required.

Pay:

The local government pay award for 2019/20 was agreed in April 2018 covering 2018/19 and 2019/20. For the lowest paid (those on spinal points 6-19) this agreed a pay rise of between 2.9% and 9.2%. Those on spinal points 20-52 received 2%.

Prices:

The Consumer Prices Index (CPI) 12-month rate was 1.5% in November 2019, unchanged from October 2019. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was also 1.5% in November 2019, unchanged from October 2019. The largest downward contributions to change in the 12-month inflation rate between October and November 2019 came from accommodation services and tobacco. The largest offsetting upward contributions came from food, and recreation and culture, where prices rose this year by more than a year ago. The RPI rate for November 2019 was 2.2%, which is up from the figure of 2.1% in October 2019.

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. At its meeting ending on 18 December 2019, the MPC voted by a majority of 7-2 to maintain Bank Rate at 0.75%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

In the minutes to its December meeting, the MPC note that "there continue to be some signs that the labour market is loosening, although it remains tight. Employment growth has slowed and vacancies have fallen, but the unemployment rate has remained stable and the employment rate is around its record high. Although pay growth has eased somewhat, unit labour costs have continued to grow at rates above those consistent with meeting the inflation target in the medium term. CPI inflation remained at 1.5% in November and core CPI inflation remained at 1.7%, broadly as expected. The headline rate is still expected to fall to around 1¼% by the spring, owing to the temporary effects of falls in regulated energy and water prices. Monetary policy could respond in either direction to changes in the economic outlook in order to ensure a sustainable return of inflation to the 2% target. The Committee will, among other factors, continue to monitor closely the responses of companies and households to Brexit developments as well as the prospects for a recovery in global growth."

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

Source: HM Treasury - Forecasts for the UK Economy (December 2019)			
	Lowest %	Highest %	Average %
2019 (Quarter 4)			
CPI	1.4	2.3	1.7
RPI	1.8	3.2	2.3
LFS Unemployment Rate	3.8	4.1	3.9
2020 (Quarter 4)	Lowest %	Highest %	Average %
CPI	1.4	3.3	1.9
RPI	1.8	4.2	2.6
LFS Unemployment Rate	3.8	4.6	4.1

Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2019 to 2023 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (December 2019)					
	2019	2020	2021	2022	2023
	%	%	%	%	%
CPI	1.8	1.8	1.9	2.1	2.1
RPI	2.6	2.4	2.7	3.3	3.4
LFS Unemployment Rate	3.9	4.0	4.0	4.1	4.0

Treasury Management: Outlook

At its meeting ending on 18 December 2019, the MPC voted by a majority of 7-2 to maintain Bank Rate at 0.75%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

In the minutes to the December 2019 meeting the MPC state that “Monetary policy could respond in either direction to changes in the economic outlook in order to ensure a sustainable return of inflation to the 2% target. The Committee will, among other factors, continue to monitor closely the responses of companies and households to Brexit developments as well as the prospects for a recovery in global growth. If global growth fails to stabilise or if Brexit uncertainties remain entrenched, monetary policy may need to reinforce the expected recovery in UK GDP growth and inflation. Further ahead, provided these risks do not materialise and the economy recovers broadly in line with the MPC’s latest projections, some modest tightening of policy, at a gradual pace and to a limited extent, may be needed to maintain inflation sustainably at the target. The MPC judges at this meeting that the existing stance of monetary policy is appropriate.”

The outlook for interest rates looking forward will be heavily dependent on the Brexit outcome. The MPC say that “The MPC sets monetary policy to meet the 2% inflation target, and in a way that helps to sustain growth and employment. In pursuing that objective, the main challenges the Committee faced had been to assess the economic implications of the United Kingdom withdrawing from the European Union against a backdrop, more recently, of weaker global growth, and to identify the appropriate policy response to that changing outlook. That outlook depended significantly on the nature and timing of EU withdrawal, in particular: the form of new trading arrangements between the European Union and the United Kingdom; whether the transition to them was abrupt or smooth; and how households, businesses and financial markets responded. The implications for the appropriate path of monetary policy would depend on the balance of the effects on demand, supply and the exchange rate.”

In terms of the likely path of interest rates the MPC state that “Financial markets had remained sensitive to domestic policy developments. Since the November Report, the sterling exchange rate had appreciated by 2% and UK-focused equities had outperformed their international counterparts. The expected path for Bank Rate in three years’ time was around 10 basis points higher than the 15-day average on which the November Report projections had been conditioned. These movements probably reflected a perceived reduction in tail risks around the Brexit process as well as an updated judgement among market participants about the likely central outcome.”

The Quarterly “Inflation Report now “The Monetary Policy Report”

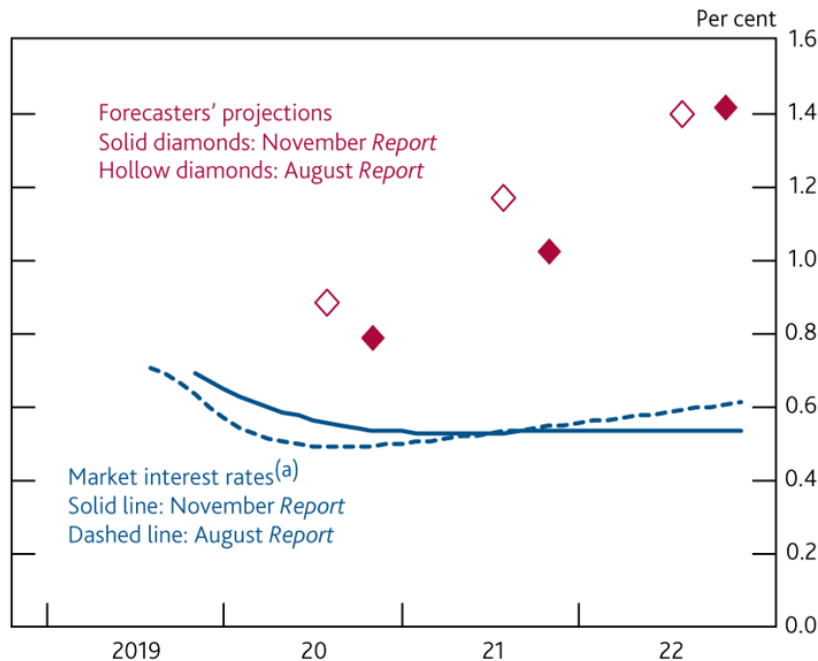
Starting on 7 November, the Bank of England Inflation Report became the Monetary Policy Report. The Report is also to undergo some changes to its structure

These changes are part of the Bank’s ongoing efforts to improve its communications and ensure that those outside the institution have the information they need in order to understand our policy decisions and to hold the Bank to account.

External forecasters’ central projections for Bank Rate in one and two years’ time were lower, on average, than three months ago, while they were broadly similar at the three-year horizon (See Chart below). The average central projection for Bank Rate remained well above the market-implied path upon which the MPC’s November Report forecast assumptions are conditioned.

	2019 Qtr.4	2020 Qtr.4	2021 Qtr.4	2022 Qtr.4
MPC's Market implied Bank Rate (November 2019)	0.7	0.5	0.5	0.5
External forecasters projections (November 2019)		0.8	1.0	1.4

Market interest rates and averages of forecasters' central projections of Bank Rate



Sources: Bloomberg Finance L.P. and projections of outside forecasters as of 25 October 2019 and 19 July 2019.

(a) Estimated using instantaneous forward overnight index swap rates in the 15 working days to 30 October 2018 and 24 July 2019 respectively.

Source: Monetary Policy Report November 2019 (Bank of England – MPC)

In order to maintain price stability, the Government has set the Bank's Monetary Policy Committee (MPC) a target for the annual inflation rate of the Consumer Prices Index of 2%. Subject to that, the MPC is also required to support the Government's economic policy, including its objectives for growth and employment.

The MPC's projections are underpinned by four key judgements :-

Key Judgement 1:

Global GDP growth is projected to remain slow in the first part of the forecast period, partly reflecting the impact of trade protectionism, before rising gradually towards potential rates.

Key Judgement 2:

Supply growth is subdued.

Key Judgement 3:

Uncertainty is reduced by the Withdrawal Agreement — providing some support to UK demand growth.

Key Judgement 4:

CPI inflation declines further below 2% in the near term given lower utilities prices, before rising slightly above the target by the end of the forecast owing to building domestic price pressures.

Office for Budget Responsibility (OBR) Economic and Fiscal Outlook (EFO)

Following the outcome of the General Election, the OBR published its "Restated March 2019 Forecast" on 16 December 2019. The main conclusions in the OBR's report as to how the forecast has changed since March 2019 are that:-

- World GDP and trade growth are materially weaker, with the International Monetary Fund having revised down its forecasts for growth in advanced and emerging economies over the next two years
- UK GDP growth this year has been more uneven than expected, with output declining in the second quarter and rebounding in the third. Business surveys have weakened further in recent months and consumer confidence remains subdued.
- Average earnings growth has continued to pick up and unemployment remains low.
- ONS Blue Book revisions point to a higher saving ratio than previously estimated.
- New ONS population projections suggest less fiscally unfavourable demographics over the coming five years, with lower fertility and higher mortality (both reducing pressure on spending) but higher net migration (adding to employment and receipts growth).
- Year-to-date borrowing has risen proportionately faster than the OBR's full-year March forecast. Mechanically extrapolating the increase over the year to date would imply a full-year upward revision of around £10 billion

Capital Budget Monitoring- November 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Year Forecast 2019/20	Full Year Variance
Capital	13,760,262	15,111,841	(1,351,578)	26,875,360	26,527,739	(347,621)
Corporate Services	1,753,152	2,358,010	(604,858)	7,149,230	6,950,649	(198,581)
Customer, Policy and Improvmen	138,539	150,000	(11,461)	472,660	292,858	(179,802)
Customer Contact Programme	138,539	150,000	(11,461)	472,660	292,858	(179,802)
Facilities Management Total	558,464	592,630	(34,166)	1,280,420	1,261,641	(18,779)
Works to other buildings	230,630	288,800	(58,170)	569,210	550,431	(18,779)
Civic Centre	268,530	238,830	29,700	544,770	544,770	0
Invest to Save schemes	59,304	65,000	(5,696)	166,440	166,440	0
Infrastructure & Transactions	1,037,175	1,605,380	(568,205)	3,466,180	3,466,180	0
Business Systems	63,168	163,800	(100,632)	536,860	536,860	0
Social Care IT System	96,903	185,000	(88,097)	425,240	425,240	0
Planned Replacement Programme	877,104	1,256,580	(379,476)	2,504,080	2,504,080	0
Resources	18,974	10,000	8,974	24,970	24,970	0
Financial System	18,974	10,000	8,974	24,970	24,970	0
Corporate Items	0	0	0	1,905,000	1,905,000	0
Westminster Ccl Coroners Court	0	0	0	5,000	5,000	0
Housing Company	0	0	0	1,900,000	1,900,000	0
Community and Housing	557,461	498,700	58,761	1,057,490	957,490	(100,000)
Adult Social Care	3,349	0	3,349	5,000	5,000	0
Telehealth	3,349	0	3,349	5,000	5,000	0
Housing	513,699	410,000	103,699	927,160	827,160	(100,000)
Disabled Facilities Grant	513,699	410,000	103,699	927,160	827,160	(100,000)
Libraries	40,413	88,700	(48,288)	125,330	125,330	0
Library Enhancement Works	754	48,700	(47,946)	48,700	48,700	0
Libraries IT	39,659	40,000	(342)	76,630	76,630	0

Capital Budget Monitoring- November 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Year Forecast 2019/20	Full Year Variance
Children Schools & Families	6,391,293	6,567,413	(176,119)	9,062,400	9,049,340	(13,060)
Primary Schools	911,419	995,613	(84,193)	1,637,420	1,622,090	(15,330)
Hollymount	0	12,180	(12,180)	16,240	16,912	672
West Wimbledon	36,917	52,778	(15,861)	90,370	90,370	0
Hatfeild	35,884	45,363	(9,478)	80,000	80,000	0
Hillcross	141,711	174,555	(32,844)	232,740	227,750	(4,990)
Joseph Hood	36,460	31,350	5,110	41,800	36,460	(5,340)
Dundonald	(3,871)	0	(3,871)	0	0	0
Garfield	82,546	73,835	8,711	126,780	137,100	10,320
Merton Abbey	21,479	17,843	3,636	23,790	23,790	0
Pelham	67,618	76,418	(8,800)	85,890	77,434	(8,456)
Poplar	18,896	20,303	(1,406)	27,070	32,000	4,930
Wimbledon Chase	116,251	114,835	1,416	133,780	136,700	2,920
Wimbledon Park	0	1,800	(1,800)	1,800	0	(1,800)
Abbotsbury	32,067	53,655	(21,588)	184,540	184,540	0
Morden	(2,219)	3,970	(6,189)	3,970	0	(3,970)
Bond	107,640	91,450	16,190	120,600	121,200	600
Cranmer	3,680	10,073	(6,393)	34,430	34,150	(280)
Gorringe Park	10,970	7,500	3,470	83,970	83,970	0
Haslemere	30,464	31,130	(666)	36,840	36,840	0
Liberty	34,003	61,370	(27,367)	92,300	85,000	(7,300)
Links	64,651	60,110	4,541	74,480	69,000	(5,480)
St Marks	278	0	278	0	0	0
Lonesome	20,000	16,300	3,700	76,300	80,000	3,700
Sherwood	42,367	25,598	16,769	51,130	51,130	0
Stanford	(1,768)	0	(1,768)	0	0	0
William Morris	15,396	13,200	2,196	18,600	17,744	(856)

Please note negative actual spend figures relate to retention and accrued invoices that are still to be paid

Capital Budget Monitoring- November 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Year Forecast 2019/20	Full Year Variance
Secondary School	1,603,830	1,614,158	(10,328)	1,812,340	1,806,330	(6,010)
Harris Academy Merton	1,550	4,570	(3,020)	35,720	35,720	0
Raynes Park	28,749	31,983	(3,234)	37,680	37,200	(480)
Ricards Lodge	20,648	31,440	(10,792)	36,690	38,200	1,510
Rutlish	212,359	196,165	16,194	251,540	244,500	(7,040)
Harris Academy Wimbledon	1,340,523	1,350,000	(9,477)	1,450,710	1,450,710	0
SEN	3,645,438	3,725,203	(79,765)	5,260,650	5,269,370	8,720
Perseid	(31,704)	51,210	(82,914)	94,490	92,210	(2,280)
Cricket Green	3,025,947	3,017,743	8,204	4,148,160	4,159,160	11,000
Melrose	7,000	5,250	1,750	57,000	57,000	0
Secondary School Autism Unit	0	0	0	0	0	0
Unlocated SEN	541,029	550,000	(8,971)	820,000	820,000	0
Melbury College - Smart Centre	103,166	101,000	2,166	141,000	141,000	0
CSF Schemes	230,607	232,440	(1,833)	351,990	351,550	(440)
CSF IT Schemes	(1,353)	440	(1,793)	440	0	(440)
Devolved Formula Capital	231,960	232,000	(40)	351,550	351,550	0

Please note negative actual spend figures relate to retention and accrued invoices that are still to be paid

Capital Budget Monitoring- November 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Year Forecast 2019/20	Full Year Variance
Environment and Regeneration	5,058,357	5,687,718	(629,361)	9,606,240	9,570,260	(35,980)
Public Protection and Developm	47,257	66,800	(19,543)	66,800	66,800	0
CCTV Investment	0	10,340	(10,340)	10,340	10,340	0
Public Protection and Developm	47,257	56,460	(9,203)	56,460	56,460	0
Street Scene & Waste	656,193	666,660	(10,467)	814,300	778,325	(35,975)
Fleet Vehicles	37,685	37,660	25	53,660	37,685	(15,975)
Alley Gating Scheme	7,508	18,000	(10,492)	30,000	10,000	(20,000)
Waste SLWP	611,000	611,000	0	730,640	730,640	(0)
Waste Bins	611,000	611,000	611,000	730,640	730,640	(0)
Sustainable Communities	4,354,906	4,954,258	(599,352)	8,725,140	8,725,135	(5)
Street Trees	0	10,000	(10,000)	60,000	60,000	0
Raynes Park Area Roads	0	0	0	26,110	26,110	0
Highways & Footways	2,338,017	2,525,490	(187,473)	4,585,650	4,585,650	0
Cycle Route Improvements	627,277	856,400	(229,123)	984,600	984,600	0
Mitcham Transport Improvements	349,360	456,590	(107,230)	931,590	931,590	0
Colliers Wood Area Regeneratio	0	0	0	15,000	15,000	0
Mitcham Area Regeneration	14,466	63,874	(49,408)	125,000	125,000	0
Wimbledon Area Regeneration	128,276	130,000	(1,724)	158,470	158,470	0
Borough Regeneration	146,267	165,000	(18,733)	389,150	389,145	(5)
Morden Leisure Centre	235,946	284,580	(48,634)	365,000	365,000	0
Sports Facilities	360,229	345,000	15,229	570,000	570,000	0
Parks	155,067	117,324	37,743	514,570	514,570	0

Please note negative actual spend figures relate to retention and accrued invoices that are still to be paid

Virement, Re-profiling and New Funding - November 2019

Appendix 5b

		2019/20 Budget	Virements	Funding Adjustments	Reprofiling	Revised 2019/20 Budget	2020/21 Budget	Movement	Revised 2020/21 Budget	Narrative
-	-	£	£		£	£	£		£	
Corporate Service										
Invest to Save	(1)	266,440			(100,000)	166,440	300,000	100,000	400,000	Re-profiled in accordance with projected spend
Planned Replacement Programme - Data Centre	(1)	300,000			(150,000)	150,000	0	150,000	150,000	Re-profiled in accordance with projected spend
Planned Replacement Programme - Equipment Purchase	(1)	0	100,000			100,000	0	0	0	Vired from Corporate Cap Maint to cover projected costs
Other Buildings - Capital Maintenance	(1)	702,330	(100,000)			602,330	650,000	0	650,000	Vired to IT Planned Rep Prog to cover projected costs
Business Systems - Spectrum Spatial Analysis (GIS)		170,000				170,000	90,000	75,000	165,000	Vired from Corporate Cap Contingency in 2022-23
Housing Company	(1)	3,464,460			(1,564,460)	1,900,000	21,809,980	1,564,460	23,374,440	Re-profiled in accordance with projected spend
Westminster Coroners Court	(1)	460,000			(455,000)	5,000	0	455,000	455,000	Re-profiled in accordance with projected spend
Community and Housing										
Adult Social Care - Telehealth		43,750			(38,750)	5,000	0	38,750	38,750	Re-profiled in accordance with projected spend
Children, Schools and Families										
Singlegate Expansion		11,000	(11,000)			0	0	0	0	Vired to Perseid Expansion to cover projected costs
Perseid Expansion		51,210	11,000			62,210	0	0	0	Vired from Singlegate Expansion which is now complete
Dundonald Expansion		31,150	(31,150)			0	0	0	0	Vired to Harris Merton Expansion to cover projected costs
Harris Merton Expansion		4,570	31,150			35,720	0	0	0	Vired from Dundonald Expansion which is now complete
Hatfield - Capital Maintenance		105,710	(25,710)			80,000	0	0	0	Vired to Cricket Green Capital Maint to cover projected costs
Cricket Green - Capital Maintenance	(1)	88,750	102,250			191,000	0	0	0	Vired from various Cap Maint Schemes to cover projected costs
Goringe Park - Capital Maintenance		90,000	(17,000)			73,000	0	0	0	Vired to Cricket Green Capital Maint to cover projected costs
Cranmer - Capital Maintenance		56,430	(22,000)			34,430	0	0	0	Vired to Cricket Green Capital Maint to cover projected costs
Unallocated - Capital Maintenance		7,540	(7,540)			0	1,900,000	0	1,900,000	Vired to Cricket Green Capital Maint to cover projected costs
Raynes Park - Capital Maintenance		67,680	(30,000)			37,680	0	0	0	Vired to Cricket Green Capital Maint to cover projected costs
Melrose Primary SEMH		100,000			(50,000)	50,000	1,500,000	50,000	1,550,000	Re-profiled in accordance with projected spend
Melbury College - Healthy Schools		30,000			(30,000)	0	0	30,000	30,000	Re-profiled in accordance with projected spend
Cricket Green Expansion	(1)	4,057,160			(100,000)	3,957,160	0	100,000	100,000	Re-profiled in accordance with projected spend
Environment and Regeneration										
Parks Investment - Merton Parks Green Walks		38,000			(38,000)	0	0	38,000	38,000	Re-profiled in accordance with projected spend
Parks Investment - Abbey Recreation Ground		39,750			(39,750)	0	0	39,750	39,750	Re-profiled in accordance with projected spend
Parks Investment - Gap Road Corner Park		0		42,130		42,130	0		0	£32k Contributions, £8k S106 and £2k Neighbourhood CIL
Replacement Fleet Vehicles	(1)	337,660			(284,000)	53,660	300,000	284,000	584,000	Re-profiled in accordance with projected spend
SLWP - Wheelie Bins	(1)	760,990			(30,350)	730,640	0	30,350	30,350	Re-profiled in accordance with projected spend
SLWP - Premises/IT		17,690			(17,690)	0	0	17,690	17,690	Re-profiled in accordance with projected spend
Highways & Footways - Casualty Reduction		304,000			(70,000)	234,000	0	70,000	70,000	Re-profiled in accordance with projected spend
Highways & Footways - Traffic Schemes	(1)	250,000			(100,000)	150,000	150,000	100,000	250,000	Re-profiled in accordance with projected spend
Highways & Footways - Bridges and Structures	(1)	250,000			(100,000)	150,000	380,000	100,000	480,000	Re-profiled in accordance with projected spend
Cycle Routes Imps - Cycle Access and Parking		17,000			(10,000)	7,000	0	10,000	10,000	Re-profiled in accordance with projected spend
Mitcham Transport Imps - Figges Marsh Bus Priority		916,990			(55,000)	861,990	0	55,000	55,000	Re-profiled in accordance with projected spend
Wimbledon Area Regen - Crowded Places/Hostile Vehicle	(1)	417,500		8,970	(268,000)	158,470	0	268,000	268,000	Re-profiled in accordance with projected spend
Borough Regeneration - Haydons Rd Shopfronts	(1)	224,000			(204,000)	20,000	0	204,000	204,000	Re-profiled in accordance with projected spend
Parks Investment - Canons Parks for the People	(1)	715,300			(688,300)	27,000	500,000	688,300	1,188,300	Re-profiled in accordance with projected spend
Mitcham Area Regen - Canons Parks for the People	(1)	1,319,290			(1,244,290)	75,000	1,000,000	1,244,290	2,244,290	Re-profiled in accordance with projected spend
Colliers Wood Area Regen - Wandle Waymarking		0		15,000		15,000	0		0	New Section 106 Scheme
Morden Leisure Centre		596,820		(231,820)		365,000	0		0	Scheme complete relinquished budget
Sports Facilities - Wimbledon Park Lake	(1)	1,393,160			(1,318,160)	75,000	0	1,318,160	1,318,160	Re-profiled in accordance with projected spend
Parks Investment - Resurface Tennis Courts (Wimb Pk)	(1)	0		150,440		150,440	0		0	Funded by a contribution from a renewal reserve
Total		17,706,330	0	(15,280)	(6,955,750)	10,735,300	28,579,980	7,030,750	35,610,730	

1) Requires Cabinet Approval

2) Requires Council Approval

Virement, Re-profiling and New Funding -November 2019

		2021/22 Budget	Reprofiling	Revised 2021/22 Budget	2022/23 Budget	Reprofiling	Revised 2022/23 Budget	Narrative
-	-	£	£	£	£	£	£	
Corporate Services	-							
Corporate Capital Contingency				0	4,908,900	(75,000)	4,833,900	Vired to Spectrum Spatial Analysis (GIS) in 2020-21 to cover projected costs
Total		0	0	0	4,908,900	(75,000)	4,833,900	

1) Requires Cabinet Approval

2) Requires Council Approval

Capital Programme Funding Summary 2019/20

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Capital Programme - Oct Monitoring	23,504	10,342	33,846
<u>Corporate Services</u>			
Invest to Save	(100)	0	(100)
Planned Replacement Programme - Data Centre	(150)	0	(150)
Housing Company	(1,564)	0	(1,564)
Westminster Coroners Court	(455)	0	(455)
<u>Community and Housing</u>			
Adult Social Care - Telehealth	(39)	0	(39)
<u>Children, Schools and Families</u>			
Melrose Primary SEMH	(50)	0	(50)
Melbury College - Healthy Schools	0	(30)	(30)
Cricket Green Expansion	(100)	0	(100)
<u>Environment and Regeneration</u>			
Parks Investment - Merton Parks Green Walks	(38)	0	(38)
Parks Investment - Abbey Recreation Ground	(40)	0	(40)
Parks Investment - Gap Road Corner Park	10	32	42
Replacement Fleet Vehicles	(284)	0	(284)
SLWP - Wheelie Bin	(30)	0	(30)
SLWP - Premises/IT	(18)	0	(18)
Highways & Footways - Casualty Reduction	0	(70)	(70)
Highways & Footways - Traffic Schemes	(100)	0	(100)
Highways & Footways - Bridges and Structures	(100)	0	(100)
Cycle Routes Imps - Cycle Access and Parking	0	(10)	(10)
Mitcham Transport Imps - Figges Marsh Bus Priority	0	(55)	(55)
Wimbledon Area Regen - Crowded Places/Hostile Vehicle	(268)	9	(259)
Borough Regeneration - Haydons Rd Shopfronts	(204)	0	(204)
Parks Investment - Canons Parks for the People	(149)	(539)	(688)
Mitcham Area Regen - Canons Parks for the People	(256)	(988)	(1,244)
Colliers Wood Area Regen - Wandle Waymarking	15	0	15
Morden Leisure Centre	(232)	0	(232)
Sports Facilities - Wimbledon Park Lake	(1,318)	0	(1,318)
Parks Investment - Resurface Tennis Courts Wimb Pk	150	0	150
Proposed Capital Programme - Nov Monitoring	18,184	8,691	26,875

Capital Programme Funding Summary 2020/21

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved - Oct. Monitoring	37,890	4,819	42,708
<u>Corporate Services</u>			
Invest to Save	100	0	100
Planned Replacement Programme - Data Centre	150	0	150
Business Systems - Spectrum Spatial Analysis (GIS)	75	0	75
Housing Company	1,564	0	1,564
Westminster Coroners Court	455	0	455
<u>Community and Housing</u>	0		
Telehealth	39	0	39
<u>Children, Schools and Families</u>			
Melrose Primary SEMH	50	0	50
Melbury College - Healthy Schools	0	30	30
Cricket Green Expansion	100	0	100
<u>Environment and Regeneration</u>			
Parks Investment - Merton Parks Green Walks	38	0	38
Parks Investment - Abbey Recreation Ground	40	0	40
Replacement Fleet Vehicles	284	0	284
SLWP - Wheelie Bind	30	0	30
SLWP - Premises/IT	18	0	18
Highways & Footways - Casualty Reduction	0	70	70
Highways & Footways - Traffic Schemes	100	0	100
Highways & Footways - Bridges and Structures	100	0	100
Cycle Routes Imps - Cycle Access and Parking	0	10	10
Mitcham Transport Imps - Figges Marsh Bus Priority	0	55	55
Wimbledon Area Regen - Crowded Places/Hostile Vehicle	268	0	268
Borough Regeneration - Haydons Rd Shopfronts	204	0	204
Parks Investment - Canons Parks for the People	149	539	688
Sports Facilities - Wimbledon Park Lake	1,318	0	1,318
Mitcham Area Regen - Canons Parks for the People	256	988	1,244
Approved - Oct. Monitoring	43,228	6,511	49,739

Capital Programme Funding Summary 2022/23

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Oct Monitoring	21,578	2,180	23,758
<u>Corporate Services</u>			
Corporate Capital Contingency	(75)	0	(75)
Proposed Nov Monitoring	21,503	2,180	23,683

APPENDIX 6

Department	Target Savings 2019/20	Projected Savings 2019/20	Period 8 Forecast Shortfall	Period Forecast Shortfall (P8)	Period 7 Forecast Shortfall	2020/21 Expected Shortfall
	£000	£000	£000	%	£000	£000
Corporate Services	1,484	1,401	83	5.6%	83	35
Children Schools and Families	572	572	0	0.0%	0	0
Community and Housing	1,534	1,416	118	7.7%	121	0
Environment and Regeneration	3,370	2,097	1,273	37.8%	1,273	130
Total	6,960	5,486	1,474	21.2%	1,477	165

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Period 8 Shortfall forecast	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/underspend? Y/N
Customers, Policy & Improvement											
CS2016 -05	Increase income through translations	15	15	0	G	15	0	G	Sean Cunniffe		
CS2016 -07	Cash Collection Reduction	30	30	0	G	30	0	G	Sean Cunniffe		
2018-19 CS09	Reduction/rationalisation in running costs budgets across multiple budgets	35	35	0	G	35	0	G	Sean Cunniffe		
CS2016 -06	Merton Link - efficiency savings								Sean Cunniffe	Saving has been re-profiled to 20/21 as the efficiencies expected from the customer contact programme have not yet been realised. To offset this, a £30k saving on the Registrars service (2019-20 CS05) planned for 20/21 has been brought forward to 2019/20 (see below).	
2019-20 CS05	Registrars Reduction in staff	30	15	15	A	30	0	G	Sean Cunniffe	Saving brought forward from 20/21 to 19/20 to offset CS2016-06 reprofiled from 19/20 to 20/21. Staff reduction expected mid-year, with the shortfall being met from elsewhere in the division.	Y
Infrastructure & Technology											
CS2016-08	Potential income derived from letting two floors of vacant office space within the Civic Centre to external/partner organisations.	190	190	0	G	190	0	G	Edwin O'Donnell		
2018-19 CS01	Revenue saving associated with current MFD contract	150	150	0	G	150	0	G	Richard Warren		
2018-19 CS02	Reduction in the level of building repairs and maintenance undertaken on the corporate buildings	100	100	0	G	100	0	G	Edwin O'Donnell		
2018-19 CS04	Delete or full cost recovery of one post within FM	36	18	18	A	31	5	A	Edwin O'Donnell	Energy team restructure mid-year is in the process of being implemented. Only a part-year impact in 19/20.	Y
2018-19 CS14	M3 support to Richmond/Wandsworth	20	0	20	R	20	0	A	Clive Cooke	This is dependent on agreement with RSP. may be at risk if they don't migrate to M3 system.	Y
Corporate Governance											
CSREP 2019-20 (1)	Increase in income from Legal Services relating to S106, property and court fees	50	50	0	G	50	0	G	Fiona Thomsen		
CSREP 2019-20 (6)	Legal services - reduce employment and HR support by 50%	30	30	0	G	30	0	G	Fiona Thomsen		
Resources											
CS2016-02	Restructure of HB section to roll out universal credit	66	66	0	G	66	0	G	David Keppler		
2018-19 CS05	Reduction in permanent staffing	30	0	30	R	0	30	R	Roger Kershaw	Saving will require replacement. For 19/20 the saving will be met by underspends elsewhere within the division.	Y
2018-19 CS10	Reduction in staffing	60	60	0	G	60	0	G	David Keppler		
2018-19 CS08	Increase in income from Enforcement Service	100	100	0	G	100	0	G	David Keppler		
2019-20 CS01	Amend discretionary rate relief policy	75	75	0	G	75	0	G	David Keppler		
CSREP 2019-20 (2)	Reduction in internal insurance fund contribution	250	250	0	G	250	0	G	Nemashe Sivayogan		
CSREP 2019-20 (3)	Increase in income from Enforcement service	50	50	0	G	50	0	G	David Keppler		
Corporate											
2019-20 CS12	Increase in Empty Homes Premium for long term empty properties	97	97	0	G	97	0	G	David Keppler		

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Period 8 Shortfall forecast	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/underspend? Y/N
CSREP 2019-20 (4)	Increase in investment income	30	30	0	G	30	0	G	Nemashe Sivayogan		
CSREP 2019-20 (5)	CHAS dividend	40	40	0	G	40	0	G	Ian McKinnon		
	Total Corporate Services Department Savings for 2019/20	1,484	1,401	83		1,449	35				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2019-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	2019/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	2020/21 RAG	Responsible Officer	Comments	R/A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES											
E4	Income from Merantun Development Limited for services provided to the company by LBM	100	95	5	A	100	0	G	James McGinlay		Y
ENV1819-05	Highways advertising income through re-procurement of the advertising contract for the public highway. New contract due to be in place by last quarter of 2019/20.	55	28	27	R	55	0	G	James McGinlay	New contract expected to commence in the final quarter of 2019/20, so full saving won't be achieved this financial year.	Y
PUBLIC PROTECTION											
ENR1	Further expansion of the shared service.	100	100	0	A	100	0	A	Cathryn James		N
E1	Investigate potential commercial opportunities to generate income from provision of business advice. This follows on from the expansion of the RSP to include Wandsworth from November 2017, and increased resilience.	60	0	60	R	60	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team has been established as part of the Regulatory Services Partnership restructure, which will now look to deliver these savings. However, it is unlikely to be delivered this financial year.	Y
ENR4	Charge local business' for monitoring of their CCTV	100	0	100	R	0	100	R	Cathryn James	Alternative Saving Required.	Y
ENV1819-03	The objective of the proposal is to support the delivery of key strategic council priorities including public health, air quality and sustainable transportation, in addition to managing parking, kerbside demand and congestion. Whilst implementation of the proposals will have the incident effect of generating additional revenue, it is difficult to assess the level of change in customer behaviour and any subsequent financial impact arising from the changes. This will be monitored after implementation and any resulting impacts will be considered during the future years' budget planning cycles. The above will be subject to the outcome of the consultation process in 2019.	1,900	950	950	R	1900	0	A	Cathryn James	The implementation date for the revised charges is still subject to committee approval. The original savings target was based on an October go live date. It is felt that a more prudent approach to the likely implementation date should be reflected in the savings targets.	Y
ALT2	Reduction of 2fte from the Parking establishment in administrative/processing roles as a result of the impending new permit system	57	57	0	G	57	0	G	Cathryn James		Y
ALT3	Reduction in the number of pay & display machines required.	14	3	11	R	14	0	G	Cathryn James		Y
PUBLIC SPACE											
ENR9	Increase level of Enforcement activities of internal team ensuring the operational service is cost neutral	200	200	0	A	200	0	A	John Bosley	This saving is currently being mitigated by the additional revenue delivered by the external enforcement contractor. (£140k) additional / alternative saving of c£60k needs to be agreed.	Y
E2	Thermal Treatment of wood waste from HRRC	30	0	30	R	0	30	R	John Bosley	Saving rejected by members due to impact on recycling rate and reputational damage.	Y
EV08	Increased recycling rate by 3% following education and communications activity funded by WCSS. This will be driven by the incentivisation and education programme due to commence in March 2014.	250	250	0	G	250	0	G	John Bosley		N
ALT4	Environmental Enforcement - Maintain a payment rate of 70% for all FPN issued.	54	54	0	G	54	0	G	John Bosley		Y
E5	Letting of remaining vacant facilities in Greenspaces	50	0	50	R	50	0	A	John Bosley		Y
E6	Increased tenancy income in Greenspaces	40	0	40	R	40	0	R	John Bosley	Alternative saving required	Y
ENR10	Two year extension of the GLL contract	300	300	0	G	300	0	G	John Bosley		N
ENV1819-01	Five year extension of the GLL contract	60	60	0	G	60	0	G	John Bosley		N
Total Environment and Regeneration Savings 2018/19		3,370	2,097	1,273		3,240	130				

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2019/20										19/12/2019	APPENDIX 6
Ref	Description of Saving	Period 8 Forecast Shortfall	Period Forecast Shortfall (P8)	Shortfall £000	RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Unders pend? Y/N
Adult Social Care											
CH35/36/52	Housing Related Support:- The purpose of the project is to review existing service provision linked to original SP funding, identify gaps and utilise the data to inform a new set of contract specifications to support the re-procurement of services aligned with the Council's Community and Housing strategic priorities. The objective of the project is to deliver successful procurement of contracted services that demonstrate effective outcomes for service users, effective performance management framework and value for money services.	309	309	0	G	309	0	G	Steve Langley	Achieved	Y
CH39	Extra Care Contracts:- This reduced savings of £57k is targeted on contract efficiencies and non-statutory support hours; eligible social care needs will not be affected. Providers will seek alternative resources to provide this support. Service will ensure that new specification requires providers to seek other support for residents. Impact will be reviewed as part of each service users annual review.	57	57	0	G	57	0	G	John Morgan	Achieved	Y
CH55	Promoting Independence:- The aim of this proposal has been to support people to remain independent and well. To support them to achieve their desired outcomes by enabling them to remain in their own homes, close to their friends, families, support networks and local communities.	553	553	0	G	553	0	G	John Morgan	Achieved	Y
CH70	Home Care:- The aim of this proposal is to maximise the benefit of the new home care contract arrangements. The new arrangements were implemented from February 2018. With a year to get established, it is planned to start to transfer cases with legacy providers who are not on the new contract as either prime or back-up providers. Some of these contracts are at higher hourly rates, so the transfer will generate a saving with no reduction in care. New care providers will be required to use a care visit monitoring system, which should increase the reliability of care.	301	301	0	G	301	0	G	John Morgan	Achieved	Y
CH88	Home Care Monitoring System:- The aim of this proposal is to roll out a home care monitoring system for all home care providers to ensure that we can monitor the delivery of home care visits.	40	40	0	G	40	0	G	John Morgan	Achieved through Forum. The plan is to enrol all major home providers on to the home monitoring system and only seek variations for when there is a need to utilise specialist providers as required.	Y
CH89	Older People Day Care Activities:- As less people are choosing to attend these formal day centre we currently having increasingly vacancies within these provisions which are not been utilised. The proposal seeks to assess and analyse the demand and supply of activity aimed at supporting older people to access community activity. This will objectively look at the supply of building based and non-building based activity, its utilisation and the limitations on providing what people expect and need within the current model. It is envisaged that this will include a rationalisation and reduction of the current level of building based 'day centre' activity. This is based on current demand statistics and will include consideration of the effect of 2018/19 reductions in contracted day centre services; which is covered in a separate EIA for that specific proposal.	236	118	118	R	236	0	G	Richard Ellis	Engagement with the new owner has established an agreed timeline that means that the majority of savings will not be achieved until the new year. The work is underway to ensure that delivery	Y
Subtotal Adult Social Care		1,496	1,378	118		1,496	0				
Library & Heritage Service											
CH67	Merton Arts Space income	38	38	0	G	38	0	G	Anthony Hopkins	On track	Y

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2019/20										19/12/2019	APPENDIX 6
Ref	Description of Saving	Period 8 Forecast Shortfall	Period Forecast Shortfall (P8)	Shortfall £000	RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underpend? Y/N
	Total C & H Savings for 2019/20	1,534	1,416	118		1,534	0				

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Period 8 Forecast Shortfall	Period Forecast Shortfall (P8)	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Undersp end? Y/N
	Education										
CSF2018-03	Review Early Years : raise income or cease some services in preparation for 2020 where we'd consider withdrawing from direct provision of a childcare offer.	49	49	0	G	49	0	G	Jane McSherry		
CSF2018-04	Review schools trade offer, raise charges or consider ceasing services from 2020.	30	30	0	G	30	0	G	Jane McSherry		
CSF2018-07	Reorganisation of Admissions, My Futures and School Improvement Teams and reduction in contribution to the MSCB (Safeguarding Partnership)	100	100	0	G	100	0	G	Jane McSherry		
CSF2018-11	Reduction of SENDIS early intervention service and reduction in spend associated with the introduction of the web based EHCP Hub	72	72	0	G	72	0	G	Jane McSherry		
	Children Social Care & Youth Inclusion										
CSF2018-01	Reduced costs/offer through the national centralised adoption initiative	30	30	0	G	30	0	G	El Mayhew		
CSF2018-02	Reorganisation of the Children with Disability (CWD), Fostering and Access to Resources (ART) teams and a review of the Common and Shared Assessment (CASA) service.	130	130	0	G	130	0	G	El Mayhew		
CSF2018-05	Delivery of preventative services through the Social Impact Bond	45	45	0	R	45	0	R	El Mayhew	We expect to achieve the savings target as numbers of LAC are stable. The overall service will still overspen however because UASC costs have increased over the past few years and the growth received was not sufficient to offset this pressure. Placements are reviewed on an on-going basis and detailed analysis to back up movement caseloads and placement costs reported to DMT.	Y
CSF2018-06	South London Family Drug and Alcohol Court commissioning	45	45	0	R	45	0	R	El Mayhew	We expect to achieve the savings target as numbers of LAC are stable. The overall service will still overspen however because UASC costs have increased over the past few years and the growth received was not sufficient to offset this pressure. Placements are reviewed on an on-going basis and detailed analysis to back up movement caseloads and placement costs reported to DMT.	Y
CSF2018-12	Further reduction in staffing at Bond Road. This will include a FGC post and a contact worker.	71	71	0	G	71	0	G	El Mayhew		
	Total Children, Schools and Families Department Savings for 2019/20	572	572	0		572	0				

APPENDIX 7

Department	Target Savings 2018/19	2018/19 Shortfall	2019/20 Projected shortfall	2020/21 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,024	505	395	10
Children Schools and Families	489	0	0	0
Community and Housing	2,198	442	0	0
Environment and Regeneration	926	523	172	97
Total	5,637	1,470	567	107

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 18-19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Shortfall	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments
	Infrastructure & transactions									
CS2015-10	FM - Energy invest to save	465	465	R	365	A	0	G	Richard Neal	The capital spend to achieve this was slipped and hence the saving was delayed with £100k expected in 19/20 and the balance in 20/21. In 19/20 the unachieved saving will be met from the Corporate Services reserve.
CSREP 2018-19 (13)	Business Improvement - Business Systems maintenance and support reduction	10	10	R	10	R	10	R	Clive Cooke	Saving to be reviewed during 19/20 to identify if this can be met or if a replacement saving is required.
CSREP 2018-19 (14)	M3 support to Richmond/Wandsworth	20	20	R	20	R	0	A	Clive Cooke	This is dependent on agreement with RSP, may be at risk if they don't migrate to M3 system.
	Corporate Governance									
CSD43	Share FOI and information governance policy with another Council	10	10	R					Karin Lane	Replacement saving identified. From 19/20 this saving will be replaced by a reduction to the Corporate Governance AD's budget
	Total Corporate Services Department Savings for 2018/19	505	505		395		10			

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2018-19

APPENDIX 7

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Savings Expected £000	Shortfall	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES													
ENV20	D&BC: Increased income from building control services.	35	0	35	R	35	0	G	0	G	James McGinlay	Based on the P5 forecast, the income targets are now being achieved.	N
PUBLIC PROTECTION													
ENV07	Parking: Reduction in supplies & services/third party payment budgets.	60	13	47	R	13	47	R	47	R	Cathryn James	Saving has been reviewed and a part-alternative saving is required.	Y
ENV08	Regulatory Services: Funding of EH FTE by public health subsidy. As agreed between DPH and Head of PP.	40	0	40	R						Cathryn James	Alternative saving has been agreed for 2019/20.	Y
ENV09	Regulatory Services: Investigate potential commercial opportunities to generate income	50	0	50	R	50	0	A	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team has been established as part of the Regulatory Services Partnership restructure, which will now look to deliver these savings.	Y
ENR2	Parking & CCTV: Pay & Display Bays (On and off street)	44	0	44	R	44	0	G	0	G	Cathryn James		Y
ENR3	Parking & CCTV: Increase the cost of existing Town Centre Season Tickets in Morden, Mitcham and Wimbledon.	17	0	17	R	17	0	G	0	G	Cathryn James	Saving is being delayed as it will now form part of the wider discussion on parking charges.	Y
ALT1	Parking: The further development of the emissions based charging policy by way of increased charges applicable to resident/business permits as a means of continuing to tackle the significant and ongoing issue of poor air quality in the borough.	440	390	50	R	440	0	G	0	G	Cathryn James		N
PUBLIC SPACE													
ENV32	Transport: Review of Business Support requirements	30	0	30	R						John Bosley	Alternative saving has been agreed and implemented for 2019/20.	Y
ENR6	Waste: Wider Department restructure in Waste Services	200	0	200	R	75	125	R	50	R	John Bosley	This was not delivered in 2018. Review of the current wider Public Space structure is being assessed and business needs along with resource gap being identified. Scheduled. The restructure is now scheduled for the first quarter 2020/21	Y
ENR7	Transport Services: Shared Fleet services function with LB Sutton	10	0	10	R						John Bosley	Alternative saving has been agreed and implemented for 2019/20.	Y
Total Environment and Regeneration Savings 2018/19		926	403	523		674	172		97				

Updated 20/11/2019											APPENDIX 7
DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2018/19											
Ref	Description of Saving	2018/19 Savings Required £000	Shortfall £000	RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
	Adult Social Care										
CH73	A review of management and staffing levels of the AMH team in line with the reductions carried out in the rest of ASC.	100	23	R	100	0	G	0	G	Richard Ellis	Balance deferred to 2019/20
CH36	Single homeless contracts (YMCA, Spear, Grenfell) - Reduce funding for contracts within the Supporting People area which support single homeless people -Reduced support available for single homeless people - both in terms of the numbers we could support and the range of support we could provide. In turn this would reduce their housing options. (CH36)	38	38	R	38	0	G	0	G	Steve Langley	£38k deferred to 2019/20
CH71	Transport: moving commissioned taxis to direct payments. Service users can purchase taxi journeys more cheaply than the council.	50	50	R	50	0	R	0	G	Phil Howell	Deferred to 2020/21.
CH72	Reviewing transport arrangements for in-house units, linking transport more directly to the provision and removing from the transport pool.	100	100	R	100	0	R	0	G	Richard Ellis	£100k deferred to 2020/21. Part of the Transport review which is about to commence
CH71	The implementation of the MOSAIC social care system has identified the scope to improve the identification of service users who should contribute to the costs of their care and assess them sooner, thus increasing client income. Assessed as a 3% improvement less cost of additional staffing	231	231	R	231	0	G	0	G	Richard Ellis	Team resources have increased and this has enabled to team to catch up on reviews and nil payers, which has netted more then £200k in additional income
	Total C & H Savings for 2018/19	519	442		519	0		0			

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES SAVINGS PROGRESS 2018/19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall £000	RAG		2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
Total Children, Schools and Families Department Savings for 2018/19		489	0			489	0		0				

There were no red savings for CSF

APPENDIX 8

Department	Target Savings 2017/18	2017/18 Shortfall	2018/19 shortfall	2019/20 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,316	196	0	0
Children Schools and Families	2,191	7	0	0
Community and Housing	2,673	0	0	0
Environment and Regeneration	3,134	2,188	694	305
Total	10,314	2,391	694	305

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Expected Shortfall £000	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Undersp end? Y/N
CSF2012-07	Children Social Care Family and Adolescent Services Stream - Transforming Families (TF), Youth Offending Team (YOT) and in Education, Training and Employment (ETE). 2016/17 savings will be achieved by the closure of Insight and deletion of YJ management post.	100	7	R	0	G	0	G	Paul Angeli	The ETE saving was delivered from July 2017 and the short for the first quarter covered through reduced grant-funding for targeted intervention services.	N
	Total Children, Schools and Families Department Savings for 2017/18		7		0		0				

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Shortfall	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
	Business improvement									
CSD42	Restructure functions, delete 1 AD and other elements of management	170	70	R					Sophie Ellis	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
CS2015	Staffing support savings	13	13	R					Sophie Ellis	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
	Infrastructure & transactions									
CS70	Apply a £3 administration charge to customers requesting a hard copy paper invoice for services administered by Transactional Services team	35	35	R					Pam Lamb	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
	Resources									
CSD26	Delete 1 Business Partner	78	78	R	0	G		G	Caroline Holland	Due to delays in projects this saving was not achieved until 18/19
	Total Corporate Services Department Savings for 2017/18		196		0		0			

Updated 20/11/19											
DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2017/18											
Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Shortfall £000	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
	<u>Adult Social Care</u>										
	Total C & H Savings for 2017/18									No Reds	

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2017-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Achieved £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Shortfall £000	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	Comments	R /A Included in Forecast Over/Underpend? Y/N
SUSTAINABLE COMMUNITIES													
ER23b	Restructure of team to provide more focus on property management and resilience within the team.	18	0	18	R	0	18	R	18	0	A	Business Case for restructure in progress, but due to the delay it's unlikely to be fully achieved this financial year. Saving being achieved through rents (reported through monthly budget return).	Y
D&BC1	Fast track of householder planning applications	55	0	55	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC2	Growth in PPA and Pre-app income	50	0	50	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC3	Commercialisation of building control	50	0	50	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC4	Deletion of 1 FTE (manager or deputy) within D&BC	45	0	45	R	45	0	G	45	0	G		N
D&BC5	Eliminate the Planning Duty service (both face to face and dedicated phone line) within D&BC	35	0	35	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC6	Stop sending consultation letters on applications and erect site notices only	10	0	10	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV15	Reduction in street lighting energy and maintenance costs. Would require Capital investment of c£400k, which forms part of the current capital programme - Investment in LED lights in lamp Colum stock most capable of delivering savings	148	100	48	R	148	0	G	148	0	G		N
ENV20	Increased income from building control services.	35	0	35	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
PUBLIC PROTECTION													
E&R14	Further expansion of the Regulatory shared service.	100	0	100	R	100	0	G	100	0	G		Y
ENV02	Review the current CEO structure, shift patterns and hours of operation with the intention of moving toward a two shift arrangement based on 5 days on/2 days off.	190	0	190	R	0	190	R	0	190	R	Alternative saving required	Y
ENV03	Reduction number of CEO team leader posts from 4 to 3	45	0	45	R	0	45	R	0	45	R	Alternative saving required	Y
ENV06	Reduction in transport related budgets	46	0	46	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV09	Investigate potential commercial opportunities to generate income	50	7	43	R	0	50	R	50	0	A		Y
PUBLIC SPACE													
E&R16	Joint procurement of waste, street cleansing, winter maintenance and fleet maintenance services (Phase C)	1,500	795	705	R	1,257	243	R	1500	0	A	Actual savings delivered are being monitored closely	N
E&R25	Joint procurement of greenspace services as part 2 of the Phase C SLWP procurement contract with LB Sutton	160	44	116	R	160	0	G	160	0	G		N
ENV12	Loss of head of section/amalgamated with head of Greenspaces	70	0	70	R	0	70	R	0	70	R	Saving has been delayed but in the process of being reviewed but not expected to be achieved until 2020/21.	N
ENV13	Staff savings through the reorganisation of the back office through channel shift from phone and face to face contact.	70	0	70	R	70	0	G	70	0	G		N
ENV18	Increased income from events in parks	100	0	100	R							A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV21	Reduction in the grant to Wandle Valley Parks Trust	6	0	6	R	6	0	G	6	0	G		N
ENV23	Further savings from the phase C procurement of Lot 2.	160	0	160	R	82	78	R	160	0	G		N
ENV25	Department restructure of the waste section	191	0	191	R	191	0	G	191	0	G		Y
Total Environment and Regeneration Savings		3,134	946	2,188		2,059	694		2,448	305			

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CABINET

27 January 2020

Agenda item:

Business Plan Update 2020-2024

Lead officer: Caroline Holland

Lead member: Councillor Mark Allison

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

Contact officer: Roger Kershaw

Recommendations:

1. That Cabinet considers and agrees the new draft growth proposals (Appendix 7), and the new draft savings/income proposals (Appendix 5a) and associated draft equalities impact assessments (Appendix 6) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
 2. That Cabinet considers and agrees the growth and savings and the associated draft equalities analyses for the savings noted in October (Member's Information Pack)
 3. That Cabinet agrees the latest amendments to the draft Capital Programme 2020-2024 which was considered by Cabinet on 14 October 2019 and by scrutiny in November 2019.(Appendix 9) and refers them to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
 4. That Cabinet considers and agrees the proposed amendments to savings, including the draft equalities impact assessments previously agreed. (Appendices 5b and 5c) and refers them to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
 5. That Cabinet agrees the proposed Council Tax Base for 2020/21 set out in paragraph 2.9 and Appendix 1.
 6. That Cabinet considers the draft service plans. (Appendix 8) and refers them to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
 7. That Cabinet delegates authority to the Director of Corporate Services in discussion with Councillor Allison for Merton to enter into a London Business Rates Pool for 2020/21
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an update to Cabinet on the Business Planning process for 2020-24 and in particular on the progress made so far towards setting a balanced revenue budget for 2020/21 and over the Medium Term Financial Strategy 2020-24 period as a whole.
- 1.2 The report provides a summary of the key deadlines which need to be met following the delays in the Business Planning process necessitated as a result of the General Election which was held in December 2019.
- 1.3 An update on the latest information with respect to the Local Government Finance Settlement is also provided. This is a major element in identifying the key constraints (e.g. level of funding and Council Tax referendum principles) within which the Council will have to operate, in order to be able to set a balanced budget.
- 1.4 Specifically, the report provides details of additional revenue growth, savings and income proposals put forward by officers towards the savings/income targets agreed by Cabinet in October 2019.
- 1.5 The report also provides an update on the capital programme for 2020-24 and the financial implications for the MTFs.
- 1.6 This report is one of the budget updates through the financial year and will be referred to the Overview and Scrutiny Panels and Commission in February 2020 as part of the information pack.

2. DETAILS

Brief recap

- 2.1 Given the delays in the Business Planning as a result of the General Election which took place on 12 December 2019, it is worth briefly summarising the progress that has been made so far towards setting a balanced budget and council tax for 2020/21.
- 2.2 A review of assumptions in the MTFs was undertaken and reported to Cabinet on 14 October 2019. Savings targets were set and some savings proposals were considered and referred to scrutiny panels and the Commission in November 2019 for ratification at a future Cabinet meeting, subject to scrutiny comments.
- 2.3 Taking into account the information contained in the October 2019 Cabinet report, the overall position of the MTFs reported to Cabinet on 14 October 2019 was as follows:-

(Cumulative Budget Gap)	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
MTFS Gap (Cabinet October 2019)	2,860	11,062	14,493	16,226

- 2.4 Feedback from the Overview and Scrutiny Panels and Commission in November 2019 was reported to Cabinet on 16 December 2019.

The report to Cabinet in December 2019 set out the comments made by the Commission and Panels in relation to the first round of budget scrutiny. It was noted that there was a significant level of uncertainty for the Council due to the delay in the funding announcement from central government. The scrutiny members would continue to support the Cabinet in lobbying central government for a more realistic, multi-year funding settlement.

Cabinet resolved:-

That Cabinet, in taking decisions relating to the Business Plan 2020-24, takes into account the comments and recommendations made by the Overview and Scrutiny Commission and the outcomes of consideration by the Overview and Scrutiny Panels.

- 2.5 On 29 October 2019 it was announced that a General Election would take place on 12 December 2019 and given the inevitable impact that this would have on Government business including local government (e.g. announcement of Local Government Finance Settlement for 2020/21) it was necessary to amend the Council's timetable.

2.6 Review of Assumptions

Since Cabinet in October, work has been continuing to review assumptions, identify new savings/income proposals, consider further growth proposals, and analyse information which has been received since then.

2.6.1 Pay

The pay and terms of conditions of employment for over 1.4 million local government services' workers is determined by the National Joint Council (NJC) for Local Government Services. On 24 July 2019 a pay claim for 2020/21 was submitted by the Joint Trade Union Side (UNISON, GMB and UNITE) to the Local Government Association (NJC).

The union's claim is for:-

- A real living wage of £10 per hour to be introduced for NJC scp 1 and a 10% increase on all other NJC/GLPC pay points
- A one day increase to the minimum paid annual leave entitlement set out in the Green Book
- A two hour reduction in the standard working week as set out in the Green Book
- A comprehensive joint national review of the workplace causes of stress and mental health throughout local authorities.

The current assumptions regarding pay inflation incorporated into the MTFS assume 2% per year.

The latest estimates for pay inflation included in the MTFS are:-

(Cumulative)	2020/21	2021/22	2022/23	2023/24
Pay inflation (%)	2.0%	2.0%	2.0%	2.0%
Revised Estimate (cumulative £000)	1,708	3,416	5,124	6,832

Further details on the pay negotiations for 2020/21 and beyond, and the impact on the MTFS will be reported when they are known.

2.6.2 Prices

The estimates for price inflation agreed by Council in March 2019 have been reviewed and the latest forecast is set out in the following table:-

(Cumulative)	2020/21	2021/22	2022/23	2023/24
Price inflation (%)	1.5%	1.5%	1.5%	1.5%
Revised Estimate (cumulative £000)	2,035	4,069	6,104	8,139

The Consumer Prices Index (CPI) 12-month rate was 1.5% in November 2019, unchanged from October 2019. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was also 1.5% in November 2019, unchanged from October 2019.

The RPI rate for November 2019 was 2.2%, which is up from the figure of 2.1% in October 2019.

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

Source: HM Treasury - Forecasts for the UK Economy (December 2019)			
	Lowest %	Highest %	Average %
2019 (Quarter 4)			
CPI	1.4	2.3	1.7
RPI	1.8	3.2	2.3
LFS Unemployment Rate	3.8	4.1	3.9
2020 (Quarter 4)			
CPI	1.4	3.3	1.9
RPI	1.8	4.2	2.6
LFS Unemployment Rate	3.8	4.6	4.1

Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2019 to 2023 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (December 2019)					
	2019	2020	2021	2022	2023
	%	%	%	%	%
CPI	1.8	1.8	1.9	2.1	2.1
RPI	2.6	2.4	2.7	3.3	3.4
LFS Unemployment Rate	3.9	4.0	4.0	4.1	4.0

Details on the outlook for inflation over the MTFs period are provided in Appendix 2.

2.6.3 Inflation > 1.5%:

There is also a corporate provision which is held to assist services that may experience price increases greatly in excess of the 1.5% inflation allowance provided when setting the budget. This will only be released for specific demonstrable demand.

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Inflation exceeding 1.5%	450	450	450	450

The cash limiting strategy is not without risks but if the Government's 2% target levels of inflation were applied un-damped across the period then the budget gap would increase by c. £2.7m by 2023/24.

2.6.4 Income

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

2.6.5 Taxicards and Freedom Passes

These schemes are administered by London Councils on behalf of London boroughs. Each year, negotiations take place between London Councils Transport and Environment Committee (on behalf of boroughs) and TfL for buses, tubes, DLR, Tram, London Overground and TfL Rail to determine the cost of the scheme on the basis that both parties are neither better nor worse off. This is based on:

- The revenue foregone by the operators i.e. the revenue which if the concessionary fares scheme did not exist would be collected from Freedom Pass holders. This excludes fares income from generated travel; and

- The additional costs to the operator i.e. generated travel by permit holders for which operators receive no fares revenue but do receive the cost of increasing the service to allow for the extra trips made.

The change in the estimated cost of Taxicards and Freedom Passes from 2019/20 to 2020/21 is summarised in the following table:-

	Current Estimate 2019/20 £000
Freedom Passes	8,968
Taxicards	114
Total	9,082
Estimated Cost in 2020/21	9,174
Increase for 2020/21	92
Provision for increase in MTFS (Cabinet October 2019)	450
Reduction in MTFS in 2020/21	358

The MTFS will be adjusted to reflect these latest estimates.

2.6.6 Revenuisation

In recent budgets it has been recognised that some expenditure formerly included in the capital programme could no longer be justified as it did not meet the definition of expenditure for capital purposes. Nevertheless, it is important that some of this expenditure takes place and the following amounts have been included in the latest MTFS for 2020-24:-

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Revenuisation	582	143	213	213

The expenditure charged to capital during the current year is being closely monitored and is being reported through the monitoring report.

2.6.7 **Budgetary Control 2019/20**

The revenue budgetary control information below summarises the corporate position using the latest available information as at 30 November 2019 as shown in a separate report on the agenda for this meeting. As at 30 November 2019, there is a forecast underspend for the Council of £0.941m.

Although an overall underspend is forecast, there are spending pressures being experienced in the following areas:-

- CS - Infrastructure and Transactions, Human Resources
- CSF - Children's Social Care, SEN transport
- CSF - DSG funded services are forecast to overspend by £10.557m. The DSG had a cumulative overspend of £2.909m at the end of 2018/19. The overspend in the current financial year will be adding to this balance, currently estimated at £13.476m. In light of this and the wider impact on the MTFs over the next four years, there is a separate report on the DSG on the agenda for this meeting.
- E&R – Safer Merton and CCTV, Senior management and support, Future Merton
- C&H – Libraries, Housing General Fund (mainly temporary accommodation)

2.6.8 Growth

The MTFs reported to Cabinet in October 2019 included new provision for growth from 2020/21 to 2023/24 as follows:-

Growth – Cabinet (October 2019)	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
CS - Emergency Planning – Response to Grenfell	150	0	0	0
CS – Microsoft Licences	280	0	0	0
Service Department Growth Total	430	0	0	0
Service Department Growth (cumulative)	430	430	430	430
CSF – New Burdens funding to offset DSG Deficit (Based on October monitoring)*	9,297	(1,297)	726	925
Total – New Burdens Funding	9,297	(1,297)	726	925
Cumulative – New Burdens Funding	9,297	8,000	8,726	9651
Total Growth (October Cabinet)	9,727	(1,297)	726	925
Cumulative Growth (October Cabinet)	9,727	8,430	9,156	10,081

*Current growth to offset 50% of the deficit, with some assumed additional HN Grant funding for 2021/21 only.

Since October, the need for growth has been reviewed and the following changes are proposed:-

- the projected DSG deficit has increased but this is partially offset by the assumption that High Needs grant funding will continue in the future rather than just apply for 2020/21. In the absence of any details from the Government that they are prepared to finance Council DSG deficits, the Council's General Fund contribution in the MTFs to fund the deficit has been increased. This contribution is based on the November 2019 deficit (including brought forward from 2018/19) and a Council contribution of 100% up to and including 2020/21 and 50% thereafter, as the current assumption is that there may be further funding once the outcome of current consultations are known. (See paragraph 5.2 for more details) (See separate report on the agenda and Appendix 7a)

- the need for some growth to address pressures in Children’s Services (See Appendix 7a and 7b)
- the need for some growth to address pressures in Environment and Regeneration (See separate report on the agenda and Appendix 7a)

If the new growth proposals are agreed, the total growth will be:-

Growth – Total	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
CS	430	0	0	0
CSF	3,847	404	384	390
E&R	937	0	0	0
C&H	0	0	0	0
Total	5,214	404	384	390
Cumulative	5,214	5,618	6,002	6,392
DSG Deficit – GF Contribution (cumulative)	16,014	6,354	7,158	8,130
Total (Cumulative)	21,228	11,972	13,160	14,522

2.6.9 Capital Financing Costs

Revenue Implications of Current Capital Programme

As previously reported the Capital Programme has been reviewed and revised and a draft programme for 2020-2024 was approved by Cabinet on 14 October 2019.

Section 6 of this report sets out an update of progress made towards preparing the draft capital programme 2020-24.

The estimated capital financing costs, net of investment income and based on the latest draft programme, which includes the best estimate of new schemes commencing over the period 2020-24, the effect of estimated government grant funding, estimated funding from the Education Funding Agency (EFA) and slippage/reprofiling based on 2018/19 outturn and latest monitoring information, are set out in the following table. This also includes an element of revenue contribution to fund short-life assets:-

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Capital Programme (including slippage)	34,773	29,777	16,960	26,520
Revenue Implications	10,576	11,408	12,618	13,310

2.6.10 Pension Fund Revaluation

Pensions

By law the Superannuation Fund is valued every 3 years. The new valuation is based on the position at 31 March 2019 and is implemented in the 2020/21 financial year. The fund has shown an increase in funding level to 103%. Discussions during the current financial year have been held with the actuary Barnett Waddingham LLP and they have confirmed that there will be no need to provide for a deficit recovery over the next three years.

Table 18: Pension Deficit Recovery

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
MTFS (Based on 2016 valuation)	3,635	3,718	3,801	3,884
Latest (2019 valuation)	0	0	0	0
Change	(3,635)	(3,718)	(3,801)	(3,884)

Oncost

In addition, the actuary has indicated that the future service contribution rate will be fixed at 17.06% for 2020/21, 2021/22 and 2022/23, an increase from 15.2% in the current year. The estimated additional cost in each department's salary costs from 2020/21 is as follows:-

Table 19: Increased oncost contribution rate

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Increased contribution	1,158	1,181	1,204	1,229

The net change in pension costs is therefore

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Net saving to General Fund	(2,477)	(2,537)	(2,597)	(2,655)

2.7 Forecast of Resources and Provisional Local Government Finance Settlement

2.7.1 Due to the General Election which was held on 12 December 2019, the timetable for announcing the resources that local authorities will receive in 2020/21 was significantly delayed. The Provisional Settlement was eventually announced on 20 December 2019. Details on the Provisional Local Government Finance Settlement 2020/21 are provided in Appendix 3 with the key details relating to Merton's resources summarised in this Section of the report.

2.7.2 The Provisional Settlement broadly reflects the details set out in the Spending Round 2019. The main details are:-

a) Settlement Funding Assessment (RSG + Business Rates) allocations have increased by 1.6% nationally and in London. The details for Merton are:-

MERTON	2019-2020 £m	2020-2021 £m	Change £m	Change %
Settlement Funding Assessment	40.460	41.120	0.659	1.6
of which:				
Revenue Support Grant (RSG)	-	5.159		
Baseline Funding Level (BFL)	40.460	35.961		
(Tariff)/Top-Up (Included in BFL)	40.460 (1.144)	41.120 9.534		

b) Core Spending Power will increase by 6.3% nationally and 6.5% in London.

Merton's Core Spending Power is as follows:-

	2019-2020 £m	2020-2021 £m	Change £m	Change %
Settlement Funding Assessment	40.460	41.120	0.660	1.6
Section 31 Grant	1.153	1.441	0.288	25.0
Council Tax Requirement	92.370	97.847	5.477	5.9
Improved Better Care Fund	4.114	4.862	0.748	18.2
Social Care Support Grant	1.278	0.000	(1.278)	(100.0)
Social Care Grant	0.000	4.058	4.058	N/A
Winter Pressures Grant	0.748	0.000	(0.748)	See Improved BCF above
New Homes Bonus	2.108	1.438	(0.670)	(31.8)
Total Core Spending Power	142.231	150.766	8.535	6.0

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

Further details on the grants and New Homes Bonus are included in Appendix 3.

c) Adult Social Care

As indicated in the Core Spending Power Summary, the Improved Better Care Fund (IBCF) has been extended to 2020/21 and Winter Pressures Grant of £0.748m has been incorporated. This is to be welcomed and reduces some of the pressure on the MTFS in which funding had been included to replace IBCF in case the Government no longer provided it. This funding can now be directed to meeting other pressures.

This is summarised in the following table:-

Adult Social Care (IBCF)	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Replacement funding included in MTFS Improved Better Care Fund 2020/21*	3,283 (4,862)	3,326	3,326	3,326
Balance	(1,579)			

* Funding beyond 2020/21 is not assured and is not included in the updated MTFS. However, given the Government's assurances that it is committed to addressing social care pressures, paragraph 6 includes an exemplification of the impact on the MTFS assuming that grant does continue.

d) Social Care Grant

As indicated in the Core Spending Power Summary, Social Care Grant of £4.058m will be received in 2020/21. It will be for local authorities to determine how much of it should be spent on adult social care and how much should be spent on children's social care.

In the first instance it is proposed to apply this grant to fund growth in Children, Schools and Families (paragraph 2.6.8 refers)

Social Care Grant	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
CSF Growth (cumulative) Social Care Grant	2,372 4,058	2,776 *(2,776)	3,160 *(3,160)	3,550 *(3,550)
Balance	(1,686)	-	-	-

* Although funding beyond 2020/21 is not assured it has been assumed that grant at least equivalent to the growth currently provided in the MTFS will be received going forward, given the Government's manifesto commitment.

2.8 **London Business Rates 2020-21**

2.8.1 In the Spending Round 2019 which was published on 4 September 2019, it was announced that the Government has written to councils announcing that a decision has been taken to delay the implementation of 75 per cent business rates retention and the Fair Funding Review until April 2021.

2.8.2 The Government also announced that it was ending the 75% pilot pools, including the London pilot pool, for 2020/21. Based on the general arrangement currently in force, central government receive 33% of business rates, the GLA receive 37% and London boroughs receive 30%. London boroughs are still considering introducing a pooling arrangement based on these proportions. Leaders of London boroughs met in October to discuss the pool and agreed to pool in 2020-21. Participating authorities (32 boroughs, city, and the GLA) will have 28 days after the provisional Local government Finance Settlement to withdraw from the pool.

2.8.3 Regardless of whether there is a London pool or not, final projections for Business Rates retention in 2020/21 will be based on London Boroughs NNDR1 returns for 2020/21 which are due to be returned to central government by 31 January 2020.

2.9 Council Tax Base

2.9.1 The Council Tax Base is a key factor which is required by levying bodies and the Council for setting the levies and Council Tax for 2020/21. The council tax base is the measure of the number of dwellings to which council tax is chargeable in an area or part of an area. The Council Tax Base is calculated using the properties from the Valuation List together with information held within Council Tax records. The properties are adjusted to reflect the number of properties within different bands in order to produce the Council Tax Base (Band D equivalent). This will be used to set the Council Tax at Band D for 2020/21. The Council is required to determine its Council Tax Base by 31 January 2020.

2.9.2 Regulations set out in the Local Authorities (Calculation of council Tax Base) Regulations 2012 (SI 2012:2914) ensure that new local council tax support schemes, implemented under the Local Government Finance Act 2012, are fully reflected in the council tax base for all authorities.

2.9.3 The Council Tax Base Return to central Government takes into account reductions in Council Tax Base due to the Council Tax Support Scheme and also reflects the latest criteria set for discounts and exemptions. The CTB Return for October 2019 is the basis for the calculation of the Council Tax Base for 2020/21.

2.9.4 Details of how the Council Tax Base is calculated are set out in Appendix 1. A summary of the Council Tax Bases for the Merton general area and the addition for properties within the Wimbledon and Putney Commons Conservators area for 2020/21 compared to 2019/20 is set out in the following table:-

Council Tax Base	2019/20	2020/21	Change
			%
Whole Area	74,951.7	75,989.9	1.4%
Wimbledon & Putney Common Conservators	11,464.4	11,604.6	1.2%

2.10 Proposed Amendments to Previously Agreed Savings

2.10.1 Cabinet on 14 October 2019 approved some proposed amendments to savings which had been agreed in previous year's budgets and also agreed that the financial implications should be incorporated into the draft MTFS 2020-24.

2.10.2 Some additional changes to existing savings are proposed as follows:-

a) Corporate Services

It is proposed to replace a saving of £30,000 in 2020/21 with an alternative.

It is also proposed to defer three savings previously agreed, totalling £196,000 for 2020/21, until 2023/24.

b) Environment and Regeneration

It is proposed that previously agreed savings amounting to £0.647m be replaced in 2020/21 by alternative proposals.

2.10.2 Details of these further requests to defer and/or replace savings are set out in Appendix 5b for replacement savings and Appendix 5c for deferred savings. Including the changes approved by Cabinet in October 2019, the change over the four year MTFS period resulting from these proposals is set out in the following table:-

Deferred Savings and Replacement Savings (Net impact)	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	196	0	0	(196)	0
Children, Schools and Families	0	0	0	0	0
Environment and Regeneration	65	10	(75)	0	0
Community and Housing	0	0	0	0	0
Total	261	10	(75)	(196)	0
Cumulative Total	261	271	196	0	

3. SAVINGS PROPOSALS 2020-24

Controllable budgets and Savings Targets for 2020-24

3.1 Cabinet on 14 October 2019 agreed the rolling forward of the unmet element of 2019/20 savings targets to be identified by service departments over the period 2020-24 as follows:-

	Savings Targets 2020-24 £'000
Corporate Services	663
Children, Schools & Families	2,627
Environment & Regeneration	2,606
Community & Housing	4,385
Total	10,281

- 3.2 Cabinet on 14 October 2019 also considered some proposed new savings towards meeting these savings targets and referred them to the Scrutiny Panels and Commission. Cabinet agreed to ratify these savings at a future Cabinet meeting subject to scrutiny comments. The savings, considered by Cabinet in October 2019 and scrutinised by panels and the Commission during November 2019 are summarised in the following table:-

SAVINGS (Cabinet 14 March 2019)	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	570	(49)	125	0	646
Children, Schools and Families	509	400	0	0	909
Environment and Regeneration	1,240	340	0	0	1,580
Community and Housing	0	500	0	0	500
Total	2,319	1,191	125	0	3,635
Total (cumulative)	2,319	3,510	3,635	3,635	

- 3.3 Feedback on the October 2019 Cabinet proposals from the Overview and Scrutiny Panels and the Commission which met during November 2019 was reported to Cabinet on 9 December 2019
- 3.4 Further work has been carried out since October 2019 to identify additional savings and details of these proposals are provided in Appendix 5a and summarised in the following table:-

SAVINGS PROPOSALS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	0	0	0	0	0
Children, Schools and Families	1,460	410	0	0	1,870
Environment and Regeneration	40	70	0	0	110
Community and Housing	532	810	60	0	1,402
Total	2,032	1,290	60	0	3,382
Total (cumulative)	2,032	3,322	3,382	3,382	

3.5 These savings will be scrutinised by Overview and Scrutiny Panels and the Commission during February 2020 and will be included in the Member's Information pack that will be despatched to all Members at the end of January 2020.

3.6 If all of these are approved, the total new savings, including those agreed in October 2019, is:-

SUMMARY (cumulative)	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	570	(49)	125	0	646
Children, Schools & Families	1,969	810	0	0	2,779
Environment & Regeneration	1,280	410	0	0	1,690
Community & Housing	532	1,310	60	0	1,902
Total	4,351	2,481	185	0	7,017
Net Cumulative total	4,351	6,832	7,017	7,017	

3.7 Assuming that all of the savings proposed so far are accepted the balance remaining is as follows:-

	Targets £'000	Proposals £'000	Balance £'000	Balance %
Corporate Services	663	646	17	2.6
Children, Schools & Families	2,627	2,779	(152)	0
Environment & Regeneration	2,606	1,690	916	35.1
Community & Housing	4,385	1,902	2,483	56.6
Total	10,281	7,017	3,264	31.7

3.8 Draft Equalities Assessments where applicable are included in Appendix 6.

3.9 Where departments have not met their target or put forward options that are deemed not to be acceptable then the shortfall will be carried forward to later meetings and future years' budget processes to be made good.

4. **SERVICE PLANNING 2020-24**

4.1 Draft Service Plans are included in Appendix 8.

5. **USE OF RESERVES IN 2019/20 and 2020-24**

5.1 The application of current revenue reserves in 2019/20 to address any level of overspend will have an ongoing impact on the MTFs going forward.

5.2 DSG Deficit

The treatment of the forecast Dedicated Schools Grant deficit will be an important factor in this. As reported elsewhere on the January 2020 Cabinet agenda as part of the monthly monitoring report, based on November 2019, DSG funded services are forecast to overspend by £10.557m in 2019/20 bringing the cumulated deficit at year end to £13.466m, although this is expected to increase by year end, and to continue to increase in future years.

Increasing Deficits in DSG is a national issue and the Department for Education issued a consultation paper consulting on changing the conditions of grant and regulations applying to the Dedicated Schools Grant (DSG). This is designed to clarify that the DSG is a ring-fenced specific grant separate from the general funding of local authorities, and that any deficit an authority may have on its DSG account is expected to be carried forward and does not require to be covered by the authority's general reserves. The consultation period ran until 15 November 2019 and Merton submitted a response.

Whilst it is welcomed that the General Fund is not expected to fund the DSG deficit the issue of how such large amounts can be accounted for is one that needs to be resolved at a national level.

The previous update on the MTFs reported to Cabinet in October 2019 assumed that the General Fund would contribute 50% towards the estimated DSG deficit and this is also the assumption in the growth calculations included in paragraph 2.6.8.

The Provisional Local Government Finance Settlement did not include any additional resources to enable local authorities to address the anticipated funding difficulties. This issue is still under consideration by the Government. For the purposes of this report the financial implications of a range of potential outcomes have been assessed:-

- Option 1: As included in the October Cabinet report assuming that the Council's General Fund meets all of the deficit until the end of 2019/20 and 50% of the deficit thereafter (based on November 2019 monitoring in this report)
- Option 2: assuming that the Council's General Fund meets all of the deficit until the end of 2020/21 and 50% of the deficit thereafter (based on November 2019 monitoring in this report)
- Option 3: assuming that the Council's General Fund meets all of the deficit until the end of 2019/20 and the Government meets 100% of the deficit thereafter (based on November 2019 monitoring in this report)
- Option 4: assuming that the Government does not make any contribution towards funding the DSG deficit and the burden falls entirely on the council's General Fund

The impact on the MTFs of each of the options is as follows:-

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	TOTAL £000
Cabinet (October)	9,297	8,000	8,727	9,652	35,676
Option 1	10,786	6,354	7,158	8,130	32,428
Option 2	16,014	6,354	7,158	8,130	37,656
Option 3	5,557	0	0	0	5,557
Option 4	16,014	12,707	14,316	16,260	59,297

6. UPDATE TO MTFS 2020-24

- 6.1 The MTFS gap in October 2019 was c. £16m and with additional savings proposals of c. £2.4m, additional service department growth of c. £4.5m and other changes, including revisions to capital financing costs arising from the capital programme, increases in council tax yield arising from the new council tax base for 2020/21, changes arising from the Budget 2019 and Provisional Local Government Finance Settlement in December, and assuming option 2 with respect to the DSG deficit, the latest budget gap forecast is:-

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Budget Gap in MTFS	0	4,239	8,502	10,541

A more detailed MTFS is included as Appendix 4.

- 6.2 As referred to in paragraph 2.7.2 (c), the future related to the Improved Better Care Fund from 2021/22 is not assured and is therefore omitted from the MTFS gap shown above and in Appendix 4. However, if the Improved Better Care Funding continues from 2021/22 the impact of the forecast budget gap is as follows:-

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Budget Gap in MTFS	0	0	3,017	5,679

- 6.3 Draft Service department budget summaries based on the information in this report will be included in the pack available for scrutiny. (Appendix 10)

7. CAPITAL PROGRAMME 2020-24: UPDATE

- 7.1 The proposed draft Capital Programme 2020-24 was presented to Cabinet on 14 October 2019.
- 7.2 The programme has been reviewed by scrutiny panels.
- 7.3 Monthly monitoring of the approved programme for 2019/20 has been ongoing and there will inevitably be further changes arising from slippage, reprofiling and the announcement of capital grants as part of the local government finance settlement.
- 7.4 Further changes that have been made to the proposed capital programme since it was presented to Cabinet in October 2019 are set out in Appendix 5. These include reprofiling of existing schemes and addition of some new bids commencing over the period of the MTFS.
- 7.5 The estimated revenue implications of funding the draft capital programme are summarised in paragraph 2.6.9 and these have been incorporated into the latest draft MTFS 2020-24.

8. BUDGET STRATEGY

- 8.1 The council has a statutory duty to set a balanced budget.
- 8.2 The MTFS reported to Cabinet in October 2019 assumed a 2% general Council Tax increase in 2020/21. The MTFS in this update assumes a 1.99% general Council Tax increase and a 2% increase for Adult Social Care Precept, as assumed in the Core Spending Power. This keeps the proposed Council Tax increase for 2020/21 within the 4% referendum threshold.
- 8.3 With respect to the DSG deficit, it is assumed that the Council's General Fund will provide for 100% of the estimated deficit (Based on November 2019 monitoring information) up until 2020/21 and 50% thereafter. (Option 2 in paragraph 5.2 refers)

9. GLA BUDGET AND PRECEPT SETTING 2020-21

- 9.1 The Greater London Authority (GLA) sets a budget for itself and each of the four functional bodies: Transport for London, the London Development Agency, the Metropolitan Police Authority, and the London Fire and Emergency Planning Authority. These budgets together form the consolidated budget.
- 9.2 The Mayor published his draft consolidated budget and provisional council tax precept for 2020-21 on 18 December 2019 for consultation. The consultation on the budget proposals will end on Wednesday 15 January 2020.

- 9.3 The provisional precept on council taxpayers in the 32 London boroughs is £326.92 – a £6.41 or 1.99% increase compared to 2019/20. The proposed precept for council taxpayers in the City of London – excluding the police element – is £79.94 (an increase of 1.99%). It should be noted that the Band D precept is likely to change prior to the Mayor's final budget to reflect the impact of the Home Office settlement for policing including the council tax referendum thresholds for local policing bodies which have not yet been announced for 2020-21.
- 9.4 The Mayor's draft budget is expected to be considered by the London Assembly on 29 January 2020. The final draft budget is scheduled to be considered by the Assembly on 24 February 2020 following which the Mayor will confirm formally the final precept and GLA group budget for 2020-21. The statutory deadline for the GLA to agree the final GLA council tax precept and the Capital Spending Plan is 28 February 2020.
- 9.5 NNDR1 returns will be required to be submitted to the MHCLG by 31 January 2020 and, with the addition of information required for the London pilot pool, it is essential that all authorities meet this deadline for the GLA to be able to achieve its timetable. It is anticipated that the percentage shares for 2020-21 used for the returns for London authorities will be 37% GLA, 33% central government and 30% London boroughs. This has been confirmed in the provisional local government finance settlement.

10. **CONSULTATION UNDERTAKEN OR PROPOSED**

- 10.1 There will be consultation as the business plan process develops. This will include the Overview and Scrutiny panels and Commission, business ratepayers and all other relevant parties.
- 10.2 In accordance with statute, consultation is taking place with business ratepayers and a meeting will be arranged for February 2020.
- 10.3 As previously indicated, a Member's information pack will be prepared and distributed to all councillors and the revised date for this is 29 January 2020. This can be brought to all Scrutiny and Cabinet meetings from 6 February 2020 onwards and to Budget Council. Despite the delay, this should be an improvement for both councillors and officers - more manageable for councillors and it will ensure that only one version of those documents is available so referring to page numbers at meetings will be easier. It will also keep printing costs down and reduce the amount of printing that needs to take place immediately prior to Budget Council.

10.4 The pack will include:

- Savings proposals
- Growth proposals
- A draft Equality impact assessment for each saving proposal.
- Service plans (these will also be printed in A3 to lay round at scrutiny meetings)
- Budget Summaries 2020/21

11. **TIMETABLE**

11.1 In accordance with revised financial reporting timetables.

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

12.1 All relevant implications have been addressed in the report.

13. **LEGAL AND STATUTORY IMPLICATIONS**

13.1 All relevant implications have been addressed in the report.

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

14.1 Draft Equalities assessments of the savings proposals are included in Appendix 6.

15. **CRIME AND DISORDER IMPLICATIONS**

15.1 Not applicable.

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

16.1 Not applicable.

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

Appendix 1: Council Tax Base 2020/21

Appendix 2: Outlook for inflation

Appendix 3: Provisional Local government Finance Settlement 2020-21: Summary

Appendix 4: MTFFS Update

Appendix 5: Savings Proposals – January 2020 Cabinet

- (a) New proposals
- (b) Replacement savings
- (c) Deferred savings

Appendix 6: Equalities Assessments - January 2020 Cabinet Savings Proposals

- (a) Savings
- (b) Growth

Appendix 7: Growth proposals – January 2020 Cabinet

- (a) Details of growth proposals
- (b) CSF growth

Appendix 8: Service Plans 2020-24

Appendix 9: Draft Capital Programme 2020-24 and Capital Strategy 2020/21

Appendix 10: Budget Summaries

BACKGROUND PAPERS

Budget files held in the Corporate Services department.

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Council Tax Base 2020/21**1. INTRODUCTION**

- 1.1 The council tax base is the measure of the number of dwellings to which council tax is chargeable in an area or part of an area. The Council Tax base is calculated using the properties from the Valuation List together with information held within Council Tax records. The properties are adjusted to reflect the number of properties within different bands in order to produce the Council Tax Base (Band D equivalent).
- 1.2 Since 2013/14 the Council Tax Base calculation has been affected by the introduction of the new local council tax support scheme and technical reforms to council tax. On 30 November 2012, new regulations set out in the Local Authorities (Calculation of council Tax Base) Regulations 2012 (SI 2012:2914) came into force. These regulations ensure that new local council tax support schemes, implemented under the Local Government Finance Act 2012, are fully reflected in the council tax base for all authorities.
- 1.3 Under the regulations, the council tax base is the aggregate of the relevant amounts calculated for each valuation band multiplied by the authority's estimated collection rate for the year.
- 1.4 The relevant amounts are calculated as
 - number of chargeable dwellings in each band shown on the valuation list on a specified day of the previous year,
 - adjusted for the number of discounts, and reductions for disability, that apply to those Dwellings
- 1.5 All authorities notify the MHCLG of their unadjusted Council Tax Base using a CTB Form using valuation list information as at 9 September 2019. The deadline for return was 11 October 2019 and Merton met this deadline.
- 1.6 The CTB form for 2019 includes the latest details about the Council Tax Support Scheme and the technical reforms which impacted on discounts and exemptions.
- 1.7 There is a separate council tax base for those properties within the area covered by Wimbledon and Putney Commons Conservators. The Conservators use this, together with the Council Tax bases from RB Kingston, and Wandsworth to calculate the levy which is charged each year.

2. ASSUMPTIONS IN THE MTFS

- 2.1 Other than changes in the actual council tax rates levied, in producing a forecast of council tax yield in future years, there are two key variables to be considered:-

- the year on year change in Council Tax Base
- the council tax collection rate

2.2 The draft MTFS previously reported to Cabinet during the business planning process has assumed that the Council Tax Base increases 0.5% per year and that the collection rate is 98.5% in each of the years.

2.3 These assumptions have been reviewed and it is considered that, based on the Council's recent Council Tax collection experience, the collection rate can be raised by 0.25% to 98.75%. The annual increase in Council Tax Base has been maintained at 0.5%. These rates have been applied to the latest Council Tax Base information included on the CTB return completed on 11 October 2019 to produce the Council Tax Base 2020/21.

2.4 Information from the October 2019 Council Tax Base Return

2.4.1 The Council makes two CTB returns, one for the whole area of the borough and the other for the area covered by the Wimbledon and Putney Common Conservators for which an additional levy is applied.

2.4.2 The information in the CTB returns has been used to calculate the council tax bases and these are summarised in the following table compared to 2019/20:-

Council Tax Base	2019/20	2020/21	Change
			%
Whole Area	74,951.7	75,989.9	1.4%
Wimbledon & Putney Common Conservators	11,464.4	11,604.6	1.2%

3. **IMPLICATIONS FOR COUNCIL TAX YIELD 2020/21**

3.1 On a like for like basis (i.e. assuming council tax charges do not change) the estimated income in 2020/21 compared to 2019/20 is summarised in the following table:-

Council Tax: Whole area	2019/20	2020/21
Tax Base	74,951.7	75,989.9
Band D Council Tax	£1,227.82	£1,227.82
Estimated Yield	£92.027m	£93.302m
Change: 2019/20 to 2020/21 (£m)		+ £1.275m
Change: 2019/20 to 2020/21 (%)		+ 1.4%

3.2 Analysis of changes in yield 2019/20 to latest 2020/21

3.2.1 There are a number of reasons for the change in estimated yield between 2019/20 and the latest estimate based on the CTB data.

3.2.2 Over this period the Council Tax Base increased by 1,038.2 from 74,951.7 to 75,989.9 which multiplied by the Band D Council Tax of £1,227.82 results in additional yield of £1.275m.

3.2.3 An exact reconciliation for the change between years is not possible because of changes in distribution of Council Tax Support and discounts and benefits, and premiums between years and bands. However, broadly the changes can be analysed as follows:-

a) Number of Chargeable Dwellings and Exempt Dwellings

Between years the number of properties increased by 490 from 84,805 to 85,295 and the number of exempt dwellings increased by 104 from 794 to 898. This means that the number of chargeable dwellings increased by 386 between years. Based on a full charge, this equates to additional council tax of £0.474m.

b) Amount of Council Tax Support Reduction

Based on October 2018 there was a reduction of 8,177.1 to the Council Tax Base for local council tax support. This has reduced to 7,688.1 in based on October 2019 which is a change of 489 and equates to additional council tax of about £0.600m.

c) Changes in Discounts, Exemptions and Premiums

Overall, the number of properties subject to discounts or exemption increased by 168 and those subject to premiums increased by 7 between October 2018 and October 2019.

d) Change in collection rate

There has been an increase of 0.25% in the estimated collection rate to 98.75% which increases the base by 192.3 and increases the council tax yield by c. £0.236m

Summary

The following table puts the individual elements together to show how the potential council tax yield changes between 2019/20 and 2020/21:-

	Approx. Change in Council Tax Base	Approx. Change in Council Tax yield
		£m
Increase in number of chargeable dwellings	386	0.474
Change in Council Tax Support Reductions	489	0.600
Change in discounts, exemptions, premiums and distribution	(29)	(0.035)
Change in collection rate	192	0.236
Total	1,038	1.275

3.10 Council Tax Yield 2020/21

3.10.1 Assuming no change in Council Tax for 2020/21 the estimated Council Tax yield for 2020/21 is:-

Council Tax: Whole area	Tax Base	Band D 2019/20	Council Tax Yield 2020/21	Council Tax Yield 2019/20
Merton	75,989.9	£1,227.82	£93.302m	£92.027m
WPCC	11,604.6	£29.90	£0.347m	£0.343m
GLA	75,989.9	£320.51	£24.356m	£24.023m

The amounts collected for the GLA and WPCC are paid over to each of them as precepts.

3.10.2 The updated MTFS is based on the following assumptions:-

	2020/21	2021/22	2022/23	2023/24
Increase in CT Base	1.4%	0.5%	0.5%	0.5%
Collection Rate	98.75%	98.75%	98.75%	98.75%
Council Tax - General	1.99%	2%	2%	2%
Council Tax – Adult Social Care	2.00%	0%	0%	0%

3.10.3 Based on the new Council Tax Base but using the same assumptions as in the MTFS set out in the table in 3.10.2 above, the change in Council Tax Yield is as follows:-

MTFS Council Tax Yield (excluding WPCC)	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
CT Yield (Cabinet 14 October 2019)	94,337	96,686	99,084	101,533
CT Yield (New Council Tax Base)	97,025	99,432	101,889	104,398
Change in CT Yield from new Base	2,688	2,746	2,805	2,865

Outlook for inflation:

The Bank of England’s Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. At its meeting ending on 18 December 2019, the MPC voted by a majority of 7-2 to maintain Bank Rate at 0.75%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

In the minutes to its December meeting, the MPC note that “there continue to be some signs that the labour market is loosening, although it remains tight. Employment growth has slowed and vacancies have fallen, but the unemployment rate has remained stable and the employment rate is around its record high. Although pay growth has eased somewhat, unit labour costs have continued to grow at rates above those consistent with meeting the inflation target in the medium term. CPI inflation remained at 1.5% in November and core CPI inflation remained at 1.7%, broadly as expected. The headline rate is still expected to fall to around 1¼% by the spring, owing to the temporary effects of falls in regulated energy and water prices. Monetary policy could respond in either direction to changes in the economic outlook in order to ensure a sustainable return of inflation to the 2% target. The Committee will, among other factors, continue to monitor closely the responses of companies and households to Brexit developments as well as the prospects for a recovery in global growth.”

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

Source: HM Treasury - Forecasts for the UK Economy (December 2019)			
	Lowest %	Highest %	Average %
2019 (Quarter 4)			
CPI	1.4	2.3	1.7
RPI	1.8	3.2	2.3
LFS Unemployment Rate	3.8	4.1	3.9
2020 (Quarter 4)			
CPI	1.4	3.3	1.9
RPI	1.8	4.2	2.6
LFS Unemployment Rate	3.8	4.6	4.1

Independent medium-term projections for the calendar years 2019 to 2023 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (December 2019)					
	2019	2020	2021	2022	2023
	%	%	%	%	%
CPI	1.8	1.8	1.9	2.1	2.1
RPI	2.6	2.4	2.7	3.3	3.4
LFS Unemployment Rate	3.9	4.0	4.0	4.1	4.0

PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2020/21

Background – Delay to the announcement

In recent years at the end of November to mid-December, the government has notified local authorities of their Provisional Local Government Finance Settlement. This has included the amounts of funding allocated to each local authority in terms of Revenue Support Grant, share of Business Rates and other major allocations of grant. The final Settlement figures are published the following January/February but are generally unchanged from the provisional figures. The total amount of funding available for local authorities is essentially determined by the amount of resources that Central Government has allocated as part of its annual Departmental Expenditure Limit which is set out in the Budget. The Budget usually sets out the government's plans for the economy based on the latest forecasts from the Office for Budget Responsibility's (OBR) "Economic and Fiscal Outlook".

The Government originally announced that there would be a Budget on 6 November but due to the delay in Brexit negotiations it was then cancelled and subsequently a General Election was called for 12 December 2019. This has resulted in delays to the Government's publication of key financial information on which local authorities base their budgets and council tax assumptions.

Office for Budget Responsibility (OBR) – Publication of Restated March Forecasts

The Chairman of the OBR, wrote to the Treasury on 29 October 2019 concerning the cancellation of the Budget and in the letter indicated that "Following the cancellation of the Budget, we have decided to publish a restated version of our March public finance forecast, incorporating subsequent ONS classification and other statistical changes. Given the importance of these changes for public understanding of the baseline against which the Government will wish to judge its fiscal policy options, we believe that it would be useful to explain publicly the impact that these changes would have had on our March forecast. We have written to the Treasury informing them that we intend to publish our restated March forecast on 7 November at 9.30am."

On 7 November the OBR published the following statement on its website

"As we notified the Treasury and Treasury Select Committee on 29 October, we had planned to publish a technical restatement of our March public finance forecast this morning, bringing it into line with current ONS statistical treatment – for example, the new treatment of student loans implemented in September – but not incorporating any new forecast judgements regarding the economy, the public finances or the impact of Brexit. This will no longer go ahead as the Cabinet Secretary has concluded that this would not be consistent with the Cabinet Office's General Election Guidance."

On 5 November 2019, the Director General, Local Government and Public Services, at the Ministry of Housing, Communities and Local Government wrote to all Chief Executives and Chief Finance Officers with the following update:-

*“Dear Chief Executive/ Chief Finance Officer,
As you know, the Early Parliamentary General Election Bill recently gained Royal Assent and a General Election will be held on Thursday 12 December. Colleagues in local authorities will naturally be keen to understand how this impacts on funding for local government next year. While we cannot be definitive at this stage, I hope that this letter will give an outline of recent decision taken by this Government and a sense of the outcomes it is seeking to achieve.*

LOCAL GOVERNMENT FINANCE SETTLEMENT

As you know, the Government set out its proposals for the 2020-21 settlement in a technical consultation published on 3 October 2019. This consultation has now closed, and I am grateful for your responses. The department is now working through each response and will come back with further proposals, including proposed local authority allocations, at the provisional settlement.

Last year the independent review of local government finance and processes recommended the department issue the provisional settlement around 5 December. This is no longer possible because of the General Election. However, the department anticipates that the provisional Settlement will be a priority for Ministers to consider after the General Election. We will take all possible steps to ensure that the final settlement aligns with local authority budget setting timetables.

In the meantime, local authorities should take account of the proposals the Government has published in the technical consultation in drawing up draft budgets for next year. “

Following the result of the General Election, the Provisional Local Government Finance Settlement was released on 20 December 2019. A summary analysis on the potential financial impact of the provisional Settlement is included as Appendix 3.

The Provisional Settlement broadly reflects the details set out in the Spending Round 2019. The main details are:-

Overview of the Provisional Local Government Settlement 2020-21

Details of the provisional Local Government Settlement were published on 20 December 2019. There were no significant changes from those included in the Spending Round 2019 and detailed in the Government’s Technical Consultation which was published in October 2019.

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

1. Provisional Local Government Settlement

1.1 Settlement Funding Assessment (SFA)

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

The Settlement outlined core funding allocations (Settlement Funding Assessment (SFA) for local authorities for 2020/21.

The Settlement Funding Assessment is the total of Revenue Support Grant (RSG) and Baseline Funding (BF) from Business Rates. There has been an increase of 1.6% in SFA nationally in 2020/21. Details of changes in SFA for England, London boroughs and in Merton are summarised in the following table:-

	2016/17 Final	2017/18 Final	2018/19 Final	2019/20 Final	2020/21 Provisional
Merton (£m)	55.5	48.5	44.7	40.5	41.1
Annual % Change	-	-12.6%	-7.8%	-9.4%	1.6%
Cumulative % change	-	-12.6%	-19.5%	-27.0%	-25.9%
England (£m)	18,601.5	16,632.4	15,574.2	14,559.6	14,796.9
Annual % Change	-	-10.6%	-6.5%	-6.5%	1.6%
Cumulative % change	-	-10.6%	-16.3%	-21.7%	-20.6%
London Boroughs (£m)	3,398.5	3,078.3	2,901.2	2,713.5	2,757.7
Annual % Change	-	-9.4%	-5.8%	-6.5%	1.6%
Cumulative % change	-	-9.4%	-14.6%	-20.2%	-18.9%

1.2 Core Spending Power

Core Spending Power is the Government's measure of the resources available to local authorities to fund service delivery. In 2020-21 it includes "roll forward" of core components from 2019-20 and also injects significant new funding into social care

Core Spending Power in 2020-21 is therefore made up of:

- Settlement Funding Assessment
- Estimated Council Tax Requirement excluding Parish Precepts
- Compensation via Section 31 grant for under-indexing the business rates multiplier
- Additional Council Tax revenue from referendum principle for social care
- Potential additional Council Tax revenue from referendum principle for all districts.
- Improved Better Care Fund
- New Homes Bonus and New Homes Bonus Returned Funding;
- Rural Services Delivery Grant
- Adult Social Care Support grant
- Winter Pressures Grant
- Social Care Support Grant

In 2020-21, Social Care Support Grant has been renamed Social Care Grant and Winter Pressures Grant has been rolled into the Improved Better Care Fund.

At the England level since 2016/17 there will be a cumulative increase in spending power of £5.4 billion (12.4% in cash terms) from £43.7 billion to

£49.1 billion. The equivalent figures for London boroughs are an increase of £643.9 billion (9.7%) from £6.7 billion to £7.3 billion.

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

- All authorities that are eligible raise the social care precept to its maximum in 2020-21
- All authorities increase overall council tax by the maximum amount (2% in 2020-21)
- Tax base increases at the same average rate for each authority as between 2015-16 to 2019-20
- New Homes Bonus allocations are based on the share of NHB to date

In England the level of assumed spending power will increase by £2.9 billion (6.3%) in 2020-21 from £46.2 billion to £49.1 billion. In London boroughs the assumed increase is £446.1million (6.5%) in 2020/21 from £6.848 billion to £7.294 billion.

A summary of Merton's assumed Core Spending Power from 2016/17 to 2020/21 is included in the following table:-

Detailed Breakdown of Core Spending Power – Merton

	Final	Final	Final	Final	Provisional	Annual Change (19-20 to 20-21)	Cumulative Change (16-17 to 20-21)
	2016-17	2017-18	2018/19	2019/20	2020/21		
	£m	£m	£m	£m		%	%
Council Tax	78.920	82.563	87.009	92.370	97.847	5.9%	24.0%
Settlement Funding Assessment*	55.500	48.545	44.662	40.460	41.120	1.6%	-25.9%
Compensation for under-indexing the business rates multiplier	0.476	0.504	0.793	1.153	1.441	25.0%	202.7%
Improved Better Care Fund	0.000	2.746	3.523	4.114	4.862	18.2%	-
New Homes Bonus	4.658	4.068	2.371	2.108	1.438	-31.8%	-69.1%
New Homes Bonus – returned funding	0.076	0.080	0.000	0.000	0.000	-	-100%
Transition Grant	0.567	0.557	0.000	0.000	0.000	-	-100%
Adult Social Care Support Grant	0.000	0.751	0.467	0.000	0.000	-	-
Winter Pressures Grant	0.000	0.000	0.748	0.748	0.000	-100.0%	-
Social Care Support Grant	0.000	0.000	0.000	1.278	0.000	-100.0%	-
Social Care Grant	0.000	0.000	0.000	0.000	4.058	-	-
Core Spending Power	140.197	139.815	139.574	143.231	150.766	5.3%	7.5%

* SFA figures do not reflect the London Business Rates Pool

1.3 Council tax referendum principles for principal local authorities

In terms of controlling the level of council tax increases that local authorities can set in 2020-21, without the need for a local referendum, the Government has decided that the core principles to be applied to authorities with social care responsibilities including London boroughs such as Merton are:-

- For 2020-21, the relevant basic amount of council tax is excessive if the authority's relevant basic amount of council tax for 2020-21 is 4% (comprising 2% for expenditure on adult social care and 2% for other expenditure), or more than 4%, greater than its relevant basic amount of council tax for 2019-20

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

	2020/21 %	2021/22 %	2022/23 %	2023/24 %
Council Tax increase - General	1.99	2.00	2.00	2.00
Council Tax increase - ASC	2.00	0	0	0
Total	3.99	2.00	2.00	2.00

1.4 Special and specific grants

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

- New Homes Bonus
- Improved Better Care Fund
- Rural Services Delivery Grant (not applicable to London)
- Compensation for under-indexing the business rates multiplier
- Winter Pressures Grant
- Social Care Support Grant

Outside of the Provisional Settlement, allocations of a number of other grants have yet to be published including:-

- Lead Local Flood Authorities funding
- Flexible Homelessness Support Grant
- Homelessness Reduction Act new burdens funding

The provisional schools funding settlement for 2020/21 has been published by the Department for Education. (See Section 2)

1.4.1 New Homes Bonus

The Spending Review 2015 set out the overall envelope for New Homes Bonus payments over the period to 2019-20 as being £1,485 million for 2016-17, reducing to £900 million by 2019-20. £18 million was made available to

maintain the NHB baseline for payments in 2019-20. The Spending Round 2019 maintained the overall funding at £900 million in 2020-21. £7 million will be made available to maintain the NHB baseline for payments in 2020-21.

The Provisional Settlement confirms the proposal set out in the October technical consultation that 2020-21 NHB payments will not attract legacy payments in following years. However, the Government has confirmed it will retain the 0.4 per cent baseline which means local authorities will need to achieve tax base growth of greater than 0.4 per cent before they receive any NHB funding.

New Homes Bonus returned funding: For 2016-17 and 2017-18 any unclaimed New Homes Bonus funding was returned to local authorities based on their share of 2013-14 adjusted Start-up Funding Allowance. In 2018-19, 2019-20 and 2020-21, New Homes Bonus allocations exceed the original funding so there is no returned funding.

1.4.2 Compensation for under-indexing the business rates multiplier: The level of compensation for under-indexing of the business rates multiplier as a result of previous decisions to cap business rates increases by past governments, will increase nationally from £400.0m in 2019/20 to £500.0m in 2020-21 (an increase from £70.9m to £88.6m across London boroughs). Merton's allocation in 2020-21 is estimated to be £1.441m.

1.4.3 Former Independent Living Fund Recipient Grant: The Former Independent Living Fund (ILF) recipient grant funds pre-existing ILF arrangements following the closure of the ILF in 2015. This was intended to come to a conclusion in 2019-20. The Government has decided to continue the grant for a further year at 2019-20 levels of £160.6m, of which London will receive £19.3m. The detail by London borough is to be announced.

1.4.4 Improved Better Care Fund
In England, this represents a total of £1,115 million in 2017-18, £1,499 million in 2018-19, £1,837 million in 2019-20 and £2,077 million in 2020-21. The £2,000 million additional funding announced at Budget 2017 is included in this total. For 2020-21, the existing improved Better Care Fund funding is maintained at 2019-20 levels, and incorporates the £240 million which was allocated as Winter Pressures Grant in 2019-20, allocated using the adult social care relative needs formula.

Merton's allocation is:-

Improved Better Care Fund	2020-21 £m
Merton	4.862

1.4.5 Social Care Grant
The Government introduced a Social Care Support Grant of £410m in 2019-20, covering Children's and Adults social care, distributed according to Adult Social

Services RNF. This has been renamed as the Social Care Grant and will be increased by £1 billion in 2020-21 to £1.41bn, of which London Boroughs will receive £223.1m.

For 2020-21, a £1,410 million Social Care Grant comprised of three elements:

1. Retaining the £410 million in Social Care Support Grant from 2019-20, distributed using the adult social care relative needs formula;
2. An additional £850 million, distributed using the adult social care relative needs formula; and
3. £150 million to equalise the impact of the distribution of the council tax adult social care council tax precept in 2020-21.

Merton's allocation is:-

Social Care Grant	2020-21 £m
Merton	4.058

1.4.6 Winter Pressures Grant

Funding at the same level as 2019/20 has been incorporated with the Improved Better Care Fund

Merton's allocation is:-

Winter Pressures	2019-20 £m	2019-20 £m
Merton	0.748	0.000

1.4.7 Public Health Grant

The Public Health Grant was transferred to Local Authorities in 2013 and has seen a 10% cut over the last four years. Whilst allocations have not yet been published, the government has announced that there would be a "real terms increase" in 2020-21, which London Councils expects to be at least 1.84%. Details will be included in a future report once they are published.

1.4.8 Other grants

Several other grants have not yet been published including the Lead Local Flood Authorities grant, Flexible Homelessness Support Grant, Homelessness Reduction Act new burdens funding. Details will be included in a future report once they are published.

1.5 Provisional Settlement Consultation Response

The Government's consultation period on the provisional settlement figures has a deadline of 17 January 2020.

2. School Funding Announcement

- 2.1 The School Revenue Funding Settlement: 2020 to 2021 was published on 19 December 2019. The distribution of the DSG to local authorities is set out in four blocks for each authority: a schools block, a high needs block, an early years block, and the new central school services block. The main allocations for Merton are:-

Dedicated schools grant (DSG): 2020 to 2021 allocations local authority summary	2020 to 2021 DSG allocations, before recoupment and deductions for direct funding of high needs places by Education and Skills Funding Agency (ESFA)				
	Schools block (£m)	Central school services block (£m)	High needs block (£m)	Early years block (£m)	Total DSG allocation (£m)
	[A]	[B]	[C]	[D]	[E]
					= [A] + [B] + [C] + [D]
Merton 20/21	129.966	1.016	36.429	16.375	183.787
Merton 19/20	122.978	1.041	33.319	15.571	172.909
Change %	5.7%	-2.4%	9.3%	5.2%	6.3%
2020 to 2021 DSG allocations, after deductions for academies recoupment and direct funding of high needs places by ESFA					
	Schools block (£m)	Central school services block allocation (£m)	High needs block allocation (£m)	Early years block (£m)	Total DSG allocation (£m)
	[F]	[G]	[H]	[H]	[I]
Merton 20/21	129.966	1.016	36.299	16.375	183.657
Merton 19/20	122.978	1.041	33.033	15.571	172.623
Change %	5.7%	-2.4%	9.9%	5.2%	6.4%

DRAFT MTFS 2020-24:				
	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000
Departmental Base Budget 2019/20	152,567	152,567	152,567	152,567
Inflation (Pay, Prices)	3,743	7,485	11,228	14,971
Salary oncost increase (15.2% to 17.06%)	695	718	741	766
FYE – Previous Years Savings	(7,307)	(8,723)	(8,828)	(8,828)
FYE – Previous Years Growth	500	500	500	500
Amendments to previously agreed savings/growth	(239)	(229)	(304)	(500)
Change in Net Appropriations to/(from) Reserves	(279)	(306)	(369)	(399)
Taxi card/Concessionary Fares	92	542	992	1,442
Change in depreciation/Impairment (Contra Other Corporate items)	448	448	448	448
Social Care - Additional Spend offset by grant and precept	7,360	5,828	5,824	5,824
Growth	5,214	5,618	6,002	6,392
Provision - DSG Deficit	16,014	6,354	7,158	8,130
Other	(60)	33	122	211
Re-Priced Departmental Budget	178,748	170,835	176,082	181,524
Treasury/Capital financing	10,576	11,408	12,618	13,310
Other Corporate items	(20,153)	(20,600)	(20,178)	(20,527)
Levies	607	607	607	607
Sub-total: Corporate provisions	(8,970)	(8,585)	(6,953)	(6,610)
Sub-total: Repriced Departmental Budget + Corporate Provisions	169,778	162,250	169,129	174,913
Savings/Income Proposals 2020/21	(4,351)	(6,832)	(7,017)	(7,017)
Sub-total	165,427	155,418	162,112	167,896
Appropriation to/from departmental reserves	(1,873)	(1,846)	(1,783)	(1,753)
Appropriation to/from Balancing the Budget Reserve	(7,645)	(999)	0	0
BUDGET REQUIREMENT	155,909	152,573	160,329	166,143
Funded by:				
Revenue Support Grant	(5,159)	0	0	0
Business Rates (inc. Section 31 grant)	(37,402)	(39,978)	(40,837)	(41,714)
Adult Social Care Grants inc. BCF	(4,862)	0	0	0
Social Care Grant	(4,058)	(2,776)	(3,160)	(3,550)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(1,438)	(1,008)	(800)	(800)
Council Tax inc. WPC	(97,368)	(99,775)	(102,232)	(104,741)
Collection Fund – (Surplus)/Deficit	(825)	0	0	0
TOTAL FUNDING	(155,909)	(148,333)	(151,827)	(155,602)
GAP including Use of Reserves (Cumulative)	0	4,239	8,502	10,541

Cabinet 27 January 2020

SUMMARY OF DEPARTMENTAL SAVINGS 2020-24

NEW SAVINGS PROPOSALS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	0	0	0	0	0
Children, Schools and Families	1,460	410	0	0	1,870
Environment and Regeneration	40	70	0	0	110
Community and Housing	532	810	60	0	1,402
Total	2,032	1,290	60	0	3,382
Total (cumulative)	2,032	3,322	3,382	3,382	

SAVINGS PROPOSALS Cabinet October 2019	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	570	(49)	125	0	646
Children, Schools and Families	509	400	0	0	909
Environment and Regeneration	1,240	340	0	0	1,580
Community and Housing	0	500	0	0	500
Total	2,319	1,191	125	0	3,635
Total (cumulative)	2,319	3,510	3,635	3,635	

TOTAL SAVINGS PROPOSALS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Corporate Services	570	(49)	125	0	646
Children, Schools and Families	1,969	810	0	0	2,779
Environment and Regeneration	1,280	410	0	0	1,690
Community and Housing	532	1,310	60	0	1,902
Total	4,351	2,481	185	0	7,017
Total (cumulative)	4,351	6,832	7,017	7,017	

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2019-13	Service Description	Children Social Care Review of current Adolescent and Family service provision to identify efficiencies and opportunities for closer alignment to other CSF services	692	100				High	High	SS1
		Service Implication	Opportunity to better align and improve services delivering interventions to children and young people at risk of contextual harms and reduce workforce uncertainty as a result of budget reliance on grant-funding. Risk of less effective or reduced resource available to respond to Serious Youth Violence and exploitation of Merton children.								
		Staffing Implications	Likely re-positioning of existing staff from across multiple service areas. Reduction of 1.5 / 2 FTE permanently established posts required to achieve proposed saving.								
		Business Plan implications	Reduction of staff across CSF is an existing action in the CSF Business Plan								
		Impact on other departments	None								
		Equalities Implications	The Council's HR policies and procedures will be used for staff engagement, equalities impact assessment and consultation with affected staff. Many interventions with children and families in this service area are delivered to young people, families and communities of black and minority ethnic groups and where there are additional needs arising from disability and gender. An Equality Impact Assessment is required to consider whether the proposed service efficiencies might have a disproportionate negative impact on these groups.								
		TOM Implications	Consistent with TOM								

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2019-14	<u>Service Description</u>	Children Social Care Development of Family Network Co-Ordinators Service Replaces unachieved savings attached to FDAC. FDAC has been decommissioned. CSC have successfully secured DfE funding of £61k to develop this service. The current CSC & YI Service Review is considering how this service can be sustained once the DfE funding ceases. Family Network Meetings help families to identify and use their own strengths to solve their problems and keep children safe.	66	45				High	Low	SNS1
		<u>Service Implication</u>									
		<u>Staffing Implications</u>	The DfE funding and CSC & YI reorganisation will fund staffing of this service.								
		<u>Business Plan implications</u>	This is consistent with using community and family resources to build resilience and reduce the need for statutory interventions.								
		<u>Impact on other departments</u>	None								
		<u>Equalities Implications</u>	None								
		<u>TOM Implications</u>	This is consistent with the TOM objective to reduce the number of children requiring statutory interventions from CSF.								
C&YP	CSF2019-15	<u>Service Description</u>	Children Social Care Culture change and clarification of financial support entitlements for care leavers Change in service culture. Increased scrutiny and clarity of care leaver eligibility for financial support. Likely to lead to a reduction in some payments.	252	50				High	Medium	SNS1
		<u>Service Implication</u>									
		<u>Staffing Implications</u>	None								
		<u>Business Plan implications</u>	None								
		<u>Impact on other departments</u>	None								
		<u>Equalities Implications</u>	Impact most likely on care experienced young adults who are Appeal Rights Exhausted under the immigration legislation and ineligible for local authority assistance beyond that required to prevent a breach of their human rights.								
		<u>TOM Implications</u>	Consistent with TOM objectives to reduce the number of young people receiving support from statutory services								

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2019-18	Service Description	Education Review and reshape of shortbreaks provision across CWD, Brightwell, commissioned provision and the in house shortbreak service	723	200	200			Medium	High	SS1
		Service Implication	Reshape of the offer for families, will result in a change to the service offer, Further work is required to fully understand the impact of this								
		Staffing Implications	Anticipated redundancies via direct services Shortbreaks service and Brightwell Specialist Provision								
		Business Plan implications	None								
		Impact on other departments	Possible interface between adults services/transitions								
		Equalities Implications	As the service supports SEND children, young people and their families a EIA will be required to better understand the overall impact of service wide changes for this cohort of families and children as they have protected characteristics								
		TOM Implications	In line with service wide reshaping and generating efficiencies								
C&YP	CSF2019-19	Service Description	Education SEND Travel assistance - to review eligibility for SEND home to school/college travel assistance, in particular for post-16 students, subject to recommendations from the appointed consultant on home to school transport efficiencies	2,558	50	150			Medium	High	SP1
		Service Implication	Fewer children and families will benefit from home to school/college travel support								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	A detailed equalities impact assessment will be required before anything is formally consulted on and implemented as it may have a significant impact on some children and families with Special Educational Needs and Disabilities								
		TOM Implications	The CSF TOM commits us to consider transport efficiencies								

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2019-20	Service Description	Revenue costs of capital projects The amount of budget allocated to cover the revenue costs of capital projects has been consistently underspent for the past few years now that the significant primary expansion has come to an end. The underspend has therefore been used to offset overspends in other parts of the service. It is anticipated that this budget can be safely reduced by £200k with zero impact on the revenue cost of capital projects because the current budgeted sum is not fully spent in this area.	594	200				Low	Low	SP1
		Service Implication	None.								
		Staffing Implications	None.								
		Business Plan implications	None.								
		Impact on other departments	None.								
		Equalities Implications	None.								
		TOM Implications	None.								

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2019-21	Service Description	Legal hard-charging The amount of budget allocated to cover the cost of legal hard charging has been consistently underspent in recent years. The underspend has therefore been used to offset overspends in other parts of the service. It is anticipated that this budget can be safely reduced by £75k with zero impact on the ability to fund legal costs because the current budgeted sum is not fully spent in this area.	893	75				Low	Low	SP1
		Service Implication	None.								
		Staffing Implications	None.								
		Business Plan implications	None.								
		Impact on other departments	None.								
		Equalities Implications	None.								
		TOM Implications	None								
C&YP	CSF2019-22	Service Description	PFI Unitary charges The amount of budget allocated to cover PFI charges has been consistently underspent for the past few years because adequate provision to cover our liabilities has been made comfortably within the sum budgeted for. The underspend has therefore been used to offset overspends in other parts of the service. It is anticipated that this budget can be safely reduced by £400k with zero impact on the ability to meet our PFI liabilities because the current budgeted sum is not fully spent in this area.	8,573	400				Low	Low	SP1
		Service Implication	None.								
		Staffing Implications	None.								
		Business Plan implications	None.								
		Impact on other departments	None.								
		Equalities Implications	None.								
		TOM Implications	None								

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2019-23	Service Description	Pension and Redundancy charges The amount of budget allocated to cover pension and redundancy charges has been consistently underspent for the past few years because of changes in the workforce profile. The underspend has therefore been used to offset overspends in other parts of the service. It is anticipated that this budget can be safely reduced by £300k with zero impact on the ability to meet pension and redundancy costs in the service because the current budgeted sum is not fully spent in this area.	2,183	300				Low	Low	SP1
		Service Implication	None.								
		Staffing Implications	None.								
		Business Plan implications	None.								
		Impact on other departments	None.								
		Equalities Implications	None.								
		TOM Implications	None								
Total						1,460	410	0	0		

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2019/20

Panel	Ref	Description of Saving	Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	ENV1920-06	<p>Service/Section FutureMerton</p> <p>Description Highways advertising income through re-procurement of the advertising contract for the public highway.</p> <p>Service Implication New contract for bus shelter and street furniture advertising will provide enhanced public amenity as all bus shelters in Merton will be upgraded during 2020.</p> <p>Staffing Implications None</p> <p>Business Plan implications Additional income meaning more financial resilience for the council.</p> <p>Impact on other departments Positive impact - New contract will allow for advertising of council services on panels</p> <p>Equalities Implications None</p> <p>TOM Implications Delivering part within TOM</p>	(273)	40	70			Low	Low	SP1
Total Environment and Regeneration Savings				40	70	0	0			

Savings Type

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

Panel

- C&YP Children & Young People
- OS Overview & Scrutiny
- HC&OP Healthier Communities & Older People
- SC Sustainable Communities

PROPOSED SAVINGS

DEPARTMENT: Community & Housing

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
Page 168	CH96	Service/Section	Adult Social Care								
		Description	Homecare Monitoring System	41,348	32	110			Medium	Low	SP1
		Service Implication	The aim of this proposal is to roll out a home care monitoring system for all home care providers to ensure that we can monitor the delivery of home care visits. The system works by getting the carer to log when a care visit begins and ends. This monitoring will enable us to monitor and improve the quality of care. It also enables us to ensure that payments are accurate and timely. This is in addition to CH88 previously submitted. Further work has identified potential for additional financial benefits.								
		Staffing Implications	None								
		Business Plan implications	The system supports efficiency and timeliness in payments to contractors.								
		Impact on other departments	Finance and IT. The system is to be re-commissioned which may affect the interface with Mosaic and e5.								
		Equalities Implications	The proposals will have a positive impact for users of home care as it will improve monitoring of visits.								
		TOM Implications	Efficient use of resources								

PROPOSED SAVINGS

DEPARTMENT: Community & Housing

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
Page 169	CH97	Service/Section	Library & Heritage Service	2,185			60		Medium	Medium	SI1 / SP1
		Description	Increase income and make better use of technology to reduce costs								
		Service Implication	The income savings are associated to the development of West Barnes library. Opening new libraries with hireable spaces gives the service the opportunity to generate new income streams as demonstrated at Colliers Wood Library. The remaining savings will be achieved through deploying new self-service access technology that should reduce the need for a physical security presence in branch libraries.								
		Staffing Implications	There are no implications for Merton employees. The savings will be achieved through increased income and reducing contracted security guard expenditure.								
		Business Plan implications	Maintains the current opening hour and library network but may have some impact on usage by certain groups (e.g.								
		Impact on other departments	Ability to be able to provide assisted digital support for customers to access a range of Council services. Impact on								
Equalities Implications	Depending on the self-service technology used access to buildings where there is no physical staffing presence may prevent children and young people accessing the space. The proposal will likely have an impact on all protected characteristics.										
TOM Implications	Ensures that the current level of opening hours and libraries is maintained. Includes income generation elements.										

PROPOSED SAVINGS

DEPARTMENT: Community & Housing

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
Page 171	CH99	Service/Section	Adult Social Care	41,348	500	500			Medium	Medium	SNS1
		Description Service Implication	Promoting Independence The aim of this proposal is to continue to support people to remain independent and well, enabling them to remain in their own homes, close to their friends, families, support networks and local communities. This proposal will be achieved by a number of initiatives that help people maintain their wellbeing, to access early help and to recover when they become unwell or temporarily lose independence. There is an ongoing focus on supporting people to achieve their desired outcome to stay in their own homes and to reduce dependency on residential care.								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	The proposal is a continuation of work to help people remain independent, so should have a positive impact.								
		TOM Implications	Efficient use of resources								
		Total: Community & Housing Savings			532	810	60	0			
		Cumulative Total			532	1,342	1,402	1,402			

DRAFT PROPOSED REPLACEMENT SAVINGS
DEPARTMENT: Corporate Services

Panel	Ref	Description of Saving	Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
	2018-19 CS05	Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications	Resources Reduction in permanent staffing Efficiencies of new financial system when fully embedded should minimise effect on service 1FTE None Increase in self service None None	418	(30)				Low	Medium	SS2
		Total		(30)	0	0	0				

Type of Saving

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

DRAFT PROPOSED REPLACEMENT SAVINGS
DEPARTMENT: Corporate Services

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	CSREP 2020-21 (1)	Service/Section	Insurance								
		Description	Savings in Insurance Fund top up budget	716	30				Low	Low	SNS2
		Service Implication	possible reduction in the insurance fund reserve								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
		TOM Implications	The internal fund fall short and unable to meet any unexpected major claims.								
			Total		30	0	0	0			

Type of Saving

- S11** Income: increase in current level of charges
- S12** Income: increase arising from expansion of existing service/new service
- SS1** Staffing: reduction in costs due to efficiency
- SS2** Staffing: reduction in costs due to deletion/reduction in service
- SNS1** Non - Staffing: reduction in costs due to efficiency
- SNS2** Non - Staffing: reduction in costs due to deletion/reduction in service
- SP1** Procurement / Third Party arrangements - efficiency
- SP2** Procurement / Third Party arrangements - deletion/reduction in service
- SG1** Grants: Existing service funded by new grant
- SG2** Grants: Improved Efficiency of existing service currently funded by unringfenced grant
- SPRO** Reduction in Property related costs

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS
Previously Agreed Savings

Confidential

Ref	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
ER23b	<p>Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications TOM Implications</p>	<p>Property Management Restructure of team to provide more focus on property management and resiliance within the team. Loss of 1 FTE and the introduction of graduate trainee roles to fill vacant positions. None. None. None. In line with the TOM</p>	52	18			Low	Low	SS2
ENV02	<p>Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Parking Services (CEO team) Review the current structure, shift patterns and hours of operation with the intention of moving toward a two shift arrangement based on 5 days on/2 days off. Better deployment of enforcement resources. Deletion of 5 FTE's [of 35fte] whilst retaining existing capacity in CEO hours per annum to achieve same outcomes No impact on business plan - allows same outputs with fewer staff None Will require consultation but no immediate equalities implications This review is mentioned in the TOM but is not referred to in any budgetary forecast . This is consistent with direction of travel in TOM</p>		190			Medium	Medium	SS2
ENV07	<p>Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications TOM Implications</p>	<p>Parking Services Reduction in supplies & services/third party payment budgets. May result in slight reduction in quality of some areas of service. None None None None consistent with TOM direction of travel</p>			47		Low	Low	SNS1
ENR4	<p>Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications TOM Implications</p>	<p>Parking & CCTV Services Charge local business' for monitoring of their CCTV Expanded CCTV service May require additional CCTV monitoring staff. The figure of 100k is net of any "invest to save" cost. Expansion of service None None Consistent with TOM objective of growing the CCTV service and developing it's commercial offer.</p>				100	Med	Low	SI2

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Confidential

Previously Agreed Savings

Ref	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
ENR9	Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications	Waste disposal Increase level of Enforcement activities of internal team ensuring the operational service is cost neutral None Skills Gap - Reduced level of engagement shifting focus to enforcement activities Reduces level of engagement / inspections ICT - Upgrade to the current system may be required, as well as mobile devices for staff. None None			200	High	Low	SNS1
E6	Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications TOM Implications	Greenspaces Increased tenancy income in Greenspaces None None Consistent with Business Plan objectives None insignificant None Integral to Greenspaces TOM			40	Med	Low	SI1
Total Environment and Regeneration Savings		52	208	47	340			
Cumulative		52	260	307	647			

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Alternative Saving

Ref	Description of Saving	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
ALT1920-01	<p>Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Property Management Increased income already being achieved from conducting rent reviews in line with tenancy agreements None None None None None In line with the TOM</p>			70	Low	Low	SI1
ALT1920-02	<p>Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Parking Services The use of ANPR to enforce moving traffic contraventions has been operational since July 2016. The number of cameras has increased and the locations varied over this period and the number of PCNs remains above initial estimates. None None Realignment of service budget None None Consistent with TOM objectives.</p>			337	Low	Low	SI2
ALT1920-03	<p>Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Leisure & Culture Increased income from Leisure Centres Management Contract None None None None None None</p>			10	Low	Low	SP1
ALT1920-04	<p>Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Waste Services Increase level of Environmental Enforcement activities of both internal team & service provider - ensuring the operational service is cost neutral None Skills Gap - Reduced level of engagement shifting focus to enforcement activities Reduces level of engagement / inspections ICT - Upgrade to the current system may be required, as well as mobile devices for staff. None None</p>			150	Medium	Low	SNS1

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Alternative Saving

Ref	Description of Saving	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
ALT1920-05	Service/Section Description Waste Services Reduction in external training budget. Service Implication None Staffing Implications None (retained budget sufficient to meet need) Business Plan implications None Impact on other departments None Equalities Implications None TOM Implications None				6	Low	Low	SNS2
ALT1920-06	Service/Section Description Greenspaces Reduction in grant to Deen City farm as part of agreement involving capital investment Service Implication None Staffing Implications None Business Plan implications None Impact on other departments None Equalities Implications None TOM Implications None				10			
ALT1920-07	Service/Section Description Greenspaces Realign budgets to better reflect current levels of income from outdoor events. Service Implication None Staffing Implications None Business Plan implications None Impact on other departments None Equalities Implications None TOM Implications None				64			
Total Environment and Regeneration Savings		0	0	0	647			

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Savings Type

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

Panel

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

SUMMARY OF DEFERRED DEPARTMENTAL SAVINGS 2020-24

LSG 13 January 2020

	2020/21	2021/22	2022/23	2023/24	Total
DEFERRED SAVINGS PROPOSALS	£000	£000	£000	£000	£000
Corporate Services	(196)	0	0	196	0
Children, Schools and Families	0	0	0	0	0
Environment and Regeneration	0	0	0	0	0
Community and Housing	0	0	0	0	0
Total	(196)	0	0	196	0
Total (cumulative)	(196)	(196)	(196)	0	

	2020/21	2021/22	2022/23	2023/24	Total
DEFERRED SAVINGS PROPOSALS Cabinet October 2019	£000	£000	£000	£000	£000
Corporate Services	0	0	0	0	0
Children, Schools and Families	0	0	0	0	0
Environment and Regeneration	(65)	(10)	75	0	0
Community and Housing	0	0	0	0	0
Total	(65)	(10)	75	0	0
Total (cumulative)	(65)	(75)	0	0	

	2020/21	2021/22	2022/23	2023/24	Total
TOTAL DEFERRED SAVINGS PROPOSALS	£000	£000	£000	£000	£000
Corporate Services	(196)	0	0	196	0
Children, Schools and Families	0	0	0	0	0
Environment and Regeneration	(65)	(10)	75	0	0
Community and Housing	0	0	0	0	0
Total	(261)	(10)	75	196	0
Total (cumulative)	(261)	(271)	(196)	0	

DRAFT PROPOSED DEFERRED SAVINGS
DEPARTMENT: Corporate Services

Panel	Ref	Description of Saving		Baseline Budget 19/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
	2019-20 CS18	Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications	Facilities Management Closure of Gifford House and relocation of SLLP to the Civic centre None None None None None The proposal supports the corporate accommodation strategy which looks to reduce the number of buildings that the Council occupies and reduce its operating costs and overheads.	79	(69)			69	Medium	Medium	SPROP
	2019-20 CS17	Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications	Facilities Management Closure of Chaucer centre and relocation of operational teams at the Civic centre Loss of income generation from external lease arrangements and conference/meeting room facilities which could potentially be provide at other council venues. None None Yes as the conference/meeting facilities are widely used across the Council. In addition lunchtime meals for the SMART centre are currently provided by the Chaucer centre catering contractor and would therefore need to be sourced from elsewhere. None The proposal supports the corporate accommodation strategy which looks to reduce the number of buildings that the Council occupies and reduce its operating costs and overheads.	200	(77)			77	Medium	Medium	SPROP
	2018-19 CS15	Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications	Business Improvement - Policy & Partnerships Reduced headcount from 4.6 to 3.6 Some of the following services would need to cease - CMT administration, support for Merton Partnership, development and implementation of the Strategic Partner Programme, Merton Intelligence Hub and our strategy around the use of data. The service will explore the introduction of general working. Deletion of one post See service implications The PSP team delivers support services that tend to support corporate cross cutting projects and there the impact of staff cuts would impact in terms of the projects/Support that would cease. These are likely since staff are affected. Partnership working, objectives around improved use of data and objectives to improve preventative services within the VCS.	313	(50)			50	Medium	Medium	SS2
			Total Impact of Deferred Savings		(196)	0	0	196			

SUMMARY OF EQUALITIES ASSESSMENTS - LSG 13 January

SAVINGS REFERENCE	LSG 13 January 2020	DEPARTMENT	SAVING	OUTCOME
CSF2019-13		Children, Schools and Families	Review Adolescent and Family Service provision	3
CSF2019-14		Children, Schools and Families	Development of Family Network Co-Ordinators Service	1
CSF2019-15		Children, Schools and Families	Culture change and clarification of financial support entitlements for care leavers	2
CSF2019-16		Children, Schools and Families	Implementation of the DfE National Minimum rate for Fostering, Special Guardianship & Adoption Allowances; Refresh of Special Guardianship Financial Support policy	2
CSF2019-17		Children, Schools and Families	Increased use of in-house foster carers	1
CSF2019-18		Children, Schools and Families	Review and reshape of shortbreaks provision across CWD, Brightwell, commissioned provision and the in house shortbreak service	3
CSF2019-19		Children, Schools and Families	SEND Travel assistance - to review eligibility for SEND home to school/college travel assistance	3
CSF2019-20		Children, Schools and Families	EA not required	N/A
CSF2019-21		Children, Schools and Families	EA not required	N/A
CSF2019-22		Children, Schools and Families	EA not required	N/A
CSF2019-23		Children, Schools and Families	EA not required	N/A
ENV1920-06		Environment and Regeneration	FutureMerton - Highways advertising income through re-procurement of the advertising contract for the public highway.	1
ALT1920-01		Environment and Regeneration	Property Management - increased income	2
ALT1920-02		Environment and Regeneration	Parking Services - use of ANPR	2
ALT1920-03		Environment and Regeneration	Increased income from Leisure Centres Management Contract	1
ALT1920-04		Environment and Regeneration	Waste Services - Increase level of Environmental Enforcement activities	2
ALT1920-05		Environment and Regeneration	Waste Services - Reduction in external training budget.	1
ALT1920-06		Environment and Regeneration	Greenspaces - Reduction in grant to Deen City farm as part of agreement involving capital investment	1
ALT1920-07		Environment and Regeneration	Greenspaces -Realign budgets to better reflect current levels of income from outdoor events.	1
CH96		Community and Housing	Adult Social Care - Homecare Monitoring System	1
CH97		Community and Housing	Library & Heritage Service - Increase income and make better use of technology to reduce costs	2
CH98		Community and Housing	Adult Social Care -Transport: Reduction in budget spent on transport services following a Corporate Review.	2
CH99		Community and Housing	Adult Social Care - Promoting Independence	2

Equality Analysis

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

What are the proposals being assessed?	CSF2019-13 - Proposed Savings: Review Adolescent & Family Services
Which Department/ Division has the responsibility for this?	Children Schools and Families – Children’s Social Care & Youth Inclusion

Stage 1: Overview

Name and job title of lead officer	El Mayhew, Assistant Director, Children’s Social Care & Youth Inclusion
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>The proposal is to review Adolescent and Family Services, as part of the wider CSC & YI Review, with a view to achieving £100k saving in financial year 2020/21.</p> <p>Following completion of the Early Help Review and Consultation, coupled with the CSC & YI Review, the desired outcome is to improve alignment of services and interventions to children and young people at risk of contextual harms. Re-alignment of services could improve multi-agency working and safety planning for young people and realise savings and efficiencies from a reduction in staff posts.</p> <p>There is a risk of less effective or reduced resource available to respond to Serious Youth Violence and exploitation of Merton children. This may result in increased numbers of young people being seriously injured or killed and an increase in the number of young people who need to become looked after to increase their safety. The review will consider the severity and likelihood of these risks.</p>
2. How does this contribute to the council’s corporate priorities?	<p>This proposed review contributes to the council’s corporate priorities in ensuring we manage our resources to provide value for money, high standards of governance, financial and budget management.</p> <p>The desired outcomes of the proposal are to improve alignment of services and interventions which meets the safety needs of young people in the Borough, diverts demand from statutory services and delivers financial savings.</p> <p>Sustainable and safe reduction of staff across CSF is an agreed objective in the CSF Business Plan.</p>

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3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Young people, families and communities at risk of contextual harms. The workforce may be affected by realigning existing staff from across multiple service areas. A reduction of 1.5 / 2 FTE permanently established posts would be required to achieve the proposed saving.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	CSC & YI are the lead department. There are interfaces with Police, Schools, Health and Education partners.

Stage 2: Collecting evidence/ data

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

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

Part of the Adolescent and Family Service was subject to formal HR consultation regarding the Early Help re-organisation during autumn 2019/20. Insight and information gathered as part of that process will be used to further assess whether there might be a disproportionate negative impact on BAME communities, families and young people as a result of planned service efficiencies.

Some of the workforce who might be affected by this proposed review are from BAME groups. There is a risk that a further review and proposed reduction in staff resource may be perceived as disproportionately impacting BAME staff in the interests of achieving Council savings.

BAME young people, families and communities are over represented in the work the CSF undertakes where contextual safeguarding concerns exist. It may be the view of BAME families that they are better able to engage with Council staff from a BAME background about the contextual safeguarding issues facing BAME young people, families and communities. If this is the view of the majority of BAME families, any reduction in posts held by BAME staff, as a result of this proposal, could impact on the effectiveness of the contextual harm interventions delivered by the Council.

Further equality and diversity assessment of young people, families and communities engaging with CSF contextual harm services is required as part of the review. The Council's HR policies and procedures will be used for staff engagement, equalities impact assessment and consultation with affected staff.

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		Positive: Better join-up of contextual harm services could improve safety planning and interventions for young people at risk. Negative: Reductions in budget and staffing could impact on the capacity to intervene and increase safety for young people.

Disability				X	
Gender Reassignment				X	
Marriage and Civil Partnership				X	
Pregnancy and Maternity				X	
Race	X		X		Positive: Better join-up of contextual harm services could improve safety planning and interventions Black, Asian and ethnic minority young people at risk. Negative: Reduced provision would impact on Black, Asian and minority ethnic group young people, families and communities.
Religion/ belief					
Sex (Gender)	X		X		Positive: Better join-up of contextual harm services could improve safety planning and interventions for male young people at risk. Negative: Reduced provision would impact on male young people.
Sexual orientation					
Socio-economic status	X		X		Positive: Better join-up of contextual harm services could improve safety planning and interventions for young people, families and communities. Negative: Reduced provision would impact on young people, families and communities living in poverty.

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Impact of proposal on BAME staff, young people, families and communities	Independent Assessment	Submission of final report to CSF DMT	31.01.20	Additional	Assistant Director, CSC & YI	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.

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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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	EI Mayhew	Signature:	Date: 26/11//2019
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Stage 5: Sign off by Director/ Head of Service**Improvement action plan signed off by Director/ Head of Service**

Rachael Wardell, Director CSF

Signature:**Date:** 27/12/2019

Equality Analysis

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

What are the proposals being assessed?	CSF2019- 14 - Proposed Savings: Development of Family Network Coordinators Service
Which Department/ Division has the responsibility for this?	Children Schools and Families – Children’s Social Care & Youth Inclusion

Stage 1: Overview	
Name and job title of lead officer	El Mayhew, Assistant Director, Children’s Social Care & Youth Inclusion
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>This proposal replaces the unachieved savings previously attached to the Family Drug and Alcohol Court (FDAC) initiative. Merton have decommissioned FDAC.</p> <p>The proposal is to develop a Family Network Coordinator service. Family Network Coordinators help family networks to come together, identify and use their own strengths and resources to solve their problems and keep children safe. This is an evidence-based approach which builds resilience and reduces demand on preventative and statutory services. The desired outcomes of this service are:</p> <ul style="list-style-type: none"> - Earlier provision of family network meetings - Increased numbers of families offered and facilitated to hold family network meetings - Reduced demand on preventative and statutory services - Increase in children being cared for within their family network - Reduction in children entering care or requiring Council-sourced care arrangements <p>CSC have successfully secured DfE funding of £61k for 2019/20 to develop this service. The current CSC & YI Service Review is considering how this service might be sustained once the DfE funding ceases.</p>
2. How does this contribute to the council’s corporate priorities?	<p>This proposal contributes to the councils’ corporate priorities in ensuring we manage our resources to provide value for money, high standards of governance, financial and budget management.</p> <p>The desired outcomes of the proposal are to harness family strengths and resilience, to divert demand from preventative and statutory services and deliver financial savings.</p>

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3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Children, young people and their families; local partners and the workforce may be affected by this proposal.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	No. The proposal relates only to CSF.

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).

All children and young people referred to Children's Social Care are within a defined aged bracket of 0 – 18 years. Particular types of issues and service areas within CSC & YI have aspects of disproportionality for example poverty; gender and disability (mental health) in domestic abuse; gender and ethnicity in serious youth violence. This proposal would positively support and impact on all children and families accessing Children's Social Care services.

The underlying principle of the proposal is to seek to use the council's budget and resources more effectively to support children, young people and their families to build resilience and reduce the need for statutory interventions. The proposed savings arise from delivery of more effective interventions to divert families from services rather than withdrawal of existing services.

The DfE grant funding is time-limited and will end in 2020. There might be an impact on the workforce if existing staff resources and budgets are re-organised to maintain the Family Network Coordinator service. Any re-organisation will be undertaken under the Council's HR procedures with workforce equality and diversity impacts being considered in that process.

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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				More effective use of Council's budget and resources to support children, young people and their families.
Disability	X				More effective use of Council's budget and resources to support children, young people and their families.
Gender Reassignment				X	
Marriage and Civil Partnership				X	

Pregnancy and Maternity				X	
Race	X				More effective use of Council's budget and resources to support children, young people and their families.
Religion/ belief	X				More effective use of Council's budget and resources to support children, young people and their families.
Sex (Gender)	X				More effective use of Council's budget and resources to support children, young people and their families.
Sexual orientation				X	
Socio-economic status	X				More effective use of Council's budget and resources to support children, young people and their families.

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

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

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

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

Stage 4: Conclusion of the Equality Analysis

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

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OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	El Mayhew	Signature:	Date: 26/11//2019
Improvement action plan signed off by Director/ Head of Service	Rachael Wardell, Director CSF	Signature:	Date: 27/12//2019

Equality Analysis

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

What are the proposals being assessed?	CSF2019-15 - Proposed Savings: Culture change and clarification of financial support entitlements for care leavers
Which Department/ Division has the responsibility for this?	Children Schools and Families – Children’s Social Care & Youth Inclusion

Stage 1: Overview	
Name and job title of lead officer	El Mayhew, Assistant Director, Children’s Social Care & Youth Inclusion
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>The proposal is to:</p> <ul style="list-style-type: none"> - lead a culture change across the care leaver service to improve understanding and application of the Council’s statutory duties - improve understanding of care leaver’s entitlements - shift our approach to one that supports care leavers to maximise income and support from other available sources <p>The desired outcomes are to:</p> <ul style="list-style-type: none"> - ensure young people are supported to access finances and services they are entitled to from other sources - ensure that the Council is not providing unnecessary or unlawful financial support - reflect the Council’s changing relationship with eligible young people as they move into adulthood - make best use of available budget and deliver savings
2. How does this contribute to the council’s corporate priorities?	<p>This proposal contributes to the councils’ corporate priorities in ensuring we manage our resources to provide value for money, high standards of governance, financial and budget management.</p> <p>The desired outcomes of the proposal are to provide a value for money service for care leavers and deliver financial savings.</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>Eligible care experienced young people may be affected by the proposed changes to current custom and practice about how they are individually and collectively financially supported by the Council.</p> <p>Care experienced young people with limited, reduced or rescinded statutory eligibility for financial support will be affected by improved understanding of care leaver's entitlements and the proposed reductions in financial support to those who are not statutorily eligible.</p>
<p>4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?</p>	<p>No. The proposal relates only to CSF – Children's Social Care & Youth Inclusion</p>

Stage 2: Collecting evidence/ data

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

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

All eligible care experienced young people are within a defined aged bracket of 18 – 25 years. Males and young people of Black, Asian and minority ethnic groups are over represented in the group of eligible care experienced young people (Source: Children, Schools and Families DMT Dashboard October 2019: Males 64%; BAME 64%). Equality and diversity impacts will be considered as part of the review.

Former unaccompanied asylum seeking children who as care experienced young adults become Appeal Rights Exhausted under the immigration legislation are ineligible for local authority assistance beyond that required to prevent a breach of their human rights This group are most likely to be impacted by the proposed changes. These young people are predominately male and of Black, Asian and minority ethnic groups.

The underlying principle of the proposal is to be clearer and more consistent in the use of financial support for those care experienced young adults who are statutorily eligible.

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		Greater financial awareness and scrutiny may reduce level of financial support care leavers have previously received.
Disability				X	
Gender Reassignment				X	
Marriage and Civil Partnership				X	
Pregnancy and Maternity				X	
Race			X		Black, Asian and minority groups are over represented in our care leaver population.

Religion/ belief			X	
Sex (Gender)	X		X	Males are over represented in our care leaver population.
Sexual orientation			X	
Socio-economic status			X	Care leavers are vulnerable adults at risk of living in poverty and deprivation.

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Impact on unaccompanied asylum seeking children who do not secure immigration status in the UK	Triple planning within Pathway Plans Information leaflets for rising care leavers	Collaborative case file audits. Production of refreshed guidance and information leaflets for care leavers	31.03.20	Existing Additional	Head of Youth Inclusion (14+ Service & Youth Justice)	Yes
Impact on all care leavers where custom and practice financial entitlements change	Circulation and publication of the local offer. Refreshed financial support practice guidelines for social workers and personal advisors.	Already published Presentation of refreshed guidance for sign off at DMT	31.03.20	Existing Additional	Head of Youth Inclusion (14+ Service & Youth Justice)	Yes

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

Stage 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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	El Mayhew	Signature:	Date: 26/11//2019
Improvement action plan signed off by Director/ Head of Service	Rachael Wardell Director – Children, Schools and Families	Signature:	Date: 27/12/2019

Equality Analysis

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet
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What are the proposals being assessed?	CSF2019- 16 - Proposed Savings: Implementation of the DfE National Minimum rate for Fostering, Special Guardianship & Adoption Allowances; Refresh of Special Guardianship Financial Support policy
Which Department/ Division has the responsibility for this?	Children Schools and Families – Children’s Social Care & Youth Inclusion

Stage 1: Overview	
Name and job title of lead officer	El Mayhew, Assistant Director, Children’s Social Care & Youth Inclusion
<p>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>	<p>Foster carers receive a weekly allowance to cover the costs of caring for a child and in some instances a fee where the carer has skills in caring for children with very complex and challenging needs. A local authority’s fostering allowance is used as a baseline for determining financial support packages for Special Guardians and Adopters. Central government set a national minimum fostering allowance which all approved foster carers must be paid. In Merton, the fostering allowance paid is higher than the national minimum. This means that the baseline for determining other financial support packages is higher than it needs to be.</p> <p>The proposal is to implement the national minimum fostering allowances in Merton and re-structure the fee element paid to in-house foster carers. It is proposed that any payments made to foster carers above the national minimum allowance would fall within the fee element. A refreshed Special Guardianship and Adoption Financial Support Policy would be required to support the proposed changes.</p> <p>The desired outcome is a reduction in the baseline and therefore cost of future financial support packages to Special Guardians and Adopters.</p>
2. How does this contribute to the council’s corporate priorities?	<p>This proposal contributes to the council’s corporate priorities in ensuring we manage our resources to provide value for money, high standards of governance, financial and budget management.</p> <p>The desired outcomes of the proposal are to make efficient use our budgets and resources and deliver financial savings.</p>

3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Children, young people, prospective special guardians, adopters and in-house foster carers.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	No. The proposal relates only to CSF.

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).

All children and young people living in foster care, special guardianship or adoption arrangements are within a defined aged bracket of 0 – 18 years.

Many connected person foster carers and special guardians are relatives of the children they care for. Children and families living in or experiencing poverty and deprivation are over represented in the services and interventions CSC & YI provide. There is a higher incidence of female foster carers, connected carers and special guardians (or females being the primary carer in a couple arrangement) consistent with societal gender stereotyping of women as carers. The proposed reduction in Merton's baseline fostering allowance would have most impact on connected carers, future special guardians and adopters.

Stage 3: Assessing impact and analysis**6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?**

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age			X		The proposal would reduce the weekly allowance provided to care for looked after children.
Disability				X	
Gender Reassignment				X	
Marriage and Civil Partnership				X	
Pregnancy and Maternity				X	
Race				X	
Religion/ belief				X	
Sex (Gender)			X		Women as carers are over represented in the fostering, connected carer and special guardianship groups. The proposal to reduce the fostering

					allowance would reduce the financial support provided to women to care for other people's children.
Sexual orientation				X	
Socio-economic status			X		Many connected carers and special guardians live in or experience poverty and deprivation. The proposal to reduce the fostering allowance would reduce the financial support provided.

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Impact on children, women and carers from lower socio-economic backgrounds	Public Consultation	Closure of consultation and production of analysis report	30/09/20	Additional	Head of Children in Care & Resources	Yes
Impact on children, women and carers from lower socio-economic backgrounds	Liaising with the voluntary sector for possible additional non-financial support to Carers.	Provision of information about services available through voluntary sector organisation to support carers.	30/09/20	Existing	Head of Children in Care & Resources	Not yet.

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	El Mayhew	Signature:	Date: 26/11//2019
Improvement action plan signed off by Director/ Head of Service	Rachael Wardell Director - Children, Schools and Families	Signature:	Date: 27/12/2019

Equality Analysis

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet
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What are the proposals being assessed?	CSF2019- 17 - Proposed Savings: Increased Use of In-House Foster Carers / Placements
Which Department/ Division has the responsibility for this?	Children Schools and Families – Children’s Social Care & Youth Inclusion

Stage 1: Overview	
Name and job title of lead officer	El Mayhew, Assistant Director, Children’s Social Care & Youth Inclusion
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>The aim of this proposal is to increase the number of approved fostering households and widen their offer. The objectives are to:</p> <ol style="list-style-type: none"> 1. Increase recruitment and improve the timeliness of assessments to increase approved household numbers 2. Implement the DfE / Fostering Network Mockingbird pilot to improve retention and support carers to widen their offer <p>The desired outcomes are that more children looked after are cared for by Merton in-house foster carers and use of the more expensive independent fostering agencies reduced.</p>
2. How does this contribute to the council’s corporate priorities?	<p>This proposal contributes to the council’s corporate priorities in ensuring we manage our resources to provide value for money, high standards of governance, financial and budget management.</p> <p>The desired outcomes of the proposal are to harness the strengths and resilience within our in-house fostering community, to divert demand for independent fostering agency placements and deliver financial savings.</p>
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Children, young people and their families; foster carers, local partners and the workforce may be affected by this proposal.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the	Yes. CSF has overall responsibility and relies on support and assistance from the Communications Team for recruitment and marketing activities. Recruitment and marketing activity has been more challenging

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partners and who has overall responsibility?

since the repurposing of £14k of fostering marketing budget which was centrally held by the Communications Team and has been directed to the development of the digital platform.

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).

All children and young people referred to Children's Social Care are within a defined aged bracket of 0 – 18 years. This proposal would positively support and impact on all children and families requiring looked after services in that it provides for children to remain living in their local community with continuity of relationships and access to the range of Merton's partnership services.

The underlying principle of the proposal is to seek to use the council's budget and resources more effectively to support children and young people locally. Social work intervention is more effective where children live locally, can be seen regularly and form positive relationships. The proposed savings arise from reduced use of independent fostering agency placements rather than withdrawal of existing services.

Stage 3: Assessing impact and analysis

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

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age	X				More effective use of Council's budget and resources to support children, young people and their families.
Disability	X				More effective use of Council's budget and resources to support children, young people and their families.
Gender Reassignment				X	
Marriage and Civil Partnership				X	
Pregnancy and Maternity				X	
Race	X				More effective use of Council's budget and resources to support children, young people and their families.
Religion/ belief	X				More effective use of Council's budget and resources to support children, young people and their families.

Sex (Gender)	X				More effective use of Council's budget and resources to support children, young people and their families.
Sexual orientation				X	
Socio-economic status	X				More effective use of Council's budget and resources to support children, young people and their families.

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

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

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

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

Stage 4: Conclusion of the Equality Analysis

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

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	El Mayhew	Signature:	Date: 26/11//2019
Improvement action plan signed off by Director/ Head of Service	Rachael Wardell, Director - CSF	Signature:	Date: 27/12//2019

Equality Analysis

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet
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What are the proposals being assessed?	Proposed budget savings CSF2019 - 18
Which Department/ Division has the responsibility for this?	CSF/Education Division

Stage 1: Overview

Name and job title of lead officer	Jane McSherry (AD Education)
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>Review and reshape of short breaks provision across CWD, Brightwell, commissioned provision and the in-house short break service</p> <p>Aim: To make savings across the 4 services that currently deliver and/or procure a short break offer across the applicable services which are Brightwell Out of School Specialist Provision, short breaks for families without social care intervention, short breaks/respite as part of a CSC plan and commissioned services for children with level 2 needs upwards in the Merton Well-being Model, with the aim of improving access to a range of community based short breaks services.</p> <p>Objective: To reshape the council's overall Short break offer for disabled children aged 0 -18, supporting families to access services in accordance with presenting need (possible changes to criteria), underpinned by a principle of self-serve and minimal intervention /assessment in order to access services.</p> <p>Outcome: To secure sufficient short breaks provision for Merton families across a mixed market model, which is flexible, responsive to presenting need and is easy to access, supporting efficiencies and self-serve for families</p> <p>The proposed reshape is likely to impact upon a change to the service offer which could include changes to short break and respite packages, types of provision available, geographical location of</p>

	<p>services and availability of services. Further work is required to fully understand the impact of this, across the 4 services that are currently involved in the provision and/ or commissioning of short break packages and services.</p> <p>As the service supports SEND children, young people and their families there will be further detailed assessment required as the review progresses, in order to better understand the overall impact of service wide changes for this cohort of families and children, because they have protected characteristics.</p> <p>A review has been started, led by Commissioning and Partnerships within CSF, which will follow a project approach and will include a wide-ranging stakeholder engagement programme with parents, children, young people, staff, multi-agency partners etc. There will also be some work to be carried out with the range of existing providers to work towards securing sufficiency across the mixed market model that already exists in Merton.</p>
<p>2. How does this contribute to the council's corporate priorities?</p> <p>Page 210</p>	<p>This proposal is contributing to the councils' corporate priorities, which are:</p> <ul style="list-style-type: none"> Resilient Merton Collaborative Merton Smart Merton Ambitious Merton <p>Our proposals aim to contribute to these priorities and aim to deliver across these areas, with a particular focus on Resilient, Collaborative and Ambitious Merton</p> <p>Resilient – supporting families to access comparable childcare services provided by the private, voluntary and schools sector</p> <p>Collaborative – working with service users, our partners and our staff we will work towards achieving these savings proposals</p> <p>Ambitious Merton – identifying opportunities to reduce the direct delivery of services, where it makes sense to do, retaining aspects of the service where there is a business need so to do so.</p> <p>The way Merton works to deliver against these priorities is important, and the following three things have been identified that motivate all of us to deliver:</p> <p>Customers - We want to know our customers and provide the very best service for them</p>

	<p>Pride - We take personal pride in what we do, in working for Merton and pride in Merton the place</p> <p>Team - We actively work to support our colleagues to be the best team and look for ways to work with partners beyond the council to improve Merton the place</p> <p>Corporately, these are Merton's strengths as an organisation – they frame how we work to achieve our aspirations. The proposals will embed these key priorities and motivational aspects into our future planning.</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>External customers – approximately 450 families currently access a short break that the Local Authority has supported. There are other families with children and young people with a disability who will self-serve their short break provision through the local offer, without any involvement from the LA.</p> <p>Communities – the provisions are located across the borough and they are provided by the Council itself (e.g. Brightwell) as well as commissioned partners either through a contract or a spot purchase arrangement.</p> <p>Partners/Stakeholders – the services currently provide a number of short break provisions to a range of families whose children have disabilities. These services are considered to support family wellbeing and provide a preventative model of support for families, so that children can be safely looked after in their own home, with appropriate support to enable this.</p> <p>Therefore, there are partners within the organisation, as well as outside the organisation including health, schools/education early years, children's social care and SENDIS, that may be affected in addition to the families. Any change to how a family accesses a service and the availability and location of this service will impact across key stakeholders. Colleagues within facilities and Contracts and School Organisation will be key stakeholders in terms of any change of use of the Brightwell building.</p> <p>Workforce – approximately 15 staff (not all FTE, and this will change over the next 2 years) will be affected, and depending on the final offer, the final number may be reduced/or roles may change. There may also be an impact on workforce outside the council as a result of to changes to contracts.</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>As detailed above. The building is supported by the corporate facilities team and this proposal will need to align with other savings proposals regarding the review of buildings within CSF.</p>
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Stage 2: Collecting evidence/ data

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

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

We have data sets and information to identify and determine the impact of the proposal on protected characteristics. We are partly but not fully aware, as yet, of the overall impact of this proposal.

Data and evidence used has been secured via:

Registration data from Brightwell

Numerical data from Short breaks

Numerical data from the Children with Disabilities team

iTRENT (to be confirmed)

Further analysis of the service users is required as the review develops. Because we do not currently hold this all in one place, drawing conclusions and analysis from the various data sources has not been possible in terms of fully informing this EIA. A further EIA will be produced with detailed information as the project and review develops. It is fully recognised, therefore, that this EIA is compiled in the context of not having sufficient equalities and service planning data to fully identify the impact of the proposal at this stage. However, as the review has been commissioned, this will be picked up as part of that project work

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Stage 3: Assessing impact and analysis

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

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age	*		*		<u>Service Users</u> Children aged 0 – 18 and their families are the service users and this will not change. However, any changes to an offer could impact

				<p>either negatively or positively, depending on the outcome of this review.</p> <p><u>Negative impact</u> An overall reduction in service could impact on children, young people and their families</p> <p><u>Positive Impact</u> The Brightwell building may become available for alternative users, which could include a provision for children and young people</p>
<p>Disability</p>	<p>*</p>		<p>*</p>	<p><u>Service Users</u> Children aged 0 – 18 with special educational needs and/or disabilities, and their families, are the service users and this will not change. However, any changes to an offer could impact either negatively or positively, depending on the outcome of this review.</p> <p><u>Negative Impact</u> A reduction in service provision could impact on children and young people with disabilities and their families.</p> <p><u>Positive Impact</u> The Brightwell building may become available for alternative users, which could include a provision for children and young people with additional needs including disabilities.</p> <p>There may be an improved offer for children and young people, supporting more choice and self-serve, reducing the requirement for intrusive and further family assessments.</p>

Gender Reassignment					Not known
Marriage and Civil Partnership					Not known
Pregnancy and Maternity					<p><u>Service users</u> Not applicable for the children and young people. Family members may be impacted by changes to the overall offer. The impact of this is not known at this time.</p> <p>_____</p>
Race	*		*		<p><u>Service users</u> The short breaks services are used by children and young people who have a disability. Take up of provision from children and young people from BAME, with disabilities is not fully known at this point in time. Further work and analysis in the planning stages nearer the time will be used to fully understand the impact upon race and BAME groups and any possible actions to mitigate.</p> <p>_____</p>

					understand the impact upon race and any possible actions to mitigate
Religion/ belief					Not known
Sex (Gender)	*		*		<p><u>Service users - parents</u> Estimates would indicate that the highest proportion of adult service users are women/mothers and any change to delivery model may have a positive or negative impact:</p> <p><u>Positive impact</u> The reshaped offer will provide access to a range of services and support that more clearly defines the offer for families living in Merton.</p> <p><u>Negative Impact - parents</u> Any change to a delivery model may have a negative impact due to a possible overall reduction in the capacity/volume of the new service for families presenting with additional needs.</p> <p><u>Negative impact – children and young people</u> Evidence shows that the highest proportion of children/young people service users are males and any change to delivery model may have a negative impact due to a possible overall reduction in the capacity/volume of the new service for children/young people and their families presenting with additional needs.</p> <p>_____</p>
Sexual orientation				*	Not known
Socio-economic status			*		<p><u>Service Users</u> Actual household income is not known for all service users</p> <p><u>users</u></p>

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Gaps in information Impact on service users	To carry out the review which will include a deep dive into the characteristics for existing service users and then refresh this EIA on the basis of the new information. <u>Families with disabled children aged 0 – 18</u> Provide sufficient consultation and notification to families so they are fully involved in the service redesign Work with the existing sector to secure sufficient places for families	When full data sets are available Families are consulted and a robust offer is developed There is a sufficient market places to deliver the short break places/services	Between January 2020 and August 2020 Between January 2020 and August 2020	existing	Heads of Service Commissioning and Partnerships SENDis and Early Years	Y

during the planning phases

Reshape the offer so that it responds to family feedback, staff feedback, stakeholder feedback in accordance with level of savings

Provide information and new service offers, criteria etc so that families can access information easily

Work with the sector to secure alternative providers/ outsource the Brightwell provision
This approach would need to include the arrangements for TUPE, unless schools become the provider

<p>There will be a negative impact for staff who will be vulnerable to redundancy, some staff with protected characteristics are more impacted than others (based on current characteristics, which are likely to change over the next 2 years)</p>	<p>Support staff to take up training and develop skills so they have opportunities across the sector in alternative employment Follow reorganisation and redundancy policy, support staff to be able to become redeployed Where applicable ensure TUPE regulation is applied appropriately Seek advice and guidance from Equality and Community Cohesion Officer and HR</p>	<p>Reorganisation implemented, staff access training and skill development Staff access new roles either in Council, in new employment or via TUPE</p>	<p>Between January 2020 and August 2020</p>	<p>Existing/redundancy costs?</p>	<p>Allison Jones</p>	<p>Y</p>

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

YES

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by		Signature:	Date:
Improvement action plan signed off by Director/ Head of Service	Rachael Wardell, Director CSF	Signature:	Date: 27 December 2019

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?	CSF 2019-19 SEND Travel assistance - to review efficiencies in providing for SEND home to school/college travel assistance, including eligibility for post-16 students. Subject to recommendations from the appointed consultant on home to school transport
Which Department/ Division has the responsibility for this?	CSF/Education

Stage 1: Overview	
Name and job title of lead officer	Tom Procter, Head of Contracts and School Organisation / Karla Finikin, Head of SENDIS
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>What are you proposing and what are they designed to deliver?</p> <p>The aim is to reduce the council spend on home to school/college travel assistance, while ensuring that vulnerable children and families that require it continue to receive support. To ensure the service is provided in the most cost effective way possible. The work is being undertaken under the auspices of a whole council review commissioned from an independent consultant.</p>
2. How does this contribute to the council's corporate priorities?	Balancing the budget
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Children and families with SEND (Special Educational Needs and Disabilities) will be affected by this proposal.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	In-house bus services for SEND children are provided by E&R department, but paid for by CSF department through an SLA.

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Stage 2: Collecting evidence/ data

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

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

List the type of evidence (data, results of consultation, research, etc) and analysis of what this evidence tells you regarding the impact on the protected characteristics (equality groups).

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

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

Data interrogated by the consultant in order to produce the independent report. This will be considered when the consultant's report is available and as individual proposals are considered, will be overlaid with additional data as required to ensure individual proposals have been properly assessed in their equalities context.

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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		√	√		School age children and their families will be impacted
Disability		√	√		The service is specifically for children with SEND so these children and young people will be affected
Gender Reassignment		√		√	
Marriage and Civil Partnership		√		√	
Pregnancy and Maternity		√		√	

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

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

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

Until the consultant's report is published and the equalities impact of individual proposals has been assessed, it is not possible to determine the most appropriate mitigating actions as it is not clear what the extent of the impact will be (if any). The detail of mitigations will need to be considered fully when individual proposals are considered.

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

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- 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?
School age children with SEND and their families will be impacted	Before agreeing any specific proposals it will be necessary to consider the specific impacts and the required mitigations. This will be undertaken through a more detailed EIA of individual proposals.	Before each / any individual proposal is taken forward, a review EIA will be conducted to identify any negative impacts and to outline relevant mitigation where possible.	TBC	TBC	Tom Procter/ Karla Finikin	No

Page 2

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

Stage 6: Reporting outcomes

10. Summary of the equality analysis

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

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

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

Because this is a service to children with SEND, the protected characteristics group that will be affected is children with disabilities. At this stage it has not been possible to undertake a full equality analysis as it is still necessary to consider the consultant's report and agree specific proposals that will be taken forward. There is a commitment to undertake review EIAs for specific individual proposals as these come forward from the overarching review.

At this stage it is necessary to assess the EA as Outcome 3 because there are so many uncertainties. Council staff are aware that ideally we should seek to achieve an Outcome 2 so that any 'efficiencies' will not have an unjustifiably negative impact on the lives of children with SEND.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Tom Procter, Head of Contracts and School Organisation Karla Finikin, Head of SENDIS	Signature:	Date:
Improvement action plan signed off by Director/ Head of Service	Rachael Wardell Director Children, Schools and Families	Signature:	Date: 27/12/2019

Equality Analysis

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

What are the proposals being assessed?	ENV1920-06 Proposed budget saving
Which Department/ Division has the responsibility for this?	E&R/Future Merton

Stage 1: Overview	
Name and job title of lead officer	Paul McGarry, Future Merton 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)	Increase in income from the procurement of a new 15 year bus shelter and street furniture advertising contract. Under the new contract the provider will upgrade all the bus shelters in the borough and introduce high quality digital advertising panels on Free Standing Advertising Units in town centres.
2. How does this contribute to the Council's corporate priorities?	Maximising Income generation
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Residents and the general public will benefit from new state-of-the-art bus shelters which will be more modern, robust and safer as well as being more and energy efficient. The Council will benefit from an increase in income.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	The provider JC Decaux will own and maintain all the assets and will be responsible for all cleaning and maintenance.

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Stage 2: Collecting evidence/ data

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

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

N/A

Stage 3: Assessing impact and analysis

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

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age	√			√	Positive impact as new shelters will provide better seating & comfort for bus users.
Disability	√			√	The new shelters will have improved design considerations for people with disabilities.
Gender Reassignment		√		√	
Marriage and Civil Partnership		√		√	
Pregnancy and Maternity		√		√	
Race		√		√	
Religion/ belief		√		√	
Sex (Gender)		√		√	
Sexual orientation		√		√	
Socio-economic status		√		√	

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

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

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

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

Stage 4: Conclusion of the Equality Analysis

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

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Sue Keay, E&R Finance & Programme Officer	Signature: S. Keay	Date: 02/12/19
Improvement action plan signed off by Director/ Head of Service	James McGinlay, Head of Sustainable Communities	Signature:	Date:

Equality Analysis

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

What are the proposals being assessed?	ALT 1920-01 Increased income from conducting rent reviews in line with tenancy agreements
Which Department/ Division has the responsibility for this?	Environment and Regeneration/Sustainable Communities

Stage 1: Overview	
Name and job title of lead officer	James McGinlay, Assistant Director for Sustainable Communities
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)	Progress rent reviews established within existing leases to commercial tenants to provide increased revenue income to the Council.
2. How does this contribute to the council's corporate priorities?	By increasing revenue income improve the council's revenue position.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The council's commercial tenants will be affected and the Council will benefit from increased income.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	SLLP/Corporate Services will be required to document the changes in rent levels and Transactional Services within Corporate Services will be required to collect the new levels of rent.

Stage 2: Collecting evidence/ data

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

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

We have no data regarding the equality groups within our commercial tenants who's relationship with the council for this purpose is purely commercial and as stated within the lease/contract they agreed with the council.

Stage 3: Assessing impact and analysis

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

Protected characteristic (equality group)	Tick which applies Positive impact		Tick which applies Potential negative impact		Reason Briefly explain what positive or negative impact has been identified
	Yes	No	Yes	No	
	Age				
Disability					There is no available data and the tenants have not engaged to provide the monitoring data.
Gender Reassignment					There is no available data and the tenants have not engaged to provide the monitoring data.
Marriage and Civil Partnership					There is no available data and the tenants have not engaged to provide the monitoring data.
Pregnancy and Maternity					There is no available data and the tenants have not engaged to provide the monitoring data.
Race					There is no available data and the tenants have not engaged to provide the monitoring data.
Religion/ belief					There is no available data and the tenants have not engaged to provide the monitoring data.
Sex (Gender)					There is no available data and the tenants have not engaged to provide the monitoring data.

Sexual orientation					There is no available data and the tenants have not engaged to provide the monitoring data.
Socio-economic status			X		There is no available data and the tenants have not engaged to provide the monitoring data. Possible negative impact.

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
The tenants already have notice of possible rent increases as the rent review dates are clearly stated within their leases and of course we do not impose an increase it is open to negotiation and consideration by a third party if we prove unable to agree a new rent.	Initiate rent review process	Settlement of rent review	Timetable specified by individual leases	Existing	Howard Joy	No.

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

Stage 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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	Add name/ job title	Signature:	Date:
Improvement action plan signed off by Director/ Head of Service	Add name/ job title	Signature:	Date:

Equality Analysis

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

What are the proposals being assessed?	ALT 1920-02 The use of ANPR to enforce moving traffic contraventions has been operational since July 2016. The number of cameras has increased and the locations varied over this period and the number of PCNs remains above initial estimates.
Which Department/ Division has the responsibility for this?	Parking Services, Environment and Regeneration

Stage 1: Overview

Name and job title of lead officer	Ben Stephens, Head of Parking
<p>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>	<p>Compliance rates for ANPR Moving Traffic Offences have not improved to the level expected and as a consequence the PCN income generated has not reduced as swiftly as anticipated. In addition, additional enforcement opportunities have been added e.g. School zig zag enforcement this year and School superzones to come. As a consequence, the PCN income exceeds budget and could be built into the budget at a prudent level for a period of time whilst kept under review.</p> <p>ANPR enforcement and the issue of PCNs aims to deliver better compliance and driver behaviours in respect of of moving traffic contraventions, which will reduce congestion, and lead to improved traffic flows and availability of spaces.</p> <p>Local authorities are not permitted to use PCN parking charges solely to raise income. When setting charges, we must instead focus on how the charges will contribute to delivering the Council’s traffic management and other policy objectives.</p> <p>This proposal supports the rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p>
2. How does this contribute to the	<p>Parking and Traffic Management</p> <p>This proposal is part of the important role Parking and transport policy has in managing the roads and wider travel</p>

<p>council's corporate priorities?</p>	<p>needs of the public. Merton's policy links closely with the local Implementation Plan and the Strategy, which sets out objectives in detail. It contributes in the following ways:</p> <ol style="list-style-type: none"> 1. Reduce congestion 2. Improve road safety 3. Improve air quality and meet EU quality standards 4. To meet the actions set out in the Merton Health and Wellbeing Strategy 2019 5. Adopt a healthy street approach 6. Promote healthier life styles and encourage more active travel 7. To ensure good parking management 8. To support the local economy 9. Providing funding for parking and wider transport scheme improvements
<p>Who will be affected by this proposal? For example who are external/internal customers, communities, partners, stakeholders, the workforce etc.</p>	<p>The proposal will affect all residents, businesses, workers and visitors to the borough, across all socio-economic groups.</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>Yes. Responsibility is shared with the following departments, organisations and partners. Future Merton, Highways and Transportation, Planning, Mayor of London, TfL, transport operators, Parking Services.</p>
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Stage 2: Collecting evidence/ data

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

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

The Council acknowledges that road safety and traffic flow along with accessibility for residents and visitors to enable them to move freely throughout the borough.

A number of key factors will be considered included:

- (i) Air Quality hotspots
- (ii) Areas of high congestion
- (iii) Enforcement requirements
- (iv) Road safety

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><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for</p>

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					<p>kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Disability	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction. Including the provision of spaces for disabled motorists by increasing the charge of the PCN value as a deterrent to illegal parking.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Gender Reassignment	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Marriage and Civil Partnership	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for</p>

					<p>kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Pregnancy and Maternity	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Place	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Religion/ belief	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p>

					None identified
Sex (Gender)	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Sexual orientation	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p>
Socio-economic status	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the principle of effective traffic management for the whole population of and visitors to Merton.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>

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

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

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

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

Stage 4: Conclusion of the Equality Analysis

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

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Ben Stephens – Head of Parking Services	Signature:	Date: 8 th October 2019
Improvement action plan signed off by Director/ Head of Service	Chris Lee – Director of Environment and Regeneration	Signature:	Date: 8 th October 2019

Equality Analysis – – Leisure & Culture Development Team



Guidance for carrying out Equality Impact Assessments is available on the [intranet](#).

What are the proposals being assessed?	ALT 1920-03 To increase income through the Leisure Centre Management Contract with Greenwich Leisure Limited (GLL)
Which Department/Division has the responsibility for this?	Environment & Regeneration – Public Space Division
Stage 1: Overview	
Name and job title of lead officer	Christine Parsloe, Leisure & Culture Development 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)	Outcome: To achieve increased income through the leisure centre management contract. Aims & Proposals: Implement the contractual inflationary uplift on the Leisure Centre Management Contract, whereby the operators will pay the council an increased annual sum
2. How does this contribute to the council's corporate priorities?	Delivers revenue savings through increased income.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The operator will be required under the contract to deliver this in accordance with their contract submission. This will include increases in fees and charges to customers, but these will also be in line with the contractual arrangements for annual increases.
4. Is the responsibility shared with another department, authority or organisation? If so: Who are the partners and who has overall responsibility?	No

Stage2: Collecting evidence/data

6. What evidence have you considered as part of this assessment? List the data, results of consultation, research and other sources of evidence reviewed to determine impact on the protected characteristics (equality groups). Where there are gaps in data you may have to address this by including it in the action plan.

Type of evidence
 Leisure Centre Management Contract.

Stage 3: Assessing impact and analysis

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

Equality group	Positive impact		Potential negative impact		Reason
	Yes	No	Yes	No	
Age		√		√	This increased income will be met by the operator delivering sports and leisure in the same way and in accordance with the contract.
Disability		√		√	
Gender Reassignment		√		√	
Marriage and Civil Partnership		√		√	
Pregnancy and Maternity		√		√	
Race		√		√	
Religion/ belief		√		√	
Sex		√		√	
Sexual orientation		√		√	
Socio-economic status		√		√	

8. How do you plan to mitigate the negative impact that has been identified above? Also describe how you will promote equality through the policy, strategy, procedure, function or service?

No negative impact identified above.

Stage4: Decision

9. Decision – Please indicate which of the following statements best describe the outcome of the EIA (✓ tick one box only)
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Outcome 1 - ✓	Outcome 2 -	Outcome 3	Outcome 4
<p>Outcome 1 – No change required: when the EIA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.</p>		<p>Your analysis demonstrates that the proposals are robust and the evidence shows no potential for discrimination and that you have taken all appropriate opportunities to advance equality and foster good relations between groups. If this conclusion is reached, remember to document the reasons for this and the information that you used to make this decision.</p>	
<p>Outcome 2 – Adjustments to remove negative impact identified by the EIA or to better promote equality. List the actions you propose to take to address this in the Action Plan.</p>		<p>This involves taking steps to remove barriers or to better advance equality. It can mean introducing measures to mitigate the potential negative effect. Remember that it is lawful under the Equality Act to treat people differently in some circumstances, for example taking positive action or putting in place single-sex provision where there is a need for it. It is both lawful and a requirement of the general equality duty to consider if there is a need to treat disabled people differently, including more favorable treatment where necessary.</p>	
<p>Outcome 3 – Continue with proposals despite having identified some potential for negative impact or missed opportunities to promote equality. In this case, the justification needs to be included in the EA and should be in line with the PSED to have ‘due regard’. List the actions you propose to take to address this in the Action Plan. (You are advised to seek Legal Advice)</p>		<p>This means a recommendation to adopt your proposals, despite any negative effect or missed opportunities to advance equality, provided you have satisfied yourself that it does not unlawfully discriminate. In cases where you believe discrimination is not unlawful because it is objectively justified, it is particularly important that you record what the objective justification is for continuing with your proposals, and how you reached this decision. This is very important to show that you have paid ‘due regard’ to the Public Sector Equality Duty</p>	
<p>Outcome 4 – Stop and rethink: when your EA shows actual or potential unlawful discrimination.</p>		<p>If a policy shows unlawful discrimination it must be removed or changed.</p>	

Note: If your EA is assessed as **outcome 3**, explain your justification with full reasoning to continue with your proposals?

Include information as to why you suggest going ahead with your proposals despite negative impact being identified.

Stage 5: Making adjustments – Improvement Action Pan

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

This action plan should be completed after the assessment and analysis and outlines the action to be taken to mitigate the potential negative impact identified.

Risks or improvements identified in the EIA	Action required	Performance measure & target(s)	By when	Uses existing or additional resources?	Lead Officer	Progress
No negative impacts identified,						

Have you incorporated these actions into your divisional service plan or team plan? Please give details of where they have been included.
 Included as part in the existing Leisure & Culture Development Team's transformation and service plans.

11. How will you share lessons learnt from this assessment with stakeholders and other council departments?

We will share any learning from this with others through one to one support, advice and guidance as appropriate and time allows.

Stage 6: Monitoring

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.

How will you monitor the impact of the proposal once it has been implemented?

Monitoring will be done through the leisure management contract monitoring processes within existing business practices

How often will you do this?

Quarterly through formal meetings, otherwise through day to day working and business operations.

Stage: 7 Reporting outcomes (Completed assessments must be attached to committee reports and a summary of the key findings included in the relevant section with in them)**Summary of the assessment**

- What are the key impacts – both negative and positive?
- What course of action are you advising as a result of this assessment?
- Are there any particular groups affected more than others?
- Do you suggest to proceeding with your proposals although a negative impact has been identified?

Summary of the key findings:

None.

Stage 8: Sign off by Head of Service

**Assessment completed by:
Name/Job Title**

Christine Parsloe
Leisure & Culture Development Manager

Signature:
C A Parsloe

Date:
18 November 2019

**Improvement action plan
signed off by Head of Service**

John Bosley, Head of Public Space Division

Signature:
J Bosley

Date:
18 November 2019

Department

Environment & Regeneration

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?	ALT 1920-04 Increase the level of enforcement activity for environmental offences ensuring that the service is cost neutral.
Which Department/ Division has the responsibility for this?	E&R – Street Scene & Waste

Stage 1: Overview	
Name and job title of lead officer	John Bosley AD public Space
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	What are you proposing and what are they designed to deliver? To undertake a procurement exercise to identify an external provider for environmental enforcement – The aim is to improved enforcement presence across the Borough and opportunity to work across divisions to maximise potential enforcement receipts
2. How does this contribute to the council's corporate priorities?	Increasing revenue, reducing the level of street litter, improving the image of the public realm.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The 'in house 'enforcement team will be retained and will work closely with the external provider in order to identify hot spots and areas of operational activity across the borough.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	No, The service will continue to be managed as part of the current Public space division.

Stage 2: Collecting evidence/ data

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

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

1. Litter is the number one concern of our residents

Stage 3: Assessing impact and analysis

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

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age		✓		✓	
Disability		✓		✓	
Gender Reassignment		✓		✓	
Marriage and Civil Partnership		✓		✓	
Pregnancy and Maternity		✓		✓	
Race					
Religion/ belief		✓		✓	
Sex (Gender)		✓		✓	
Sexual orientation		✓		✓	
Socio-economic status		✓	✓		The ability to pay the fee issued through the Fix penalty notice.

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

1.

The only people affected by this enforcement contract are those residents or visitors who committed an environmental offence.

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?
Socio-economic status	All cases of non payment will be assed on an individual bases and escalated through the single justice system for processing. For transparency the court has the ability to amend the level of the fine due to the alleged offenders personal circumstances .	Level of reduced fines award by the court	On going	None	C Baker	

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

Stage 6: Reporting outcomes

10. Summary of the equality analysis

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

This Equality Analysis has resulted in an Outcome [add](#) Assessment
 Please include here a summary of the key findings of your assessment.
 The scope of the procurement is to ensure that there are no changes to the current service provision currently provided by the in house service. Any proposed changes by the bidders through competitive dialogue which impact on the current provision will require cabinet approval and an additional Impact assessment completed.

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Charles Baker	Signature:	Date:9 10 19
Improvement action plan signed off by Director/ Head of Service	John Bosley	Signature:	Date:

Equality Analysis

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

What are the proposals being assessed?	ALT 1920-05 Reduce the level of revenue budget for office stationary
Which Department/ Division has the responsibility for this?	Waste services – Public Space E&R

Stage 1: Overview	
Name and job title of lead officer	Charles Baker
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)	To realign our revenue budget with actual service requirement and reducing the overall cost of office stationary.
2. How does this contribute to the council's corporate priorities?	Value for money
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The Waste Services and Public Space team members will have reduced budget for the purchase of office stationary.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	N/A

Stage 2: Collecting evidence/ data

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

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

Current budget allocation
 Current budget spend
 Future requirements

Stage 3: Assessing impact and analysis

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

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

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

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

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

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

Stage 4: Conclusion of the Equality Analysis

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

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Charles Baker	Signature:	Date: 18 11 2019
Improvement action plan signed off by Director/ Head of Service	John Bosley	Signature:	Date:

Equality Analysis

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

What are the proposals being assessed?	ALT 1920-06 Proposed budget saving
Which Department/ Division has the responsibility for this?	Environment & Regeneration/Public Space/Greenspaces

Stage 1: Overview	
Name and job title of lead officer	Doug Napier, Greenspaces 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)	Reduction in annual support grant to Deen City Farm (by £10k, from £94.9k currently)
2. How does this contribute to the council's corporate priorities?	Contribution to council's savings needs and MTFS.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Deen City Farm is the stakeholder primarily affected, with potential knock-on effects for users and visitors to the Farm. However, this grant reduction has been negotiated with the Farm in lieu of other investment contributions from the Council that will witness a net reduction in the annual operating costs for the facility.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	Deen City Farm, the management team for the Farm having overall responsibility for the facility.

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Stage 2: Collecting evidence/ data

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

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

The Farm is used and enjoyed by a wide cross-section of the community and attracts a number of equality groups. However, this proposal is not expected to have any significant impact on the Farm or its users and has been a negotiated one with the Farm's management in lieu of other investments (see above).

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)?

Page 2 of 8

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

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
No anticipated impacts	None	N/A	N/A	N/A	Doug Napier	No

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

Stage 4: Conclusion of the Equality Analysis

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

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

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Doug Napier, Greenspaces Manager	Signature:	Date: 12/12/19
Improvement action plan signed off by Director/ Head of Service	Chris Lee/John Bosley	Signature:	Date: 12/12/19

Equality Analysis

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

What are the proposals being assessed?	ALT 1920-07 Proposed budget saving
Which Department/ Division has the responsibility for this?	Environment & Regeneration/Public Space/Greenspaces

Stage 1: Overview	
Name and job title of lead officer	Doug Napier, Greenspaces 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)	Realignment of budgets to better reflect current levels of income from outdoor events in parks.
2. How does this contribute to the council's corporate priorities?	Contribution to council's savings needs and MTFS.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Outdoor events are enjoyed by a very wide cross section of the community as part of the Council's recreational and leisure offer.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	The overall responsibility for outdoor events in parks lies with Greenspaces. However, and depending upon the size and nature of the event, then the emergency and medical services, the Council's Regulatory Services team, and our grounds maintenance contractor, idverde, may be involved.

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).

Outdoor events in parks are enjoyed by a wide cross-section of the community and attract a number of equality groups. However, this proposal is not expected to have a significant impact on these events as this proposal comprises an adjustment of the budget to reflect current (increased) income levels and is not expected to affect the nature, quality nor range of events that the service currently supports in itself.

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

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
None	None	N/A	N/A	N/A	Doug Napier	No

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

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Stage 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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	Doug Napier, Greenspaces Manager	Signature:	Date: 11/12/19
Improvement action plan signed off by Director/ Head of Service	Chris Lee/John Bosley	Signature:	Date: 11/12/19

What are the proposals being assessed?	CH96 Proposed budget saving CH88 - Home Care Monitoring System
Which Department/ Division has the responsibility for this?	Community and Housing, Adult Social Care

Stage 1: Overview	
Name and job title of lead officer	John Morgan, Assistant Director of Adult Social Care
<p>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> <p>Page 263</p>	<p>The aim of this proposal is to roll out a home care monitoring system for all home care providers to ensure that we, and our providers, can monitor the delivery of home care visits. This monitoring will enable us to check on a regular basis if the customers commissioned care hours are met in line with the agreed support plans as a means of improving the quality, efficiency and reliability of the service. We also aim to ensure that we only pay for visits that are carried out and do not over pay for shortened or missed visits.</p> <p>Merton already uses a home care monitoring system called CM2000, and we are in the process of re-procuring an equivalent system (which could mean continuing with CM2000 if it is the best value option). The system is only currently used by some of our home care providers and will be extended to additional providers as part of the implementation of the new system during the early part of 2020.</p> <p>The primary aim is to provide a quality monitoring tool for home care visits to ensure that residents receive their assessed care hours so that their care package and agreed outcomes are met. A secondary benefit, however, is that the council will reduce costs by not paying for missed or significantly shortened visits. The system has no impact on the hours of care that individual residents are assessed to need or are provided to them – in fact it should reduce the risk of visits being shortened or missed, and also allows providers to more proactively make alternative arrangements if a visit is missed as the system supports real time monitoring. This has positive impacts in terms of the safeguarding of vulnerable residents.</p> <p>With the fragility of the home care market, it is important that we have the tools to provide assurance about the delivery of care to vulnerable residents.</p>
2. How does this contribute to the council's corporate priorities?	It is consistent with the departmental TOM and the council's drive for efficiency. The reduced use of paper timesheets and invoicing enabled by the system also supports the Council's environmental / sustainability commitments.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	<p>The main impact is on home care providers that we contract with, who are contractually obliged to use the system. The Council is, however, covering the implementation costs for each provider and will continue to fund the ongoing licence and maintenance costs associated with the system.</p> <p>Overall, the impact for customers is positive, for the reasons outlined above, although there is a minor potential impact in that we may require access to their landline for the care worker to log in and out at the</p>

	beginning and end of their visit via a Freephone telephone number. Increasingly, however, monitoring systems of this type use bar codes or similar, located in the customer's home, which carers scan or tap using a mobile phone app as the means of logging in and out of visits. Some providers also supply mobile phones to the customer's house for logging purposes and both of these options mean that landline use should become less prevalent over time.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	Contracted Home Care providers. Provider of the chosen monitoring system.

Stage 2: Collecting evidence/ data

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

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

The council has operated a home care monitoring system for over a decade and therefore has good knowledge of the benefits and impacts. Similar systems are in common use across the local government sector and the benefits and impacts, the majority of which are generic, are well understood.

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	✓			✓	The proposal should improve the reliability of home care visits, the overall quality and efficiency of delivered home care and the settlement of complaints regarding missed or late calls. Whatever system is deployed will make allowance for those service users without landlines, who object to their use, or do not wish to cooperate with the solution chosen. Increasingly this will be achieved by promoting other more efficient and less intrusive means of logging using mobile technologies.
Disability	✓			✓	
Gender Reassignment	✓			✓	
Marriage and Civil Partnership		✓		✓	
Pregnancy and Maternity		✓		✓	
Race		✓		✓	
Religion/ belief		✓		✓	
Sex (Gender)		✓		✓	
Sexual orientation		✓		✓	
Socio-economic status		✓		✓	

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

Negative impact / gap in information identified in the Equality Analysis	There will be minimal adverse impact for service users and their families, with the main impact being the use of their landline for Freephone calls or attachment of a tag / barcode to their door/hallway etc depending on the logging method in use.
Action required to mitigate	Wherever possible we will promote the use of barcode / tag solutions for logging in and out as a positive alternative to use of the service user's landline.
How will you know this is achieved? e.g. performance measure / target	Proportion of visits logged via barcode / tag increasing over time. Targets for this will be developed with the home care providers using the system.
By when	March 2021
Existing or additional resources?	N/A
Lead Officer	Keith Burns, Head of Commissioning and Market Development

Action added to divisional / team plan?	To include in 2020/21 service plans.
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Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

Stage 4: Conclusion of the Equality Analysis

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

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.

OUTCOME 4

The EA shows actual or potential unlawful discrimination. Stop and rethink your proposals.

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Phil Howell, AD Strategy & Improvement	Signature: PH	Date: 5/12/19
Improvement action plan signed off by Director/ Head of Service	John Morgan, Assistant Director of Adult Social Care	Signature: John Morgan	Date: 5/12/19

Equality Analysis

What are the proposals being assessed?	CH97 Increase income and make better use of technology to reduce costs
Which Department/ Division has the responsibility for this?	Community & Housing Department / Library & Heritage Service

Stage 1: Overview	
Name and job title of lead officer	Anthony Hopkins; Head of Library, Heritage & Adult Education Service
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 aim of this proposal is to maintain the current library network and opening hours through better use of self-service technology and increasing income generation whilst delivering ongoing efficiencies.</p> <p>£45k of the saving will be delivered via the reduction of the current security guard contract. The presence will be reduced only at the quieter branch libraries (Raynes Park, Colliers Wood, Pollards Hill and West Barnes). The presence will be replaced with new self-service technology that reduces the need for a physical staffing presence.</p> <p>The rest of the proposal will be delivered by increasing income generation through the redevelopment of an existing site (West Barnes Library by £15k). The savings can only be achieved through the redevelopment of the site as the proposals include the increase of community space that can be used for hireable purposes out of normal opening hours. This model has worked successfully at the new Colliers Wood Library.</p>
2. How does this contribute to the council's corporate priorities?	This proposal ensures that access to frontline library services is maintained.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	The proposal aims to deliver efficiencies in the Library & Heritage Service budget to support the Council in achieving a balanced budget as part of the Medium Term Financial Strategy. The proposal will benefit library customers, stakeholders and partners as it maintains the current library network and opening hour offer during difficult economic times.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	The security guard contract, which is proposed to be reduced as part of this proposal, is a corporate contract led by the Facilities Management team. The responsibility of determining the use of security guards in libraries lies with the Library & Heritage Service.

Stage 2: Collecting evidence/ data

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

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

The Library & Heritage Service has looked at best practice in the library sector both in the UK and further afield and has visited libraries that use the enhanced self-service technology proposed to ascertain how it works and the experience of customers. Experience of similar redevelopments internally means that figures can be accurately projected for increased income.

Other information that has been used includes customer usage data including visitor figures, active usage, ICT usage, stock borrowing and self-service usage. The data has been analysed by protected characteristic groups where data is collected. This data will be used to determine the 'quieter times' where self-service technology could be used.

For income generation financial costings have been based on the successful redevelopment of Colliers Wood Library and the increased income that site has brought in.

There is a working model in the UK of self-service technology that is used by over 100 public libraries called 'Open +'. This solution enables customers to be able to access their library by using their library cards via a door access point. The site is monitored by external CCTV cameras and is becoming more commonly used across public libraries. Other models are also being developed and technological enhancements continue and the Library & Heritage Service will work with all stakeholder groups to identify the best solution for residents.

The analysis has so far demonstrated that the self-service model is likely to have a potential negative impact on all protected characteristic groups and particularly amongst children and young people. In the majority of cases the current technology such as 'Open +' has an age limit on people who can attend the library during unstaffed hours and this is normally set at between 16 and 18 years of age. Further analysis of the impact will be undertaken before the proposal is implemented including developing robust processes and procedures.

No negative impact has been identified within the income generation element of the proposal provided that the library is developed on time so that the saving can be realised.

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		✓	✓		All protected and non protected characteristics will be impacted by this proposal as the use of new self-service technology means that there will be times at branch libraries where there will be no staff support. Times where there will be no staffing presence are proposed to be at quieter times for the libraries and will be adapted for each library. Children young people are likely to be more adversely affected as depending upon the model chosen the majority of self-service options could restrict the usage of libraries during these times for children and young people.
Disability		✓	✓		All sites are fully DDA compliant and any building adaptations will continue to ensure compliance but staff support will not be available during self-service times.
Gender Reassignment		✓	✓		
Marriage and Civil Partnership		✓	✓		
Pregnancy and Maternity		✓	✓		
Race		✓	✓		
Religion/ belief		✓	✓		
Sex (Gender)		✓	✓		
Sexual orientation		✓	✓		
Socio-economic status		✓	✓		

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

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

Negative impact/gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/team plan?
Further analysis of model of self-service proposed.	Further market engagement regarding potential solutions and learning from best practice across the country.	Solution procured and implemented which maintains performance targets for visitor figures and has only a minimal impact on customer satisfaction.	April 2022	Existing	Daniel Clark	Yes
Further analysis of protected characteristics impacted by the proposals.	Further analysis of protected characteristics and their usage trends. Develop proposals, including user engagement, around self-service opening hours.	Actions identified to mitigate impact on proposals. Minimal impact on customer satisfaction.	April 2022	Existing	Anthony Hopkins	Yes
Awareness of new delivery model.	Draw up a marketing and communications plan to ensure that the proposals are widely communicated to residents.	New delivery plan understood by customers. Minimal impact on usage and customer satisfaction.	April 2022	Existing	Communications Team	Yes

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

Stage 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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Anthony Hopkins / Head of Library, Heritage & Adult Education Service	Signature: Anthony Hopkins	Date: 30 October 2019
Improvement action plan signed off by Director/ Head of Service	Hannah Doody, Director of Community & Housing	Signature: HD	Date: 5/12/19

Equality Analysis

What are the proposals being assessed?	CH98 To review all aspects of Community Transport in Merton
Which Department/ Division has the responsibility for this?	Community and Housing

Stage 1: Overview	
Name and job title of lead officer	Andy Ottaway-Searle, Head of Direct Provision
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria c) Page 272	<p>It has been agreed to commission an independent external review of Community Transport in Merton. The review will begin in October 2019 and involve each department in the Council.</p> <p>Our aim in Adult Social Care is to ensure that the budget allocated for transport and assisted travel is used as efficiently as possible. We know that with less resource available there is a need to ensure that the maximum amount of our budget is spent on actually providing care and support rather than ancillary services, of which the largest is transport. We are also aware that as services change over the next few years as we revise our L D offer and seek to work in a more person centred way that we will require a service which is flexible enough to support this.</p> <p>One aim of increasing community engagement for people with a disability is to increase the support provided to train people to travel independently. However, we understand that there will always be a need for people to receive specialist transport in order to access certain activities necessary for their wellbeing. Eligibility for and access to travel support will continue to be based on assessments carried out based on a person's individual needs and using criteria outlined in an updated Travel policy.</p> <p>We will continue to work towards a situation where all partners and stakeholders agree on the most sustainable model going forward.</p>
2. How does this contribute to the council's corporate priorities?	<p>The Adult Social Care Plan and Target Operating Model contribute to the Council's overall priorities and will ensure that the savings targets are achieved in line with the Corporate Business Plan and the Medium Term Financial Strategy. It is also in line with the July principles, adopted in 2011 by councillors, which sets out guiding strategic priorities and principles, where the order of priority services should be to continue to provide everything which is statutory and maintain services, within limits, to the vulnerable and elderly. It is part of a wider review of the Learning Disability offer as set out in the refreshed TOM, and a work stream of the Strategy, Improvement and Delivery Board.</p> <p>Adult Social Care is continually seeking to enable customers to become more independent and supporting people to travel on their own or with support is really empowering, and can also improve their health and wellbeing. All assessments of customers will focus on working with people to identify their strengths and support needs, identifying areas where tailored support can increase their community presence.</p> <p>Merton is also working towards implementing a range of policies which will improve air quality in the</p>

	<p>borough and contribute to reacting to the Climate Emergency declared by Merton Council. Using vehicles involved in passenger transport more efficiently will make a significant contribution to this. The Merton Plan contains commitments to ensure that residents are supported to live a more active lifestyle.</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>Service users and their families, potentially staff in Environment and Regeneration and Direct Provision, and colleagues in Voluntary sector organisations. We are mindful also of how operations in Children's Schools and Families would be impacted by major changes to arrangements in ASC, and will work closely with them.</p> <p>People who use services and their families, staff and other partners will all be included in the review of transport. Following the review, we will consult directly with those involved on any specific named changes. It is not our intention to prevent individuals from attending agreed activities in the community, but we may end up using different methods to achieve this. For example, an older person might have a lift from a volunteer to get to their lunch club rather than be collected by a Council minibus, or a person with a learning disability might link up with a 'travel buddy' to attend a community activity. We are aware that changes to people's daily lives can be upsetting and will ensure that people are supported through any subsequent changes.</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>As stated, all Council departments will be involved, and the review will be led by E&R, who have commissioned independent experts to carry out the process. When the review is complete a Corporate decision will be taken with regards to implementing the proposals throughout the Council.</p>

Stage 2: Collecting evidence/ data

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

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

Community transport is currently provided to people with disabilities and older people in Merton. Specialist transport is also provided to children and young people with disabilities and special educational needs, and those might be affected if significant changes were proposed for Adult Services. These groups and their families, as well as staff involved in providing transport would be most affected by any proposed changes. Engagement will take place throughout the review and as and when specific proposals are made, consultation will take place with those directly affected.

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		We are seeking to ensure that transport arrangements are the most suitable, cost effective and sustainable which should be of benefit to all service users. However, some individuals might have changed arrangements, and we know that discussing changes to daily arrangements causes concern and worry to people. They will be supported through this and through any subsequent changed arrangements. We feel that there is sufficient time to implement changes in a well-managed way.
Disability	x		x		As above.
Gender Reassignment				x	
Marriage and Civil Partnership				x	
Pregnancy and Maternity				x	
Race				x	
Religion/ belief				x	

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

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

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

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
Service users and families can be upset and anxious when changes to their daily arrangements are suggested. Page 275	Consultation to be carried out on specific proposals in plenty of time and by staff or agencies who are familiar to the people concerned. We are not proposing measures which will prevent people attending activities, but may suggest alternative means of travel.	By implementing any changes successfully with no changes to the individual's activities.	The review will begin in October 2019 and proposals worked through from late 2020/21	External consultant/ group	Andy Ottawa y-Searle	Yes

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

Stage 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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service

Assessment completed by	Andy Ottaway-Searle, Head of Direct Provision	Signature: AOS	Date: 5/12/19
Improvement action plan signed off by Director/ Head of Service	Hannah Doody, Director of C&H	Signature: HD	Date: 5/12/19

Equality Analysis

What are the proposals being assessed?	CH99 –Promoting Independence £500k
Which Department/ Division has the responsibility for this?	Community and Housing, Adult Social Care

Stage 1: Overview	
Name and job title of lead officer	John Morgan, Assistant Director Adult Social Care
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 aim of this proposal is to continue to support people to remain independent and well, enabling them to remain in their own homes, close to their friends, families, support networks and local communities. This proposal will be achieved by a number of initiatives that help people maintain their wellbeing, to access early help and to recover when they become unwell or temporarily lose independence. There is an ongoing focus on supporting people to achieve their desired outcome to stay in their own homes and to reduce dependency on residential care.</p> <p>The work includes:</p> <ul style="list-style-type: none"> - Increased access to home care re-ablement for eligible residents on discharge from hospital; - Increased access to re-ablement for eligible residents in the community; - Better co-ordination with our community health provider including a combined health and social care offer. - improving assessment practice and support planning, - working with the voluntary sector to provide earlier interventions - maximising the benefit of the ASC grants programme <p>This is a continuation of work that has been undertaken over the last two years.</p>
2. How does this contribute to the council's corporate priorities?	The Adult Social Care Service plan and TOM contribute to the council's priorities and will ensure that the savings targets are achieved in line with the corporate Business Plan.
3. Who will be affected by this proposal?.	Service users
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	Partnership working with health, the voluntary sector and social care providers

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).

Over the last two years, the work described above combined with effective management of the market has seen costs contained. This saving represents a reduced impact than that experienced in the last two years to reflect other pressures that will increase demand.

On an operational level the evidence considered has been to:

- looked at local information about trends, needs and best practice;
- reviewed national benchmarking information about our performance (Adult Social Care Outcomes Framework (ASCOF) and Personal Social Services Expenditure and Unit Costs) compared to other councils;
- considered the impact of pressures such as new legislation, demographic growth and Public Health Needs Assessments;
- reviewed and monitored contracted services to check if fit for purpose as well as negotiate rates to ensure value for money
- redesigned or re-modelled the way we commission services to achieve better outcomes for customers in the most cost effective way.

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Stage 3: Assessing impact and analysis

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

Protected characteristic (equality group)	Tick which applies Positive impact		Tick which applies Potential negative impact		Reason Briefly explain what positive or negative impact has been identified
	Yes	No	Yes	No	
Age	✓		✓		The aim is to support people to maintain their independence, which supports people to live their lives in the way that is best for them and therefore supports and respects the diversity of people's lives and needs. The proposals might mean, however, that people's needs are met differently to the way that they are used to or expect, and they might be
Disability	✓		✓		
Gender Reassignment	✓			✓	
Marriage and Civil Partnership	✓			✓	

Pregnancy and Maternity	✓		✓		challenged to depend less on support. Some people may find this change difficult.
Race	✓		✓		
Religion/ belief	✓			✓	
Sex (Gender)	✓			✓	
Sexual orientation	✓			✓	
Socio-economic status	✓		✓		

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?
Needs might be met differently than the past or as expected	Ensuring that assessments and support plans are effective and adequate through supervision and Outcome Forum scrutiny. Investment in the voluntary sector	Activity levels are monitored monthly and trends considered.	March 2021	existing	John Morgan	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.

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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

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	Richard Ellis, Head of Strategy & Partnerships	Signature: RE	Date: 14/11/19
Improvement action plan signed off by Director/ Head of Service	John Morgan, Assistant Director Adult Social Care	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?	In line with the annual review process growth is required to maintain the core service provision in waste collection and street cleansing. This takes into account additional property growth and other contractual matters. Following the annual review process schedule 10 of the contract is revised and the core financial cost updated. This equates to £740k per annum for Merton. (ENV1920 – G1)
Which Department/ Division has the responsibility for this?	E&R – Public Space

Stage 1: Overview	
Name and job title of lead officer	John Bosley (AD Public Space)
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>What are you proposing and what are they designed to deliver?</p> <p>As part of the annual review process it is recommended that we agree a growth bid in order to maintain the current service provision for waste collection and street cleansing service. This is to take into account increases in Household growth and ‘assisted collections’ In addition to this the growth bid recognizes changes in the recycling market.</p>
2. How does this contribute to the council's corporate priorities?	To maintain and improve resident's satisfaction with the waste collection and street cleansing service and to address the fact that litter is the number one priority for our residents.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Residents will continue to receive the same frequency of service
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	<p>The growth bid is a joint requirement with our South London Waste Partnership Boroughs.</p> <p>The contract is held by LB Croydon and managed on our behalf by SLWP.</p> <p>For avoidance of doubt Merton has overall accountability and responsibility for all service</p>

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delivered and implemented within the borough boundary.

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).

Under this proposal there will be no change in the frequency of service or the number of residents entitled / qualify for the 'Assisted collection' service.

Stage 3: Assessing impact and analysis

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

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

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

1.
N/A

Stage 4: Conclusion of the Equality Analysis

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

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

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

Stage 5: Improvement Action Pan

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

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

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

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

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Stage 6: Reporting outcomes

10. Summary of the equality analysis

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

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

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

Stage 7: Sign off by Director/ Head of Service			
Assessment completed by	Charles Baker	Signature:	Date:
Improvement action plan signed off by Director/ Head of Service		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?	Budget growth to address the increase in fly tipping. (ENV1920 – G2)
Which Department/ Division has the responsibility for this?	E&R – Public Space

Stage 1: Overview	
Name and job title of lead officer	John Bosley (AD Public Space)
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>What are you proposing and what are they designed to deliver?</p> <p>Merton, in common with the rest of the country, has experienced a significant increase in fly-tipping and abandoned waste. The service has been handling approx. 12,000 incidents across the borough each year. In order to take a proactive approach to fly-tipping the service has implemented a new Fly tipping strategy and agreed action plan for 2020 21.</p>
2. How does this contribute to the Council's corporate priorities?	To maintain and improve resident's satisfaction with the street cleansing service and to address the fact that litter is the number one priority for our residents.
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Residents will continue to receive the same frequency of service and access to reporting fly tipping incidents.
4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?	<p>.</p> <p>The contract is held by LB Croydon and managed on our behalf by SLWP.</p> <p>For avoidance of doubt Merton has overall accountability and responsibility for all service delivered and implemented within the borough boundary.</p>

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Stage 2: Collecting evidence/ data

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

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

Under this proposal there will be no change in the frequency of service and the contractual requirement to remove fly tipping will remain unchanged. Residents and visitors will continue to be able to access all current forms of communication to advise the service of fly tipping incidents.

Stage 3: Assessing impact and analysis

Page 20 **10. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?**

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

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

1.
N/A

Stage 4: Conclusion of the Equality Analysis

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

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

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

Stage 5: Improvement Action Pan

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

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

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

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

Stage 6: Reporting outcomes

10. Summary of the equality analysis

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

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

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

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

SUMMARY OF DEPARTMENTAL GROWTH 2020-24 (excluding DSG Deficit)

LSG 13 January 2020

	2020/21	2021/22	2022/23	2023/24	Total
	£000	£000	£000	£000	£000
New Growth Proposals					
Corporate Services	0	0	0	0	0
Children, Schools and Families	3,847	404	384	390	5,025
Environment and Regeneration	937	0	0	0	937
Community and Housing	0	0	0	0	0
Total	4,784	404	384	390	5,962
Total (cumulative)	4,784	5,188	5,572	5,962	

	2020/21	2021/22	2022/23	2023/24	Total
	£000	£000	£000	£000	£000
Growth Proposals - Cabinet October 2019					
Corporate Services	430	0	0	0	430
Children, Schools and Families	0	0	0	0	0
Environment and Regeneration	0	0	0	0	0
Community and Housing	0	0	0	0	0
Total	430	0	0	0	430
Total (cumulative)	430	430	430	430	

	2020/21	2021/22	2022/23	2023/24	Total
	£000	£000	£000	£000	£000
Total Growth Proposals					
Corporate Services	430	0	0	0	430
Children, Schools and Families	3,847	404	384	390	5,025
Environment and Regeneration	937	0	0	0	937
Community and Housing	0	0	0	0	0
Total	5,214	404	384	390	6,392
Total (cumulative)	5,214	5,618	6,002	6,392	

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DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - GROWTH PROPOSALS

Panel	Ref	Description of Growth		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Type of Growth (see key)
C&YP		Description	ART - placements (fostering, residential, mother and baby and secure); supported housing; no recourse to public funds; UASC placements and former UASC who are now care leavers.	1,556	160	160	160	GP1
		Service Implication	Reflecting the current cost pressures in the budget and anticipating future additional pressures. Overspending on the placements budget year on year. Child in care numbers are remaining stable, thanks to SIB and other initiatives. But extended duties to care leavers and increasing cost pressures in the sector mean that even with stable numbers of looked after children, costs continue to rise. In addition there's an agreed increase in UASC numbers which will also play out in care leaver numbers in due course. Spend on families with no recourse to public funds has reduced for the past three years, but continues to exceed the current budget and depending on Brexit outcome we could see an increased pressure here.					
		Staffing Implications	N/a - relates to commissioned provision.					
		Business Plan implications	The growth will enable the service to meet its statutory duties for sufficiency of provision for looked after children and care leavers.					
		Impact on other departments	N/a.					
		Equalities Implications	Children's social care and youth inclusion supports vulnerable children and young people. Many of them and their families will have one or more protected characteristics. Growth in the placements budget will enable us to support these children and young people in appropriate placements until they leave care.					
		TOM Implications	Consistent with TOM which predicted likely pressures on providing suitable placements. (Growth of £1m in 2017/18 left a residual pressure in the placements budget of £1.7m which the service has worked hard to bring down). Also reflects higher numbers of older looked after children who need more flexible housing arrangements and the impact of NRPF (p41)					

Draft

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - GROWTH PROPOSALS

Panel	Ref	Description of Growth		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Type of Growth (see key)
C&YP		Description	Community Placement; Education Psychology Staffing; EHCP Taxi Transport Costs; SEND Team additional staffing.	2,291	244	224	230	GP1
		Service Implication	Reflects a) community placement half year cost anticipated for 20/21 after which ASC expecting no additional cost as will be a CHC case. Significant increase in EHCP requests has knock on effect on need for educational psychologists and Case Officers for the SENDIS Team; transport costs also expected to increase in line with % increase in EHCPs.					
		Staffing Implications	Anticipate increase of up to 4 FTE educational psychologists, and up to 8 Case Officer posts in SENDIS Team, with further, smaller increases in establishment expected in future years to match growth in numbers of children with additional needs.					
		Business Plan implications	The growth will enable the service to meet its statutory duties for sufficiency of provision for children entitled to an Education Health and Care Plan.					
		Impact on other departments	N/a.					
		Equalities Implications	The specialist services within Education for children with additional needs are targeted at children and young people with special educational needs and disabilities. This is a protected characteristic. Growth in these budgets will better enable us to support these children and young people appropriately until age 25 when the statutory duty ceases.					
		TOM Implications	With the exception of the community placement, which is a one-off situation, consistent with the TOM which clearly outlines the increasing demand in SEN services, rising faster than the general population, and notes the concomitant demand for SEN transport.					
		Total		3,847	404	384	390	

Type of Growth Key

GI1	Income: Decrease due to fall in demand for service
GI2	Income: Decrease due to reduction/deletion of service
GS1	Staffing: increase in level of service
GS2	Staffing: New service
GNS1	Non - Staffing: increase in level of service
GNS2	Non - Staffing: New service
GP1	Addition to Procurement / Third Party arrangements
GPROP	Increase in Property Related costs

Panel

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

DEPARTMENT: ENVIRONMENT AND REGENERATION GROWTH - BUDGET PROCESS 2020/21

Panel	Ref	Description of growth		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Type of Growth (see key)
SC	ENV1920-G1	Service/Section Description	Waste Services Waste, street cleansing, winter maintenance and fleet maintenance services contract (Phase C)	740				GNS1
		Service Implication	In line with the annual review process growth is required to maintain the core service provision in waste collection and street cleansing. This takes into account additional property growth and other contractual matters. Following the annual review process schedule 10 of the contract is revised and the core financial cost updated. This equates to £740k per annum for Merton.					
		Staffing Implications	None					
		Business Plan implications	None					
		Impact on other departments	None					
		Equalities Implications	None					
		TOM Implications	None					
SC	ENV1920-G2	Service/Section Description	Waste Services Waste, street cleansing, winter maintenance and fleet maintenance services contract (Phase C)	197				GNS1
		Service Implication	Merton, in common with the rest of the country, has experienced a significant increase in fly-tipping and abandoned waste. The service has been handling approximately 12,000 incidents across the borough each year. In order to take a proactive approach to fly tipping the service has implemented a new fly-tipping strategy and agreed action plan for 2020/21. The associated cost to address the increase in fly tipping is £197k.					
		Staffing Implications	None					
		Business Plan implications	None					
		Impact on other departments	None					
		Equalities Implications	None					
		TOM Implications	None					
Total				937	0	0	0	

Type of Growth Key

GI1	Income: Decrease due to fall in demand for service
GI2	Income: Decrease due to reduction/deletion of service
GS1	Staffing: increase in level of service
GS2	Staffing: New service
GNS1	Non - Staffing: increase in level of service
GNS2	Non - Staffing: New service
GP1	Addition to Procurement / Third Party arrangements
GPROP	Increase in Property Related costs

Panel

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

Childrens, Schools and Families

Growth Proposals 2020-24: Supplementary information

1. BACKGROUND

- 1.1 This appendix outlines the rationale for proposing growth items to support the Children, Schools and Families budget for 2020/21 and beyond. It should be read in conjunction with the two appendices: CSF Growth Calculation Workings (provided by CSF Finance) and DMT Growth Bid (provided by the Director).

2. DETAILS

- 2.1 This proposal for funding growth for the Children, Schools and Families directorate has two core components, growth items for the children's social care division and growth items for the education division. These two components are further subdivided into specific items, detailed below, and comprise funding pressures amounting to **£3.847m**.
- 2.2 In addition to the proposal for funding growth, CSF has worked to identify areas for which the current budget is over-generous, and where funds to the value of **£975k** could be repurposed to offset some of this growth. Furthermore, **£500k** growth has previously been agreed for CSF for 2020/21.
- 2.3 This leaves the outstanding, unfunded growth proposals amounting to **£2.372m**.
- 2.4 The proposed budget for Children's Social Care and Youth Inclusion for 2020/21 includes £815k savings covering a range of service areas, including where these may reduce the numbers of children and young people coming into our care, or reduce the costs of placements for the children we support. This has been taken into consideration in calculating the growth pressures. There are also cross-cutting savings arising from the Early Help redesign, which should provide for a more streamlined, effective and easily accessible service. However, we will continue to monitor the impact of this redesign across wider children's services functions to assess whether it increases demand pressure in any part of the service.
- 2.5 The **Children's Social Care and Youth Inclusion** growth items cover placements (including those for unaccompanied asylum-seeking children, supported housing, people with no recourse to public funds, support for former UASC care leavers).
- 2.6 The need for additional funds to cover these areas reflects the current cost pressures against the budget (i.e. these are areas which consistently overspend, despite rigorous efforts to bring costs down) and anticipated future pressures as follows:
- 2.6.1 Placements: children in care numbers are remaining stable (and are low compared with national and London averages), and Merton has low use of high cost residential placements. However, this budget is chronically overspent. The growth proposal, **£604k** in 2020/21 assumes that cost pressures will continue broadly as in the current year.
- 2.6.2 Supported housing: although children in care numbers are remaining stable, extended duties to care leavers (to age 25) and increasing cost pressures in this sector mean that even with stable numbers of looked after children costs

- continue to rise. Proposals to find lower cost housing alternatives for care leavers have been brought forward to make £400k savings in this area. Allowing for the success of this, the growth requirement will be **£92k** in 2020/21.
- 2.6.3 No recourse to public funds: The budget for this work, which is a statutory requirement, has been held at £21k for several years. However, the costs in this area have always significantly outstripped the budget. From a peak of c. £600k overspend, the service has worked steadily to manage these costs downwards. The current level of spend appears to be the lowest level possible consistent with meeting our duties to these families. We have therefore set the growth proposal at **£150k** in 2020/21. Depending on the outcome of Brexit we could see an increase pressure here in future years, but this has not been factored into this growth proposal as it remains the subject of significant uncertainty.
- 2.6.4 UASC placements and former UASC care leavers: Central government provides funding to cover some of the cost of meeting our statutory duties to unaccompanied asylum-seeking children and former UASC care leavers. However, the funding for UASC does not cover the full cost for these young people, and there is very significant underfunding for former UASC care leavers, especially in the context of our extended duties towards them. In addition, this council, in collaboration with all London Labour Councils has agreed to increase the number of UASC that we will accept into care. This has a knock-on effect on our numbers of former UASC care leavers. The growth proposal of **£710k** in 2020/21 therefore envisages expansion over the coming years because of the agreed increase in UASC numbers to 0.08% of Merton's child population and the care leaver duty applying to age 25 (which will continue to cause our care leaver numbers to expand until 2023/24).
- 2.7 Total value of the growth proposals in Children's Social Care and Youth Inclusion is therefore **£1.556m** for 2020/21, and a further £160k in each of the following 3 years. These growth proposals will enable the service to continue to meet its statutory duties to looked after children and to care leavers.
- 2.8 The proposed budget for Education for 2020/21 includes £489k savings covering a range of service areas, including those which should reduce the cost of Travel Assistance to children and young people with SEND. This has been taken into consideration in calculating the growth pressures. There are also cross-cutting savings arising from the Early Help redesign, which should provide for a more streamlined, effective and easily accessible service. However, we will continue to monitor the impact of this redesign across wider children's services functions to assess whether it increases demand pressure in any part of the service.
- 2.9 The **Education** items cover a single, high-cost community placement, plus education psychology and SENDIS Team staffing, and transport costs for children with an Education, Health and Care Plan.
- 2.10 The need for additional funds to cover these areas reflects current cost pressures against the budget (for the community placement and EHCP transport costs), and also the significant pressures in the Educational Psychology and SENDIS Teams in responding to the sharp increase in the number of children with an EHCP. Although the teams have continued to try to manage within existing resources, it's clear that caseloads running into the hundreds are not sustainable for the workers involved. It is also likely that by

increasing capacity in these teams, we will be better able to manage some of the other demand pressures in the area of SEND.

- 2.11 Community Placement: There is no budget at all for complex community placements as young people requiring this kind of support are so rare. However, Merton has one young person, the cost of whose placement has consistently run into hundreds of thousands. Thanks to ongoing negotiation on these costs with the CCG, the Merton share of these costs is now confirmed to be <£400k. The growth proposal makes sure that there is a budget to cover the remaining part year of these costs in 20/21, after which the young person becomes an adult, and all health and social care costs will then be covered by continuing healthcare funding. The growth required is therefore **£200k** for one year only.
- 2.12 Educational Psychologists and SENDIS Officers: The significant increase in ECHP requests has a knock on effect on the need for Educational Psychologists (who assess children's additional educational needs) and for Case Officers in the SENDIS Team who process applications for Education Health and Care Plans and the annual reviews of established EHCPs, and for related posts/roles in the service that ensure this work is progressed appropriately.
- 2.13 The Educational Psychology service has 3,234 open cases of children and young people aged 0-25. The current staffing of 15 FTE equates to caseloads of 215 per FTE Educational Psychologist. The growth proposals assume an increase of up to 4 educational psychologists over the next 2 years, with 2+ being deployed in 2020/21 at an anticipated cost of up **£195k** in 2020/21, pending a comprehensive review of the service to balance the statutory and 'buy back' work that staff are engaged in, and a further 1 educational psychologist in 21/22, in the light of projected ongoing increases in the number of children needing an EHCP.
- 2.14 For the SENDIS Team Case Officers, who are currently holding impossibly high caseloads of up to 300 (avg per officer = 236), to the detriment of their own wellbeing as well as to the quality and timeliness of the EHCPs, the proposal anticipates an increase of at least 6 Case Officers in 20/21, which will enable a reduction in caseloads towards the recommended 100-120 per Case Officer (avg 129), plus related roles of 1 x Quality and Compliance Officer and 2x Assessment Planning and Review Officers at a cost of **£400k**, with a further 2 Case Officers in 21/22 and an additional Case Officer in 22/23 and 23/24 to keep pace with demand of both new EHCPs and annual reviews. The service will deploy postholders / roles flexibly to enable it to address those parts of the system which have the greatest bottlenecks or backlogs.
- 2.15 SEND Transport Costs: This proposal reflects the ongoing pressure in the home to school transport budget, which has consistently overspent, year after year, despite the service constantly looking for the most cost-effective transport options for new routes etc. The service has also had £500k growth in 2018/19, but this has not been sufficient to offset the ongoing increases in the number of children eligible for their transport costs to be covered by the local authority. Although the numbers change constantly, at the time of writing there are currently 622 young people provided with SEN Travel Assistance, of which the majority (356) are transported by taxi. The growth proposal to full cover the cost increase and balance this budget in the first year is **£1.496m**, with further, smaller additional sums in future years. This assumes that costs will rise in line

with the % increase in EHCPs because – although not all EHCPs require transport costs, the proportion of EHCPs that do require transport costs is not thought likely to shrink in the coming years until more in-borough provision comes on stream.

- 2.16 The total value of the growth proposals in **Education** is therefore £2.291m for 2020/21, a further £244k in 2021/22, £224k in 2022/23 and £230k in 2022/23. These growth proposals will enable the service to continue to meet its statutory duties for sufficiency of provision for children entitled to an Education Health and Care Plan.

3. ALTERNATIVE OPTIONS

- 3.1 The Children, Schools and Families directorate continues to take management action to reduce overspends wherever possible, and to develop and improve practice in order to reduce demand and other pressures on the service. In several of the areas for which growth proposals are outlined above, this has led to year on year reductions in the unit cost, or total cost of the services provided. There are also savings proposals for 20/21 related to some of these areas. However, the continuing overspend of the allocated budgets, in some cases, or the chronic lack of capacity in other areas strongly indicates that only additional funding will bring these budgets back into balance, given the extent of the demand for these statutory services.
- 3.2 In addition to the growth proposals outlined above, the Children, Schools and Families Directorate intends to convert a set of agency social work posts - funded through previous budget growth – into permanent established posts. The growth has been fully incorporated into the service budget but the fact that there hasn't been a corresponding increase to the social worker establishment means that these posts can't be recruited to permanently, and as a consequence higher cost agency staff are being deployed on long term assignments. This is not cost effective. The conversion of these agency posts to permanent does not require any additional growth, and may well - in due course – lead to savings if we are successful in recruiting permanent staff to these vacancies. However, this will not obviate the need for growth in the other areas outlined above.
- 3.3 Offsetting Growth Proposals: The service has identified budgets that are considered likely to underspend in 2020/21 and proposes that these budgets are reduced by the following amounts in the following areas:
- Revenue costs of capital projects -£200k
 - Legal hard charging -£75k
 - PFI Unitary charges -£400k
 - Pension and redundancy costs -£300k
- 3.4 If these budgets are reduced by these amounts in 2020/21, the growth proposals could be offset by £975k.

4. TIMETABLE

- 4.1 For the majority of the areas covered by these growth proposals, the services will continue to operate as before, with rigorous budget management practices applied. However, in the Educational Psychology and SENDIS Teams, as soon

as the growth proposals are agreed, the services would go out to recruitment on the positions to be added to the establishment, in order to secure the new post holders as early in the new business year as possible.

5. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1 If agreed, the gross value of these growth proposals is £3.847m in 20/21, £404k in 2021/22, £384k in 2022/23 and £390k in 23/24. The net value of the proposals, allowing for a £975k offset from current underspending budget areas in the first year, and for £500k growth already agreed for (2020/21) would be £2.372m in 2020/21, £404k in 2021/22, £384k in 2022/23 and £390k in 23/24.

6. LEGAL AND STATUTORY IMPLICATIONS

- 6.1 The growth proposals are focused on those areas of work for which the Children, Schools and Families directorate has statutory responsibilities and will assist in ensuring that the directorate is meeting its statutory duties and continues to do so. Where savings have been made to non-statutory functions (e.g. Early Help) the directorate will continue to monitor whether these changes are leading to demand pressure in the statutory services.

ANNEX - CSF GROWTH CALCULATION WORKINGS

Three Year budget forecast
Optimistic case

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	NOTES
MTFS Budget original (excl overheads)	55,709	56,237	57,057	57,655	57,655	
In-year adjustments	516	-79	-79	-79	-79	Reserve adjustments are reversed in 2020/21, permanent virements continue in future years
MTFS Budget	56,225	56,158	56,978	57,576	57,576	
Outturn bfwd (net)	58,040	57,806	57,739	58,560	59,157	19/20 as at P6, the expenditure for each subsequent year assumes no additional growth at this stage
DSG contribution to overheads	-233					Assume that DSG will continue to fund overheads at current level
PFI adjustments included in future year budgets		448	240	17		Adjustments required as per the PFI affordability schedule
Remove one-off reserve adjustments in 2019/20		-596				Reserve funding are not included in the baselines. They are only included for one year and therefore removed for future years
Growth agreed in previous years		500				Assume growth agreed in previous years will continue and is therefore removed from additional growth required, see below
Savings agreed in previous years		-1,000				Assume all future year savings are deliverable
Non-staffing inflation		581	581	581		Non staffing inflation cost as agreed per corporate process and already built into MTFS, therefore figures below are increased for caseload increases only but not for inflation again
Forecast outturn (net)	57,806	57,739	58,560	59,157	59,157	
Forecast in-year over spend as at Sep 19	1,581	1,581	1,581	1,581	1,581	
SEN Team additional staffing		400	500	550	550	Due to the increase in caseloads, significant DSG cost pressures and action required by the SEN inspection, an investment in the SEN resources is crucial to support this service.
Non-recurring underspends		548	548	548	548	Some of the underspends in the current financial year are unsure for future years, some are unsustainable, and some has been given up as savings towards the CSF savings target
Community placement reduction expected		-185	-385	-385	-385	This placement is included in the current year overspend, but is expected to reduce next year due to the age of the child and then stop in 2021/22 as adults do not pick up continuing health care costs. Any education cost will continue to be picked up by the DSG.
UASC placements and previous UASC that are now Care Leavers		159	319	479	479	Expect expansion over next 7 years due to increase in agreed numbers to 0.08% plus Care Leaver duty to 25. (£434 average weekly cost x 7 expected increase x52 weeks)
Education Psychology staffing			60	60	60	Assume one more post required in 2021/22 due to numbers of EHCPs continuing to increase.
EHCP Transport cost		370	652	826	826	Assume costs will increase in line with % increase in EHCPs
Forecast future over spend	1,581	2,872	3,275	3,659	3,659	
Growth agreed in previous years		-500	-500	-500	-500	
Cumulative growth required for future years		2,372	2,775	3,159	3,159	
Annual growth required for future years		2,372	403	384	0	

		2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	
Growth detail							
ART- placements (Fostering, residential, mother & baby and secure)	1,000,000	604	604				Assume cost pressures will continue as in current year
ART- supported housing		92	92				Assume cost pressures will continue as in current year as £400k saving in for 2020/21
Community placement		385	200	-200			Community placement half year cost expected for 2020/21 after which ASC expecting no expense as continuing care case
No Recourse to Public Funds	150,000	150	150				Depending on Brexit agreement we could see further pressure here
UASC placements and previous UASC that are now Care Leavers	500,000	551	710	160	160	160	Expect expansion over next 7 years due to increase in agreed numbers to 0.08% plus Care Leaver duty to 25. (£434 average weekly cost x 7 expected increase x52 weeks)
Education Psychology staffing	150,000	195	195	60			Assume one more post required in 2021/22 due to numbers of EHCPs continuing to increase.
EHCP Taxi Transport cost	1,000,000	1,127	1,496	284	174	180	Assume costs will increase in line with % increase in EHCPs, except for 2019/20 where a current 12% taxi cost is forecast compared to a 18% expected increase in EHCPs
SEN Team additional staffing	400,000	-113	400	100	50	50	Assume two more post required in 2021/22 and one more in 2022/23 due to numbers of EHCPs continuing to increase.
Gross growth	3,200,000	2,991	3,847	404	384	390	
Underspends to offset growth							
Revenue Costs of Capital Projects	200,000	-200	-200				
Legal hard charging	50,000	-144	-75				
PFI Unitary Charges	200,000	-459	-400				
Pension & Redundancy Costs	200,000	-368	-300				
Various unsustainable one-off management action		-239					Cannot be delivered in future years as underspends have been put forward as 2020/21 savings
Gross underspends	650,000	-1,410	-975	0	0	0	
Net growth	2,550,000	1,581	2,872	404	384	390	
Cumalitive net growth			2,872	3,275	3,659	4,049	

Section E

Service Planning

E. SERVICE PLANNING

Our proposed 20 Final Service Plans, and three Final Commissioning Plans for our commissioned services, are set out in the following pages.

The three Commissioning Plans are:

- Merton Adult Education
- Parks and Green Spaces
- Waste Management and Cleansing

Service Plans were developed by service departments during the 2020/24 Business Planning process. The attached Second Draft Service Plans will be considered by Cabinet on 27 J a n u a r y 2020 and incorporated into the Information Pack for scrutiny by the Overview and Scrutiny Commission and Panels during the February 2020 cycle of meetings.

The proposed Final Service Plans being presented here will be considered for approval by Council on 4 March 2020.

The service plan is designed to be a two page document. The first page summarises key resources, drivers, performance and budgets and the second page focuses on the outcomes and benefits of major projects.

Departmental managers were issued with guidance to clarify their understanding of the process and to ensure quality and consistency of submitted plans, and each department reviewed the appropriateness of their service plans during the process. An overview of this guidance is provided below:

Front Page

- Service description: Concise description of the service's key activities and how they might change over the next four years
- Anticipated demand: Details of the demands on the service
- Anticipated non-financial resources: Details of the key resources used to deliver the service
- Corporate strategies: The key strategies to which the service contributes
- Performance indicators: The key monthly, quarterly, or annual performance indicators for the service including their targets
- Budget information: Full details of previous, current and future years' budget, including future anticipated budgetary changes

Back page

Details of major projects and/or procurement being undertaken during 2019/20 including:

- Project timeframe
- Project description
- Major expected benefits of the project (consistent with the benefit categories used by the Merton Improvement Board)
- Risk assessment relating to the project's completion

Below are our Service Plans for 2020/24 in departmental order:

Index of Departmental Service and Commissioning Plans

Children, Schools and Families	Community and Housing	Corporate Services	Environment and Regeneration
Children's Social Care	Adult Social Care	Corporate Governance	Development & Building Control
Education	Housing Needs & Enabling	Customers, Policy and Improvement	Future Merton
	Libraries	Human Resources	Leisure & Cultural Development
	Merton Adult Learning*	Infrastructure & Technology	Parking
	Public Health	Resources	Parks & Green Spaces*
		Shared Legal Services	Property
			Regulatory Services Partnership
			Safer Merton
			Transport
			Waste Management and Cleansing *

*Commissioning Plan

Children Schools & Families

Children's Social Care & Youth Inclusion
Cllr Kelly Braund: Cabinet Member for Children's Services
 Enter a brief description of your main activities and objectives below

Children's Social Care (CSC) delivers a range of government prescribed & legislated functions to children at risk of harm, children in care, care leavers & children under the supervision of youth justice services, as well as wider services for families.

CSC works with children who meet the threshold of statutory intervention. Over the 2018-19 financial year, there were 5,908 contacts, 226 children that were looked after at some point in the year and 399 children subject to a Child Protection plan at some point in the year. There were 274 young adults who met the Care Leavers eligibility criteria (as at 31 Mar 19). There were 36 First-Time Entrants (FTE) to the YJS.

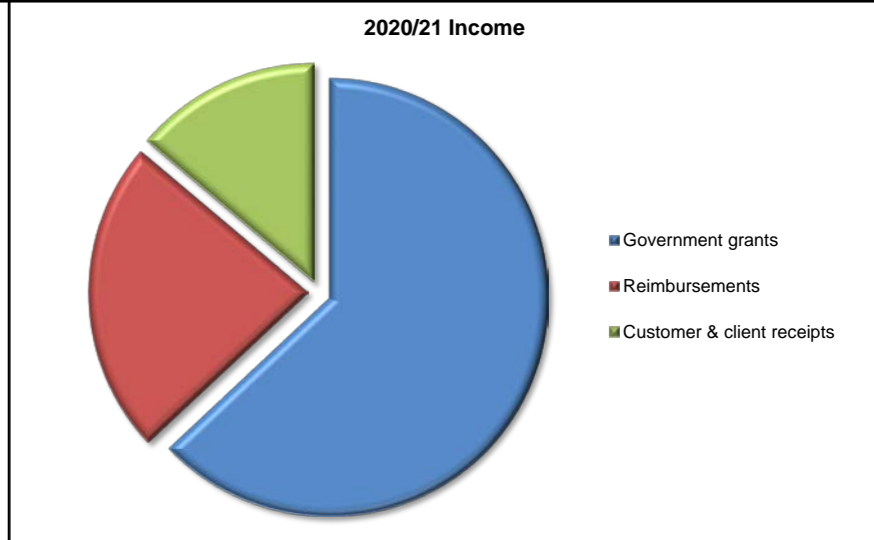
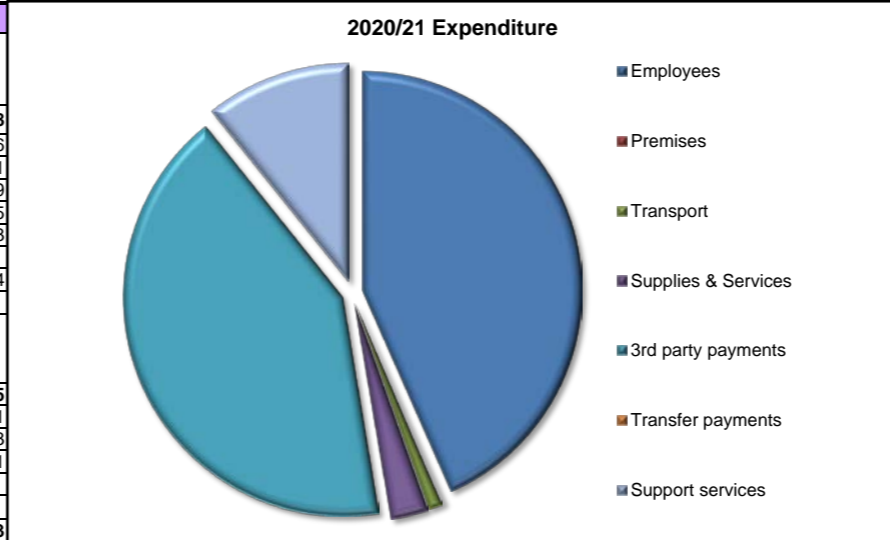
We also interface with Early Help services and wider children's services partners to secure effective step-up and step-down provision as part of a holistic service offer for Merton families.

Merton has lower rates of children subject to child protection plans and looked after than the majority of London Boroughs, as well as lower rates of first time entrants to the criminal justice system. We work with our families to enable them to safely care for their own children and we continuously challenge ourselves to find new ways of ensuring that our responses prioritise early intervention. This allows us to minimise the use of costly high end interventions with our families & promote family strengths to enable them to safely care for their own children.

Our Youth Inclusion Service provides a range of targeted services to support vulnerable young people & their parents. We work with children who are under supervision in the YOT, those who are at risk of contextual threats as well as those children who have left care. The Access to Resources Team covers placements and commissioning for children in our care and those with care experience. Our strategies and annual sufficiency statements drive placement and commissioning decisions and the strategy for recruiting in-house foster carers.

Anticipated demand		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	The Corporate strategies your service contributes to		
Population growth - Care leavers		+1 (129)							Looked After Children & Care Leavers Strategy Children and Young People's Plan	
Population growth - Child Protection Plans		+26 (399)								
Increase in 0-19 population		+600 (52,230)		+500 (2019/20) +400 (20/21)	+400	+300	+300			
UASC - increased numbers as part of the pan-london rota system		+9 (32)		+5 to 37 (2019/20) +1 (2020/21)	+1	+1	+1			
Anticipated non financial resources		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
Staff (FTE subject to change as a result of restructures)		220	205	186	186	186	186			
Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23 (P)	2023/24(P)				
Number of in-house foster carers recruited	18	15	20	20	20	20	High	Quarterly	Outcome	Increased costs
% children who become subject of a Child Protection Plan for a second or a subsequent time	19	12-20%	12-20%	12-20%	12-20%	12-20%	Range	Monthly	Outcome	Safeguarding issues
% of children in care experiencing 3 or more placement moves	7	10	Below pan London benchmark	Below pan London benchmark	Below pan London benchmark	Below pan London benchmark	Benchmark	Monthly	Outcome	Safeguarding issues
Care Leavers who are in ETE (under 21 years old)	48	70	Same as all Merton children	Same as all Merton children	Same as all Merton children	Same as all Merton children	Benchmark	Quarterly	Outcome	Social exclusion
Care Leavers who are in suitable accommodation	77%	91%	95%	95%	95%	95%	High	Quarterly	Outcome	Safeguarding issues
% of single assessments completed within 45 days	N/A	N/A	100%	100%	100%	100%	High	Monthly	Business critical	Safeguarding issues
% fostered children living in in-house provision	N/A	N/A	TBC	TBC	TBC	TBC	High	Monthly	Outcome	Social exclusion
% of children over age of 4 participating in LAC reviews	N/A	N/A	100%	100%	100%	100%	High	Monthly	Outcome	Safeguarding issues
% of children over age of 4 participating in child protection reviews	N/A	N/A	100%	100%	100%	100%	High	Monthly	Outcome	Safeguarding issues
Proportion of children in care living outside the authority	N/A	N/A	Better than London average	Better than London average	Better than London average	Better than London average	Benchmark	Monthly	Outcome	Social Exclusion
% of children re-referred in the last 12 months	N/A	N/A	20-25%	20-25%	20-25%	20-25%	Range	Monthly	Outcome	Social exclusion
Number of offences per young person re-offending	N/A	N/A	Below statistical neighbours	Below statistical neighbours	Below statistical neighbours	Below statistical neighbours	Benchmark	Monthly	Outcome	Social exclusion
Rate of proven re-offending for children in the youth justice system	N/A	N/A	Below statistical neighbours	Below statistical neighbours	Below statistical neighbours	Below statistical neighbours	Benchmark	Monthly	Outcome	Social exclusion

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	24,769	27,573	24,644	894	24,153	24,149	24,503	24,858
Employees	11,605	11,732	11,424	(654)	10,482	10,483	10,485	10,486
Premises	57	61	60	9	60	61	61	61
Transport	230	272	235	20	240	243	246	249
Supplies & Services	659	1,631	681	453	659	668	677	685
3rd party payments	9,682	11,207	9,650	1,066	10,118	10,100	10,440	10,783
Transfer payments	0	6	0					
Support services	2,536	2,664	2,594		2,594	2,594	2,594	2,594
Depreciation	0	0	0		0	0	0	0
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	1,334	1,481	1,289	260	876	874	874	875
Government grants	1,058	855	1,086	285	552	551	551	551
Reimbursements	225	512	203		203	202	202	203
Customer & client receipts	50	113		(25)	121	121	121	121
Reserves								
Capital Funded								
Council Funded Net Budget	23,435	26,092	23,355	1,154	23,277	23,275	23,629	23,983
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
	0	0	0	0	0	0	0	0



Summary of major budget etc. changes

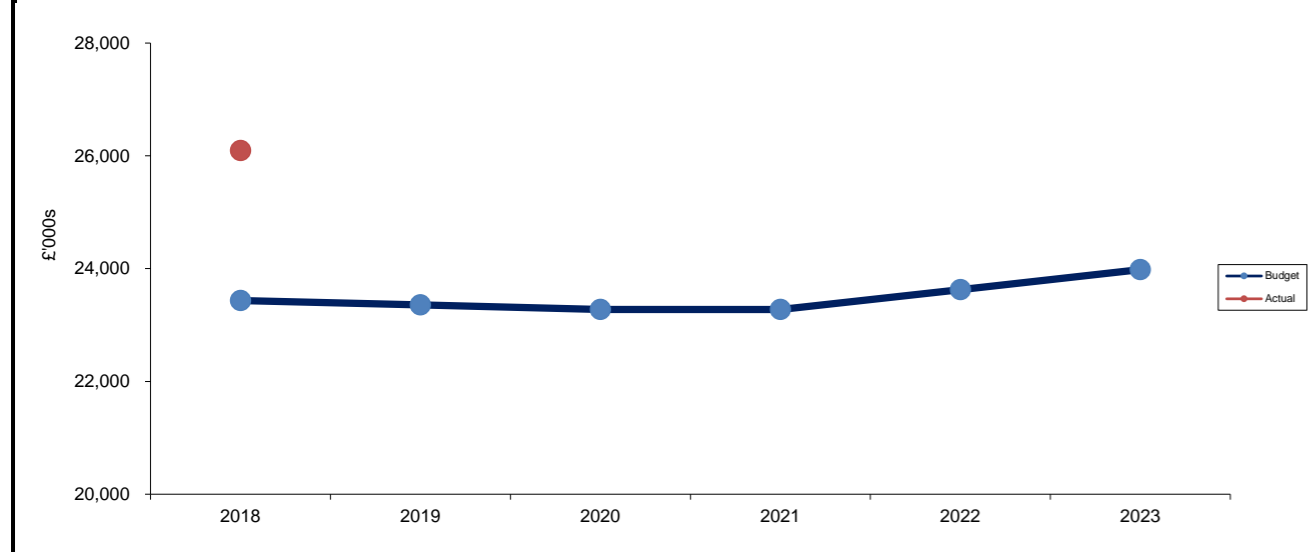
2020/21

CSF Business Support Restructure - £200,000
 Review eligibility criteria and services for most vulnerable clients - £200,000.
 Review of CSF admin structure - estimate for children social care - £50,000.
 Establish more cost effective independent living provision - £400,000
 Review and reshape of shortbreaks provision across CWD, Brightwell, commissioned provision and the in house shortbreak service- £200,000

2021/22

Review and reshape of shortbreaks provision across CWD, Brightwell, commissioned provision and the in house shortbreak service- £200,000
 Increased use of in-house foster carers - £40,000

2022/23



DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD								
Children's Social Care & Youth Inclusion								
PROJECT DESCRIPTION				MAJOR PROJECT BENEFIT		Risk		
				Likelihood	Impact	Score		
Project 1		Early Help and Family Wellbeing Service Development		Improved effectiveness		4	3	12
Start date	2019/20	Project Details:	An Early Help review has taken place and as a result implementation and mobilisation of the new Family Wellbeing Service is under way. This will improve our service offer so that children and families can swiftly access the right services at the right time, reducing the need for statutory intervention. A review to support the re-structure will take place in allied teams and services within CSC&YI and the Education Division to support improved ways of working.					
End date	2023/24							
Project 2		Contextual Safeguarding		Improved effectiveness		4	3	12
Start date	2019/20	Project Details:	Contextual safeguarding approaches will be embedded across CSC&YI system and structures building on grant-funded initiatives which will lead to better identification and safety of vulnerable young people and a reduction in serious youth violence.					
End date	2023/24							
Project 3		Supporting Technology and Infrastructure		Improved efficiency (savings)		3	3	9
Start date	2019/20	Project Details:	The practice model will be embedded into IT systems and social workers provided with the tools to enable them to work more smartly and efficiently with clients. Social workers will also receive support to avoid duplication in records. CSF will work with colleagues in IT to address identified challenges in existing case management system.					
End date	2020/24							
Project 4		CSC&YI Workforce		Improved staff skills and development		4	3	12
Start date	2020/21	Project Details:	Review of existing structures continues to better align delivery to need and priorities. Strong focus remains on our recruitment and retention strategy and we continue to develop our Practice Model to support this. We continue the development and delivery of Signs of Safety/Signs of Well Being and this is being embedded across the department. We are supporting/complementing this with a programme to deliver both Systemic Practice and Motivational Interviewing across the department.					
End date	2023/24							
Project 5		Innovation work streams		Improved effectiveness		3	2	6
Start date	2020/21	Project Details:	There are a number of developments that are planned within CSC to improve services and practices including the Mockingbird Programme, Family Networking, emotional well-being in the Looked After Service and reviewing our estate to improve semi-independent accommodation offer.					
End date	2023/24							
Project 6		Early Help and Family Wellbeing Model Development		Improved effectiveness		3	2	6
Start date	2020/21	Project Details:	As part of wider changes to Early Help services and approach, the Safeguarding Children Partnership will review the current wellbeing model (thresholds document) with partners. This will enable statutory and non-statutory partners to identify need earlier, and put in place integrated responses based on a shared understanding of risk and need.					
End date	2023/24							
Project 5		Supported Accommodation for Care Experienced Young Adults		Improved effectiveness		3	2	6
Start date	2020/21	Project Details:	There is a shortage of good quality and cost-effective supported accommodation for care experienced young adults for whom LB Merton has statutory duties. There are opportunities to more effectively commission supported accommodation as well as exploring vacant and privately let domestic buildings in the school estate which might be suitable for re-purposing.					
End date	2023/24							

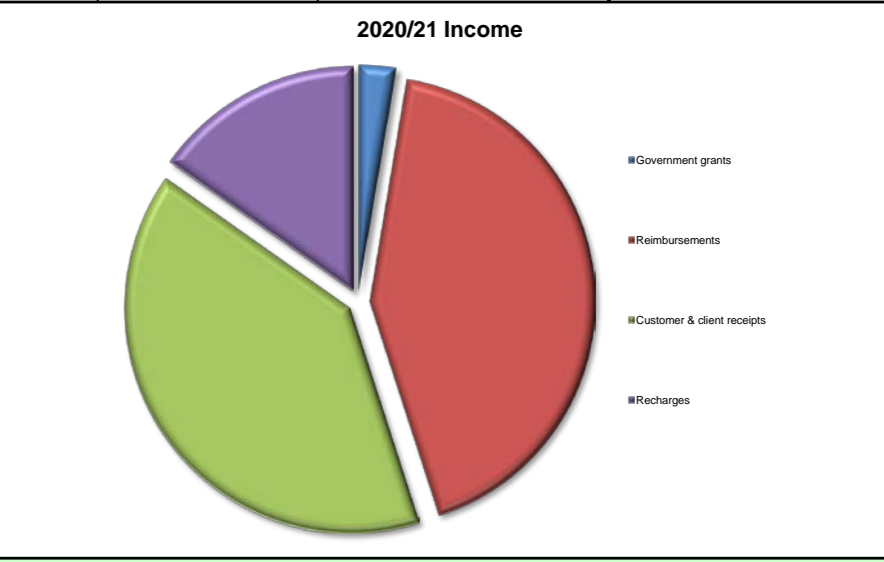
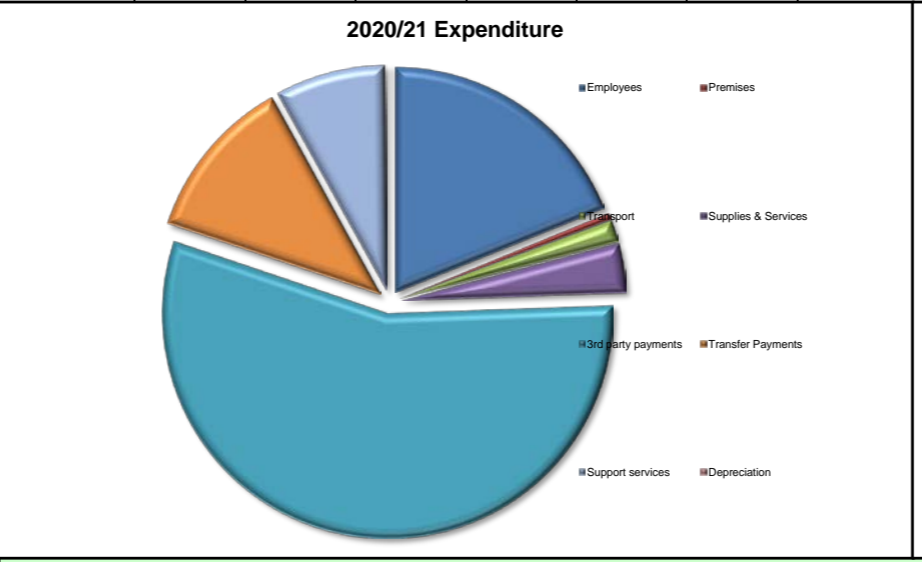
APPENDIX 8

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD							
Education							
PROJECT DESCRIPTION				MAJOR PROJECTS BENEFITS		Risk	
				Likelihood	Impact	Score	
Project 1		Project Title:	Early Help and Family Wellbeing Service Development		Improved effectiveness		
Start date	2019-20	Project Details:	An Early Help review has taken place and as a result implementation and mobilisation of the new Family Wellbeing Service is under way. This will improve our service offer so that children and families can swiftly access the right services at the right time, reducing the need for statutory intervention. A review to support the re-structure will take place in allied teams and services within CSC&YI and the Education Division to support improved ways of working.		4	3	12
End date	2023-24						
Project 2		Project Title:	Improving pupil outcomes at KS5 & School Improvement through partnership with schools(Edn TOM)		Improved effectiveness		
Start date	2019-20	Project Details:	An Early Help review has taken place and as a result implementation and mobilisation of the new Family Wellbeing Service is under way. This will improve our service offer so that children and families can swiftly access the right services at the right time, reducing the need for statutory intervention. A review to support the re-structure in allied teams and services within CSC&YI will take place to support improved ways of working. As part of these wider changes to Early Help services and approach, the Safeguarding Children Partnership will review the current wellbeing model (thresholds document) with partners. This will enable statutory and non-statutory partners to identify need earlier, and put in place integrated responses based on a shared understanding of risk and need.		2	3	6
End date	2020-21						
Project 3		Project Title:	SENDIS IT Infrastructure programme		Improved customer experience		
Start date	2019-2020	Project Details:	A programme to oversee the introduction of both an EHCP Hub as well as electronic case management system to support Merton's SENDIS service. This programme will facilitate joint ownership of EHCP assessment, review and planning process across the partnership by providing a secure platform for multiple professionals to work together securely online in the best interests of the child or young person and their parents/guardians. It will also provide a secure web-based platform for the SENDIS case recording and performance reporting. It will also migrate existing EHCPs to the portal to schedule annual reviews of plans as may be required employing the agreed approaches for the implementation as well as migrate existing SEN, Sensory and Education Psychology team's documents to the solution as part of the implementation.		3	3	9
End date	2020-21						
Project 4		Project Title:	Implement SEND Action plan and DSG recovery plan		Improved customer experience		
Start date	2019-2020	Project Details:	Following the agreement of the SEND Strategy and DSG Recovery Plan, the key actions will need to be implemented. This will include a focus on widening the Local Offer, preparation for adulthood pathways and early identification pathways. The DSG recovery plan provides a number of strategies to prevent further increases in spend but will be further influenced by visits and possible direction from the Department for Education. A SEND action plan is being developed alongside the SEND Strategy which will detail the key activity and performance measures that will be monitored to achieve each strategic objective. Progress will be overseen by the multi-agency SEND Strategic Implementation Board and the Children and Young People's Integrated Commissioning Group and will also be reported to Merton's Children's Trust Board.		3	3	9
End date	2019-20						
Project 5		Project Title:	Implementation of Secondary & Special School (SEN) Places Strategy (EducationTOM)		Infrastructure renewal		
Start date	2015-16	Project Details:	To progress further projects to provide additional state special school places in Merton, and in particular the expansion of Melrose School and an additional site for children with ASD (Autism Spectrum Disorder). To continue to work with Merton mainstream schools to encourage inclusion wherever possible with a strategy to avoid any further secondary places permanent expansions unless it is absolutely necessary and to continue to closely monitor the demand for secondary school places to ensure sufficient places are being provided.		4	3	12
End date	2021-22						
Project 6		Project Title:	SEN Transport commissioning review		Improved efficiency (savings)		
Start date	2019-20	Project Details:	Work with C&H and E&R departments to review the most efficient means of commissioning SEN transport, including 'make or buy' review of in-house buses and review of most efficient mix between taxi and bus commissioning. Review of SEND Transport policy including use of Personal Budget to reduce Merton commissioned transport dependence		4	3	12
End date	2021-22						
Project 7		Project Title:	Early Help and Family Wellbeing Model Development		Improved efficiency (savings)		
Start date	2019-20	Project Details:	As part of wider changes to Early Help services and approach, the Safeguarding Children Partnership will review the current wellbeing model (thresholds document) with partners. This will enable statutory and non-statutory partners to identify need earlier, and put in place integrated responses based on a shared understanding of risk and need.		4	3	12
End date	2021-22						

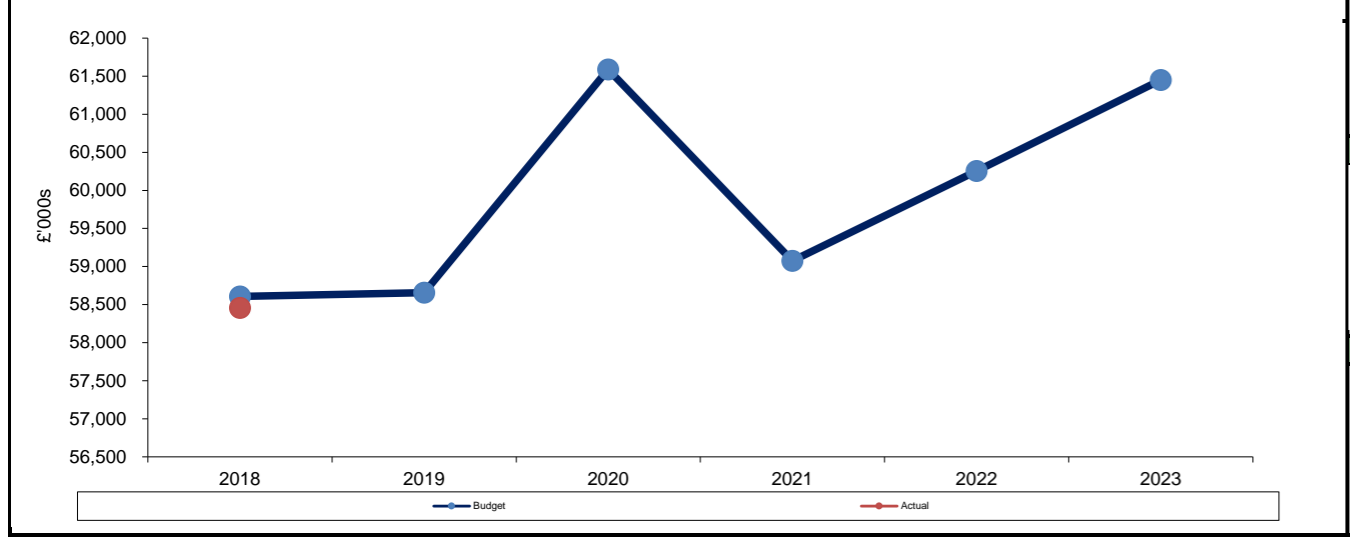
Community & Housing

Adult Social Care	Planning Assumptions						Strategies your service contributes to				
Cllr Tobin Byers: Cabinet Member for Adult Social Care, Health & the Environment	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Enter a brief description of your main activities and objectives below	No. of people requiring services	3,252	3,191	3,170	3220	3220		Health & Wellbeing Strategy			
	People aged 85-89	335	315	293	315	315		Care Leaver Strategy			
	People aged 95+	185	180	175	175	175		Community Plan			
	No. of people aged 65+ with dementia	419	431	448	500	500		Early Intervention and Prevention Strategy			
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Staff (FTE)	340.59	357.69	384.46	384.46	384.46	384.46		Employment and Skills Action Plan			
								Workforce Strategy			
The Care Act 2014 is the legislation that underpins the statutory function of ASC. ASC works with people 18 and above and their carers who are in need of support. The Act sets a new national eligibility criteria to define eligibility for services. Our approach to the redesign of services is to keep the customer as independent as possible, for as long as possible in their own home. We aim to keep people in their communities with their friends and family network around them and out of institutionalised care or hospital. We aim to maximise people's independence with the use of equipment, telecare, reablement, utilising the voluntary sector to limit isolation and loneliness, working with CLCH and our partners in health to ensure that people's health needs are met keeping people healthy and out of hospital. We will work with our partners in health and the voluntary sector to integrate services in line with the requirements of the Care Act and the NHS Five Year Plan. This work is overseen by the Merton Health & Care Partnership Board.	Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
	No of Carers receiving services and/or information and advice	1171	1020	1180	1200	1250	1300	High	Monthly	Business critical	Breach statutory duty
	% people receiving "long term" community services	74	72	72	72	72	72	High	Monthly	Business critical	Increased costs
	No. of DTOCs - Adult Social Care delays only	704	1424	TBC by NHSE	TBC by NHSE	TBC by NHSE	TBC by NHSE	Low	Monthly	Business critical	Increased costs
	% of older people (65 and over) still at home 91 days after discharge from hospital into reablement/rehabilitation services	83.8	78.8	78.8% but TBC by BCF	78.8% but TBC by BCF	78.8% but TBC by BCF	78.8% but TBC by BCF	High	Annual	Outcome	Increased costs
	% of MASCOT calls answered in 60 seconds	97.68	97.5	97.5	97.5	97.5	97.5	High	Monthly	Quality	Increased waiting times
	Safeguarding Concerns to Enquiry Conversion Rate	N/A	N/A	30%	31%	32%	33%	High	Monthly	Business critical	Safeguarding issues
	Proportion of adults with a learning disability known to us in paid employment	N/A	N/A	30	31	32	33	High	Monthly	Outcome	Social exclusion

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	82,098	84,817	81,393	3,673	84,697	82,182	83,364	84,557
Employees	14,280	15,209	15,610	935	15,980	15,958	15,961	15,972
Premises	344	236	352	(55)	416	417	422	428
Transport	1,454	1,701	1,360	149	1,349	1,368	1,391	1,402
Supplies & Services	3,441	3,578	3,007	456	2,960	3,003	3,047	3,090
3rd party payments	46,235	47,628	44,330	2,203	47,186	44,180	44,836	45,508
Transfer Payments	9,882	9,709	9,894	(16)	9,986	10,437	10,888	11,338
Support services	6,304	6,598	6,681	-	6,681	6,681	6,681	6,681
Depreciation	158	158	158	-	139	139	139	139
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	23,490	26,360	22,735	(3,863)	23,108	23,108	23,108	23,108
Government grants	1,559	2,310	337	(3,611)	607	607	607	607
Reimbursements	9,810	13,517	9,796	(2,588)	9,799	9,799	9,799	9,799
Customer & client receipts	9,088	7,222	9,085	2,335	9,185	9,185	9,185	9,185
Recharges	3,034	3,311	3,516	-	3,516	3,516	3,516	3,516
Reserves	-	-	-	-	-	-	-	-
Capital Funded	-	-	-	-	-	-	-	-
Council Funded Net Budget	58,607	58,457	58,658	(191)	61,589	59,074	60,256	61,450



Summary of major budget etc. changes	
2020/21	Growth for Concessionary fares increase - £92k Includes savings of £2.5m We are awaiting the Adult Social Care Green Paper and the Comprehensive Spending Review in 2019 to understand the medium and longer term funding of that service.
2021/22	Growth for Concessionary fares increase - £0.542m
2022/23	Growth for Concessionary fares increase - £0.992m Included savings of £4.7m
2023/24	Growth for Concessionary fares increase - £1.4m.

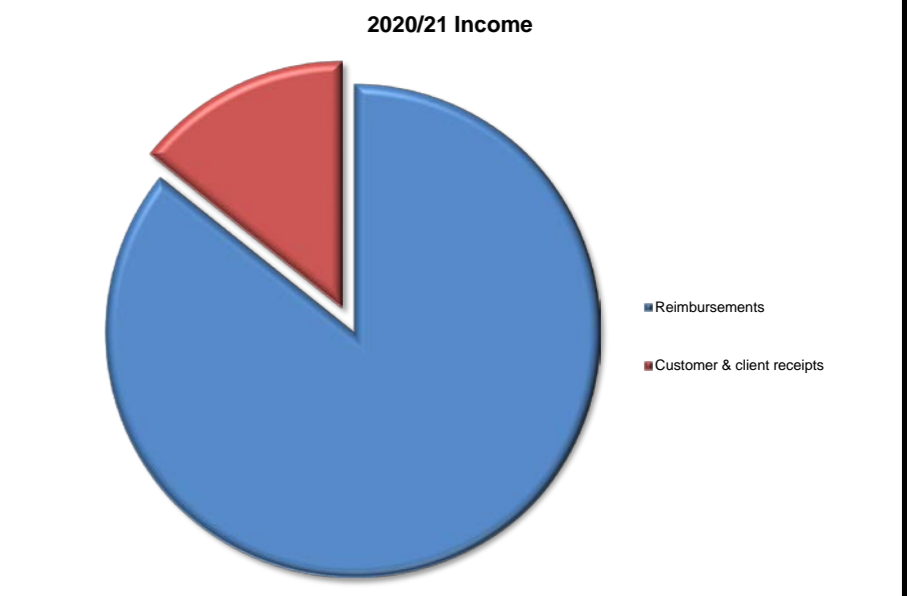
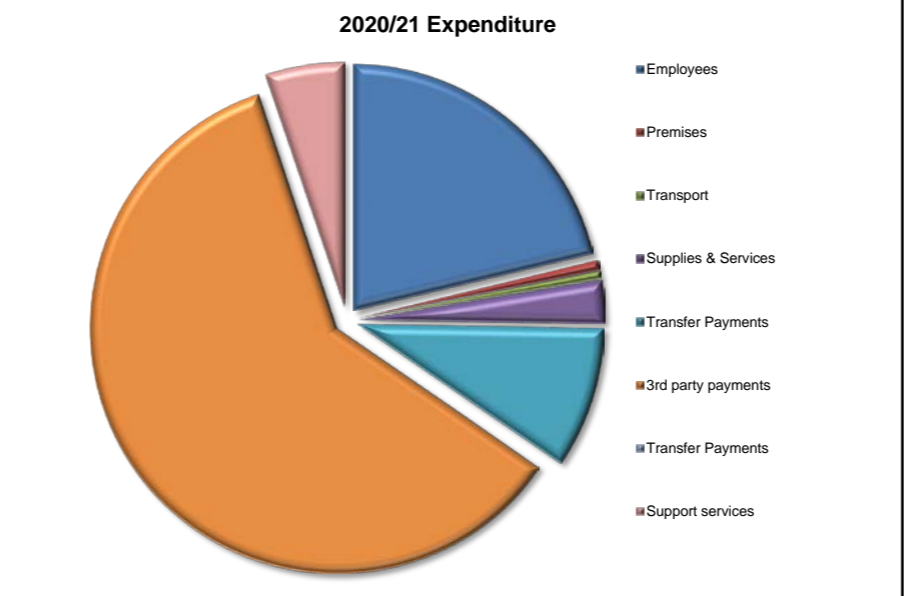


DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD						
Adult Social Care						
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk	
			Likelihood	Impact	Score	
Project 1		Project Title:	Working with health		Improved customer experience	
Start date	2019-20	Project Details:	Take forward an integrated approach to community health and care services, working with health partners and the voluntary sector to create a seamless offer to communities and to bring together physical and mental health services. Market engagement in early 2020 will determine the form and scope of the project. We will also continue to work closely with CLCH to bring services closer together.	4	3	12
End date	2022-23					
Project 2		Project Title:	Commissioning		Improved sustainability	
Start date	2019-20	Project Details:	We will develop the commissioning, contract management and quality assurance functions necessary to ensure Merton has sufficient supply of diverse and sustainable care provider markets to meet the care and support needs of borough residents either through direct commissioning activity or indirect market shaping activity. This project will also incorporate current commissioning and procurement activity for a range of services provided by third party suppliers	4	2	8
End date	2022-23					
Project 3		Project Title:	Learning Disability Offer		Improved efficiency (savings)	
Start date	2019-20	Project Details:	To review of our offer to adults with Learning Disabilities to ensure that we can meet the needs of those transitioning into adulthood and those of current service users and their carers within the resources we expect to be available. The project will review all aspects of the local learning disability pathways into Adult Social Care, through transition and preparation for adulthood; the role of the Community Learning Disability Team and the commissioning of services aimed at meeting the needs of people with a learning disability. This will require continual engagement and consultation. It will include a review of housing options, day activities and support into employment. We will aim to reduce the use of out of borough placements and support people to remain living close to their communities and support networks, supporting people to live the life they want.	5	3	15
End date	2022-23					
Project 4		Project Title:	Community Transport		Improved efficiency (savings)	
Start date	2019-20	Project Details:	We will work with colleagues in E&R and CSF to review the Council's approach to community transport, reframing the offer of transport within Adult Social Care and ensuring it is delivered in the most efficient and effective way. This review will take into account the clean air strategy for the borough, the effective use of resources when planning community transport, and the flexibility of transport provision to support people to be independent and travel independently around the borough.	5	2	10
End date	2021-22					
Project 5		Project Title:	Customer Journey		Improved effectiveness	
Start date	2018-19	Project Details:	Reorganisation and alignment of the Adult Social Care access points and pathways within the context of the Care Act Principles of Wellbeing and Prevention and within the context of the principles of Merton Health and Care Together (the former being the main driver for better management of demand for more formal adult social care services). The latter has emphasis on whole system integrated working in order to provide 'Right Care, Right Time, Right Place'. Refresh the skills and knowledge of all ASC staff in relation to the Care Act. Develop a training and development plan in line with the needs of the department as it revises its Target Operating Model.	4	2	8
End date	2022-23					
Project 6		Project Title:	Assistive technology		Improved efficiency (savings)	
Start date	2019-20	Project Details:	To explore further trading opportunities for MASCOT telecare, response and out of hours services. To explore opportunities to exploit mainstream assistive and smart technology to support independent living. To work with health partners on implementing telehealth.	5	2	10
End date	2022-23					
Project 7		Project Title:			Improved effectiveness	
Start date	2019-20	Project Details:		4	3	12
End date	2022-23					

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Housing Needs and Enabling Services		Planning Assumptions					The Corporate strategies your service contributes to				
Cllr Martin Whelton: Cabinet Member for Regeneration, Housing and Transport		Anticipated demand		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24		
Enter a brief description of your main activities and objectives below To fulfil statutory housing functions including the prevention and relief of homelessness and the enforcement and regulation of the private rented sector. To plan services in response to changes in national policies and in the housing market, and to develop innovative projects or models of delivery that maximise the use of resources and deliver services that minimise costs to the council. The purpose of this service is to - Prevent and relieve homelessness in accordance with statutory housing law, including the reduction of rough sleeping in the borough - Provide homes to people in housing need - Formulate and deliver statutory homelessness and rough sleeper strategy for the borough - Maintain the housing register and choice based lettings process and nominate households to vacant housing association homes - Maximise supply of homes with private landlords - Provide care and housing support to vulnerable adults via Shared Lives - Carry out a statutory duty to enforce Environmental Health (Housing) legislation - Provide mandatory grant assistance for improvements and adaptations - Commission and monitor Housing Related and Floating support - Relationship management between the council and stock transfer housing associations		Housing advice, options, private tenants & landlords advice	11,250	11,250	10,000	10,000	10,000	10,000	10,000	Homeless Placements Policy (Interim)	
		Housing register applicants	10,250	10,700	6,100	6,550	7,000	7,450	7,450	Homelessness & Rough Sleepers Strategy	
		Housing options casework	1,350	1,500	1,500	1,500	1,500	1,500	1,500	Housing Strategy	
		Demand for temporary accommodation	400	400	380	380	380	380	380		
Anticipated non financial resources		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Housing Needs Staff (FTE)		20.00	20.50	23.00	23.00	23.00					
Environmental Health (Housing)		5.03	8.03	9.23	9.23	9.23					
TOTALS		25.03	28.53	32.23	32.23	32.23					
Performance indicator		Actual Performance (A) Performance Target (T) Proposed Target (P)					Polarity	Reporting cycle	Indicator type	Main impact if indicator not met	
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)					2023/24(P)
Number of homelessness preventions annually		504	450	450	450	450	450	High	Monthly	Business critical	Increased costs
No. of households in temporary accommodation (monthly average)		171.8	230	200	200	200	200	Low	Monthly	Business critical	Increased costs
Number of enforcement/improvement notices issued annually		75	80	80	80	80	80	High	Quarterly	Outcome	Reduced enforcement
No. of cases resulting in a Prosecution or Civil Penalty Notice of a Landlord		N/A	N/A	4	4	4	4	Low	Annual	Outcome	Reduced enforcement
Average length of stay (nights) of Families in non self-contained B&B		N/A	N/A	21	21	21	21	Low	Monthly	Business critical	Increased costs
To halve the number of Rough Sleepers by 2022, and reduce to zero by 2027		N/A	N/A	17	14	11	9	Low	Annual	Outcome	Increased costs
Implement the Housing Act 2004 by issuing mandatory HMO licences		N/A	N/A	90	90	90	90	High	Annual	Outcome	Breach statutory duty

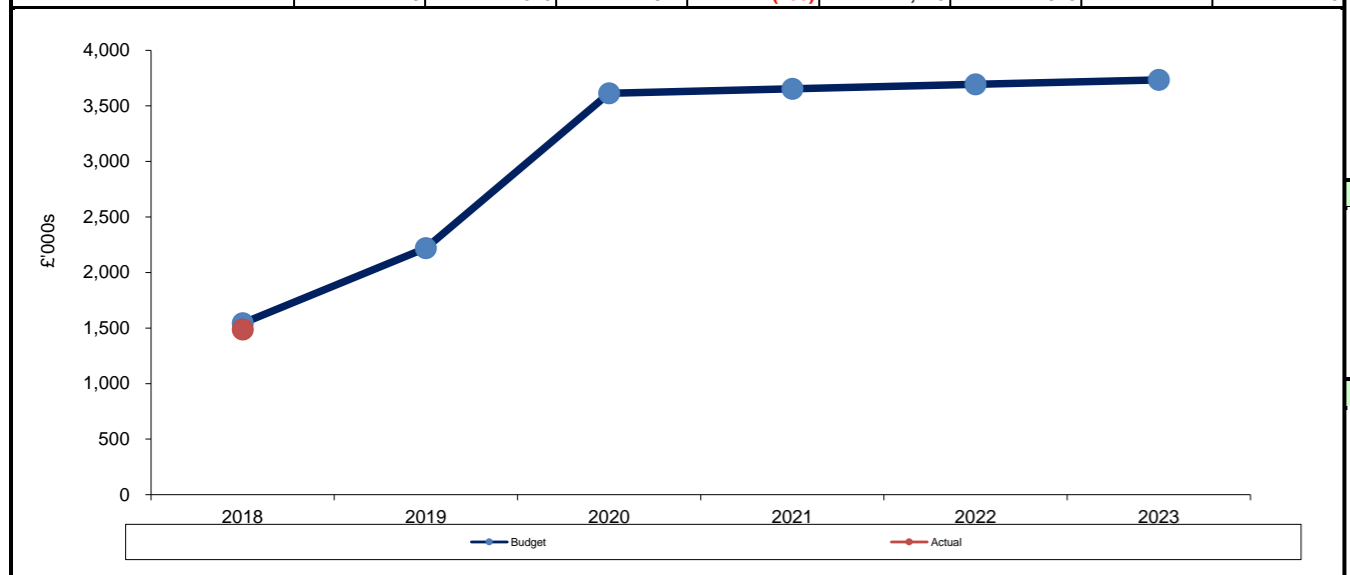
DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	4,737	5,763	4,729	1,694	6,185	6,225	6,265	6,305
Employees	959	978	1,213	81	1,304	1,304	1,305	1,305
Premises	40	31	40	(2)	41	41	42	43
Transport	29	18	30	(16)	30	31	31	31
Supplies & Services	371	277	192	169	172	175	177	180
Transfer Payments	571	1,193	571	879	570	570	570	570
3rd party payments	2,475	2,954	2,368	583	3,691	3,727	3,762	3,798
Transfer Payments	0	0	0	0	0	0	0	0
Support services	293	311	315	0	315	315	315	315
Depreciation	0	0	0	0	63	63	63	63
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	3,194	4,275	2,508	1,605	2,508	2,508	2,508	2,508
Government Grants	924	1,311	0	1,095	159	159	159	159
Reimbursements	2,010	2,196	2,174	326	2,015	2,015	2,015	2,015
Customer & Client receipts	260	768	335	184	335	335	335	335
Recharges	0	0	0	0	0	0	0	0
Reserves	0	0	0	0	0	0	0	0
Capital Funded	0	0	0	0	0	0	0	0
Council Funded Net Budget	1,543	1,488	2,220	89	3,677	3,717	3,757	3,796



Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Disabled Facilities Grant	0	826	927	(100)	927	280	280	280
LD Affordable Housing					488	633	462	145
Total	0	826	927	(100)	1,415	913	742	425

Summary of major budget etc. changes 2020/21

Service will be in receipt of several housing related grants:-
Prevention and Flexible Homelessness Support Grant



2021/2022
2022/23
2023/24

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD						
Housing Needs and Enabling Services						
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk	
			Likelihood	Impact	Score	
Project 1		Project Title:	Private Sector Housing Enforcement		Improved reputation	
Start date	2019-20	Project Details:	Develop and implement a range of Housing Enforcement measures to protect private tenants in Merton.		2	1
End date	2021-22					
Project 2		Project Title:	Rough Sleeper initiatives		Improved customer experience	
Start date	2019-20	Project Details:	Deliver a range of Rough Sleeper initiatives so as to halve the number of rough sleepers in Merton by 2022		2	2
End date	2021-22					
Project 3		Project Title:	Public Protection Technology Upgrade		Improved effectiveness	
Start date	2016-17	Project Details:	Work with IT / E&R on re-procurement / replacement of M3PP, cloud hosting and subsequent upgrade of M3PP to Assure.		2	1
End date	2020-21					
Project 4		Project Title:	Housing IT software re-procurement		Improved effectiveness	
Start date	2018-19	Project Details:	Re-procure all IT Software solutions for Housing Needs (Homelessness, Temporary Accommodation & Rent Accounts, Housing Register and Choice Based Lettings.)		2	2
End date	2020-21					
Project 5		Project Title:	Homelessness Strategy Implementation		Improved reputation	
Start date	2019-20	Project Details:	Work with stakeholders to deliver the strategy and monitor the completion of the actions arising from the Homelessness Strategy		2	1
End date	2024-25					
Project 6		Project Title:			Select one major benefit	
Start date		Project Details:				0
End date						
Project 7		Project Title:			Select one major benefit	
Start date		Project Details:				0
End date						
Project 8		Project Title:			Select one major benefit	
Start date		Project Details:				0
End date						

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Libraries
CLlr Caroline Cooper-Marbiah: Cabinet Member for Commerce, Leisure & Culture
 Enter a brief description of your main activities and objectives below

The purpose of the service is to provide a 'comprehensive and efficient' library service, addressing the 'needs of adults and children' according to the Public Libraries and Museums Act 1964.

Local authorities have a statutory duty to make provision for a library service but may decide on how this is delivered.

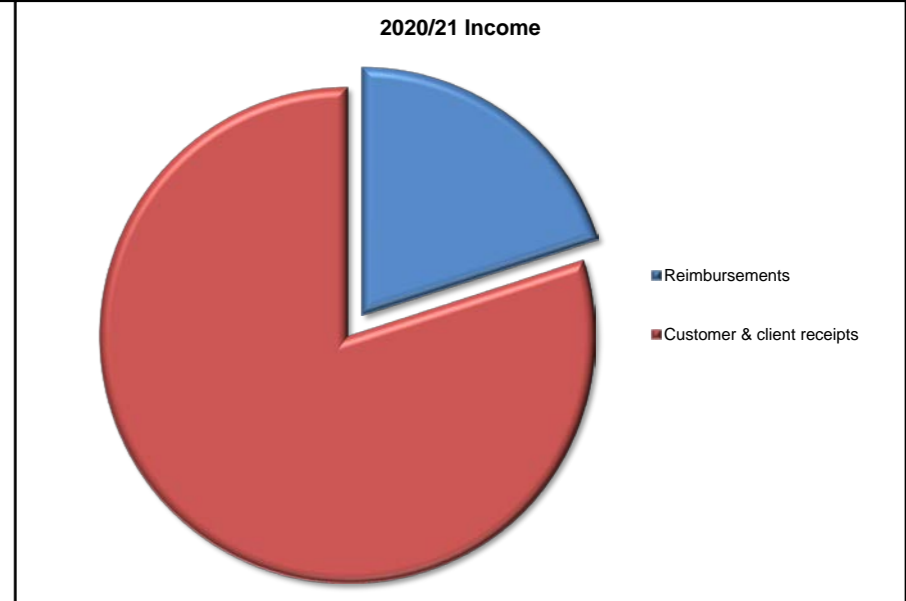
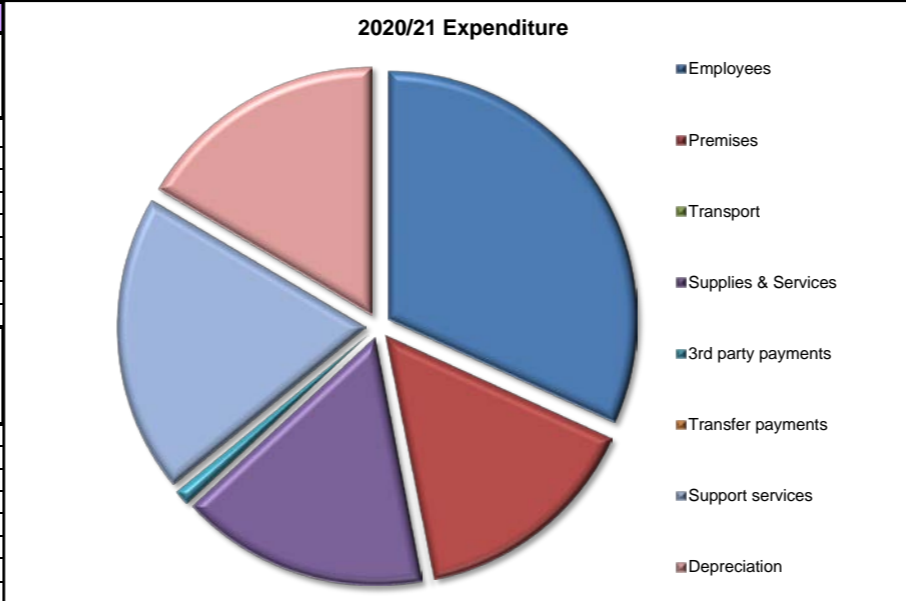
Certain aspects of the service must be provided for free:

- Free lending of books
- Free access to information
- Free library membership

The Library Service aims to provide a modern, high quality and cost effective service that is responsive to the needs of customers. Our vision is to remain the most efficient library service in London whilst continuing to achieve some of the highest customer satisfaction and usage levels.

Planning Assumptions		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Contributes to		
Anticipated demand										
Active users		56,000	56,500	57,000	57,500	58,000	58,000	Customer Contact Strategy		
Stock issues		900,000	900,000	900,000	900,000	900,000	900,000	Children and Young People's Plan		
Registered members		135,000	135,000	135,000	135,000	135,000	135,000	Community Plan		
Visitor figures		1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	Equality and Community Cohesion Strategy		
Anticipated non financial resources										
Staff (FTE)		31.35	29.65	30.88	30.88	30.88	30.88	Health & Wellbeing Strategy		
Accommodation (Libraries)		7	7	7	7	7	7	Heritage Strategy		
Equipment (PC's)		152	159	159	159	159	159	Procurement Strategy		
								Voluntary Sector and Volunteering Strategy		
								Workforce Strategy		
Performance indicator	Actual Performance (A) performance target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
Number of visitors accessing the library service online	234,486	235,000	235,000	235,000	235,000	235,000	High	Monthly	Quality	Reduced uptake of service
No. of people accessing library by borrowing item or using a peoples network terminal at least once in previous 12 months	71,648	56,500	56,500	56,500	56,500	56,500	High	Monthly	Outcome	Reduced uptake of service
Active volunteers in libraries (rolling 12 month fig)	276	230	230	230	230	230	High	Monthly	Business critical	Reduced service delivery

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	3,350	3,427	3,404	68	3,451	3,493	3,481	3,507
Employees	1,031	1,072	1,083	9	1,098	1,098	1,099	1,100
Premises	453	668	517	21	519	522	524	526
Transport	4	3	4	1	4	4	4	4
Supplies & Services	632	409	628	38	556	561	520	525
3rd party payments	18	8	18	0	35	69	95	113
Transfer payments	0	0	0	0	0	0	0	0
Support services	677	732	669	0	669	669	669	669
Depreciation	535	535	485	0	570	570	570	570
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	501	478	550	0	426	426	441	441
Government grants	0	0	97	6	0	0	0	0
Reimbursements	334	305	96	0	85	85	85	85
Customer & client receipts	166	173	356	(6)	341	341	356	356
Recharges	0	0	0	0	0	0	0	0
Reserves	0	0	0	0	0	0	0	0
Capital Funded	0	0	0	0	0	0	0	0
Council Funded Net Budget	2,850	2,949	2,855	68	3,025	3,067	3,040	3,066
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Libraries Buildings	0	7	49	49	200	0	0	0
Libraries IT	0	59	77	77	350	0	140	0
	0	66	126	126	550	0	140	0



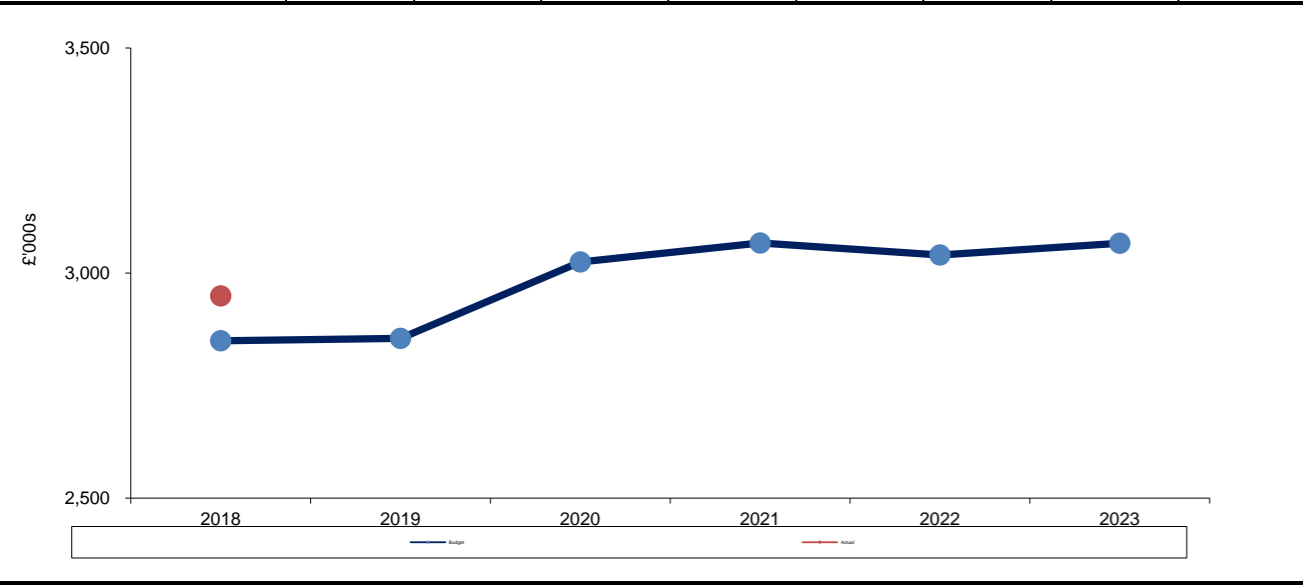
Summary of major budget etc. changes

2020/21
 Capital: Library Self-Service £350k

2021/22

2022/23
 Capital: Library Management System £140k
 Revenue includes savings of £60k

2023/24



DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD							
Libraries							
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk		
			Likelihood	Impact	Score		
Project 1		Project Title:	Partnership development		Improved customer experience		
Start date	2015-16	Project Details	Continue to develop partnership approach to delivering services in libraries. Increase health partnerships and lead on key actions agreed within the C&H TOM relating to prevention.				3
End date	2020-21						
Project 2		Project Title:	Heritage Strategy		Improved effectiveness		
Start date	2015-16	Project Details	Promote the Heritage Strategy and increase community participation in heritage activities. Continue to draw in external funding, improve income streams and undertake work to revise the Heritage Strategy.				3
End date	2020-21						
Project 3		Project Title:	Enhance the digital offer in libraries		Improved effectiveness		
Start date	2019-20	Project Details	Continue to enhance the new library management system and make improvements to the customer website and app. Procure and install new self-service technology in 2021.				3
End date	2022-23						
Project 4		Project Title:	Children & Young People's projects		Improved customer experience		
Start date	2018-19	Project Details	Continue to develop the Schools and Libraries Membership schemes for primary and high schools. Deliver the Arts Council England funded 'Project Sense' to enhance the offer for SEND children and to make physical improvements to the children's libraries at all sites.				3
End date	2021-22						
Project 5		Project Title:	Customer consultation, marketing and promotion		Improved customer experience		
Start date	2019-20	Project Details	Undertake customer surveys to gain user views and consult on any significant changes to service delivery. Continue to develop e-marketing services and undertake promotional activities such as Library Connect.				2
End date	2021-22						
Project 6		Project Title:	Income Generation		Improved efficiency (savings)		
Start date	2019-20	Project Details	Implement agreed savings from the rollout out of coffee shops in libraries and further develop income sources such as Merton Arts Space whilst identifying new opportunities.				3
End date	2020-21						
Project 7		Project Title:	Assisted digital support		Improved customer experience		
Start date	2018-19	Project Details	Increase volunteer numbers and skills in supporting customers with more complex IT needs and promote 'channel shift' to online services.				2
End date	2020-21						
Project 8		Project Title:	Security services contract		Improved efficiency (savings)		
Start date	2020-21	Project Details	Embed the new security services contract in libraries and monitor performance of the contract so that security guards play an active role in supporting services.				3
End date	2024-25						
Project 9		Project Title:	Library redevelopments		Improved customer experience		
Start date	2019-20	Project Details	Progress redevelopment opportunities for West Barnes Library and work collaboratively with partners to look at potential opportunities for other sites.				3
End date	2023-24						

Commissioned Service
Merton Adult Learning
Cllr Eleanor Stringer: Cabinet Member for Schools and Adult Education
Service Providers:
South Thames College
Groundwork London

Description of main activities and objectives

APPENDIX 8

The London Borough of Merton is committed to providing high quality and sustainable adult learning in order to improve the social, economic, health and wellbeing of our residents. The service is delivered through a commissioning model, contracting services to the best providers in the field and by developing sophisticated evidence based approaches to what we deliver.

The service will continue to provide popular courses whilst expanding provision for families and enhancing our range of maths, English and employability courses.

Planning Assumptions							The Corporate strategies the service contributes to			
Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Total number of learners	3285	3285	3285	3285	3285	3285	Culture and Sport Framework			
Number of accredited learners	1467	1467	1467	1467	1467	1467	Employment and Skills Action Plan			
Total number of enrolments	3964	3964	3964	3964	3964	3964	Special Educational Needs and Disabilities Strategy			
							Medium Term Financial Strategy			
Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Staff (Commissioning Team)	3.75	3.75	3.75	3.75	3.8	3.75				
Staff (LDD Curriculum manager)	0	0	0	0	0	0				
South Thames College	Sufficient resources to provide service									
Global Solution Services	Sufficient resources to provide service									
Performance indicator	Actual Performance (A) Performance Target (P) Proposed Target (T)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
Number of new learners per annum (not registered as learners in previous year)	TBC	1985	1985	1985	1985	1985	High	Annual	Outcome	Reduced uptake of service
% overall success rate of accredited courses per annum	87%	88%	88%	90%	90%	90%	High	Annual	Outcome	Reduced uptake of service
% of learners from deprived wards	29%	32%	30%	30%	32%	33%	High	Annual	Quality	Reduced uptake of service

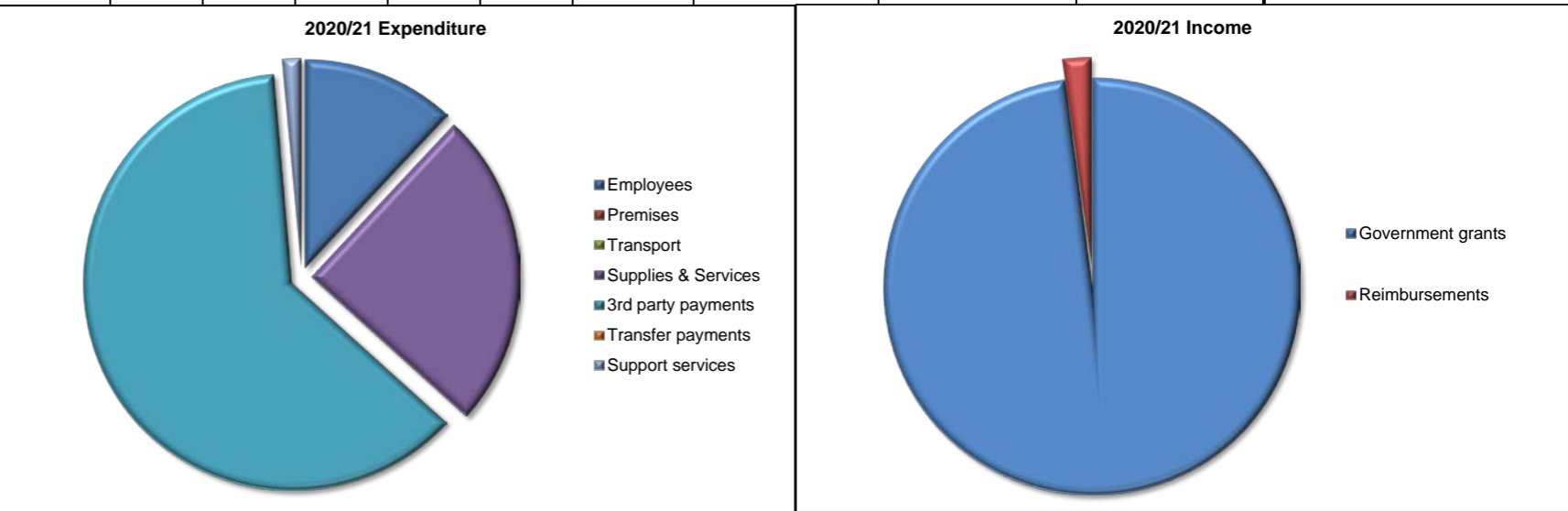
Financial Information									Additional Expenditure Information
Revenue	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	From 2019/20 Grant will administered by the GLA and London Learners by ESFA
Expenditure	1,367	768	1,370	0	1,423	1,423	1,423	1,423	
Contractor's Fee	1,075	426	1,108	2	1,151	1,151	1,151	1,151	
Employees (Commissioning Team)	223	218	193	(25)	204	204	204	204	
Employees (LDD Curriculum Manager)	0	0	0	0	0	0	0	0	
Support Service	31	34	31	0	31	31	31	31	
Other Costs	38	89	38	23	38	38	38	38	
Revenue	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	
Income	1,347	745	1,347	0	1,397	1,397	1,397	1,397	
Adult Education Block Grant	1,347	745	1,347	0	1,397	1,397	1,397	1,397	
Adult Apprenticeships Grant	0	0	0	0	0	0	0	0	
Other Income	0	0	0	0	0	0	0	0	
Council Funded Net Budget	20	22	23	0	26	26	26	26	
Capital Expenditure	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	

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DETAILS OF MAJOR PROJECTS									
Merton Adult Learning									
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Continuous Improvement		Improved effectiveness				
Start date	2019-20	Project Details:	Continue to improve quality across the provision and respond to issues identified in the last Ofsted inspection. Complete annual Self-Assessment Reports and Quality Improvement Plans and work collaboratively with providers to drive up performance.				2	2	4
End date	2022-23								
Project 2		Project Title:	Deliver the new strategic priorities for the adult learning service working collaboratively with providers		Economic outcomes				
Start date	2019-20	Project Details:	Deliver against the 3-year strategic objectives outlined in the Merton Adult Learning Strategy				2	1	2
End date	2022-23								
Project 3		Project Title:	Improve progression and destination collection to inform delivery		Risk reduction and compliance				
Start date	2019-20	Project Details:	Working with providers develop robust systems for the collection of progression and destination data to better inform curriculum development and the tracking of learner's development.				2	1	2
End date	2020-21								
Project 4		Project Title:	Expand provision in deprived areas of the borough and / or amongst deprived communities		Improved effectiveness				
Start date	2019-20	Project Details:	Deliver a range of community and family learning initiatives in the borough to increase take up and proactively market services to residents with the greatest needs.				3	1	3
End date	2022-23								
Project 5		Project Title:	Continue to embed the evidence base to more effectively commission the curriculum		Improved customer experience				
Start date	2019-20	Project Details:	Make more effective usage of learner and community data to inform the commissioning of adult learning courses whilst retaining a healthy breadth of provision.				2	1	2
End date	2022-23								
Project 6		Project Title:	Provider Procurement		Improved effectiveness				
Start date	2019-20	Project Details:	Embed new contractor arrangements under new framework and procure main supplier contract whilst continuing to develop the provider market in the borough.				3	2	6
End date	2022-23								

Public Health	Planning Assumptions							The Corporate strategies your service contributes to		
	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
<p>CLr Tobin Byers: Cabinet Member for Adult Social Care, Health & the Environment</p> <p>Enter a brief description of your main activities and objectives below</p> <p>Main duties for Public Health in Local Authority comprise: -Strategy/system leadership for health – Health and Wellbeing Board, JSNA and Health and Wellbeing Strategy, independent Annual Public Health Report (all mandatory) -Commissioning / securing provision of a defined range of Public Health Services (including the following mandatory services: sexual health, NHS health checks, healthy child 0-5 services, National Child Measurement Programme) - Commissioning support to the NHS (mandatory) and council; - Health protection oversight (mandatory), including screening, infection control, emergency preparedness and immunisations</p> <p>Our vision for public health in Merton over the next five years is to: - Protect and improve physical and mental health outcomes for the whole population in Merton throughout the life course, and reduce health inequalities, especially between the west and east of the borough, within the shrinking financial envelope available. - Fulfill our statutory PH duties. - Contribute to Merton's corporate vision, working to be London's best council by 2020 and beyond</p> <p>Our strategic objectives are: Objective 1: Service integration and transformation - support SID and MHCT boards to further develop and implement their respective programmes including: integrated community health and care services (children and adults); a personal prevention offer for adults; whole system approach to diabetes and potentially other long-term conditions; life-course sexual health strategy Objective 2: Deliver Health and Wellbeing Strategy - embed health & wellbeing into council and partner business; with a focus on implementing healthy workplaces programme linking health and climate change; supporting whole system approach to tackling childhood obesity and diabetes (see above); strengthen CYP leadership for healthy place, ie through school neighbourhood action plans (SNAP). Objective 3: Strengthen commissioning and commissioning support – develop integrated commissioning for children; public health strategic commissioning (end-to-end) & public health support to commissioning for health and wellbeing outcomes in order to deliver integrated service models.</p>	Sexual health - attendances at local integrated service	20,607	20,607	20,607	20,607	20,607	20,607	APPENDIX 8 Substance Misuse Strategic framework Merton Health & Care Together Health & Wellbeing Strategy		
	Drugs & alcohol - new service in mobilisation April 2018	400 drugs/220 alcohol	400 drugs/250 alcohol	400 drugs/270 alcohol	400 drugs/270 alcohol	400 drugs/270 alcohol	400 drugs/290 alcohol			
	Support to CCG (% of PH staff capacity)	40%	40%	40%	40%	40%	40%			
	NHS Health Checks	2,893	2,750	2,750	2,750	2,750	2,750	Children and Young People's Plan		
	National Child Measurement Programme	Reception Cohort : 2,248 Year 6 Cohort: 2,343	Reception Cohort: 2,377 Year 6 Cohort: 2,392	Reception Cohort: 2,365 Year 6 Cohort: 2,471	Reception Cohort: 2,352 Year 6 Cohort: 2,549	Reception Cohort: 2,340 Year 6 Cohort: 2,628	Reception Cohort: 2,327 Year 6 Cohort: 2,707			
	Health Visiting New Birth Visits: estimated new births	3,018	3,042	2,983	2,924	2,865	2,807			
	Risk & Resilience Service	122 treatment / 400 detached	123 treatment / 400 detached	122 treatment / 400 detached	121 treatment / 400 detached	120 treatment / 400 detached	119 treatment/400 detached			
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
	Staff (FTE)	18.66	18.06	18.06	18.06	18.06	18.06			
	Staff (Trainees included above)	2	2	2	2	2	2			
Performance indicator	Actual performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24				
Health Visiting - % of New Birth Reviews in 14 days of birth	95.25	90%	90%	TBC	TBC	TBC	High	Monthly	Outcome	Reduced uptake of service
Breastfeeding at the 6-8 weeks review (partially or totally)	N/A	71%	70%	TBC	TBC	TBC	High	Monthly	Outcome	Babies not given the best start in life through breastfeeding
% of participation in NCMP at age 10-11 years (Year 6)	96%	95%	95%	TBC	TBC	TBC	High	Annual	Output	Breach statutory duty
% young people (under 25) leaving treatment where substance misuse has reduced or client become drug free.	N/A	90%	90%	90%	90%	90%	High	Quarterly	Outcome	Increase of potential health harms
% of eligible people offered an HIV test and who accept	N/A	90%	90%	90%	90%	90%	High	Quarterly	Output	Increase of potential health harms
Obesity at Year 6 - indicator still in development							Low	Annual	Outcome	Increase of potential health harms

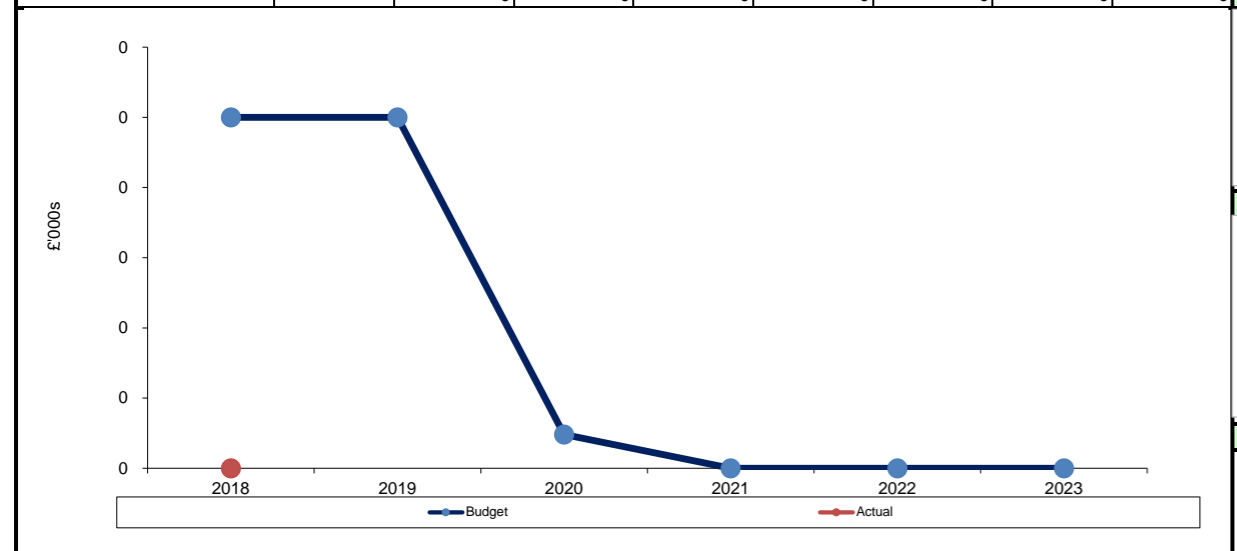
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	10,689	10,693	10,396	70	10,747	10,744	10,744	10,744
Employees	1,172	1,116	1,173	(21)	1,284	1,287	1,307	1,333
Premises	3	2	3	(1)	2	3	3	3
Transport	2	1	2	(1)	2	2	2	2
Supplies & Services	2,587	2,545	2,376	26	2,652	2,651	2,617	2,586
3rd party payments	6,781	6,886	6,694	67	6,660	6,654	6,668	6,673
Transfer payments	0	0	0	0	0	0	0	0
Support services	143	143	148	0	148	148	148	148
Depreciation	0	0	0	0	0	0	0	0
Income	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	10,689	10,693	10,396	(58)	10,747	10,744	10,744	10,744
Government grants	10,451	10,451	10,175	0	10,521	10,521	10,521	10,521
Reimbursements	238	242	221	(58)	227	223	223	223
Customer & client receipts	0	0	0	0	0	0	0	0
Recharges	0	0	0	0	0	0	0	0
Reserves	0	0	0	0	0	0	0	0
Capital Funded	0	0	0	0	0	0	0	0
Council Funded Net Budget	0	0	0	12	0	0	0	0



Summary of major budget etc. changes

2020/21

Based on the letter from the Chief Executive of Public Health England (PHE) dated 21 December 2017, it is anticipated the grant will be replaced by an allocation from retained business rates. Public Health England is working with the Department of Health to agree the assurance arrangements before the grant comes to an end and expect to confirm those measures in 2019. Should this not be possible, the Government may wish to consider continuing with the ring-fenced grant beyond 2020. In addition, work on an updated ACRA formula to describe and compare PH need is under way.



2020/21	
2021/22	
2022/23	
2023/24	

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD							
Public Health							
PROJECT DESCRIPTION				MAJOR PROJECTS BENEFITS		Risk	
				Likelihood	Impact	Score	
Project 1		Project Title:	Implement Merton Health and Wellbeing Strategy 2019-24		Improved effectiveness		
Start date	2019-20	Project Details:	Lead the implementation of the Merton Health and Wellbeing Strategy 2019-24 and the implementation of a rolling programme of priorities including, healthy settings with a focus on healthy workplaces across Merton (Project 4); continue to develop the whole systems approach to diabetes to maintain momentum (see Project 2); develop work with and real involvement of children and young people on health and environment. Continue to embed 'health in all policies', especially through partnerships with E&R, including developing the co-benefits of climate change and health.		2	2	4
End date	2023-24						
Project 2		Project Title:	Whole System Approaches to Diabetes		Improved effectiveness		
Start date	2019-20	Project Details:	Following a 'Diabetes Truth' programme, the Health and Wellbeing Board have developed a whole systems Diabetes Action Plan. This has been an exemplar for future work, and identified high value and evidence based ways to tackle diabetes. The Action Plan has three themes (clinical oversight and service improvement, holistic individual care and healthy place) and has actions for partners across Merton. The HWB have agreed that 'keeping the momentum' is one of their annual priorities. This project aligns with the whole systems approach to childhood obesity (Project 3).		2	2	4
End date	2020-21						
Project 3		Project Title:	Whole System Approaches to Childhood obesity		Improved effectiveness		
Start date	2019-20	Project Details:	Implementation of a refreshed Child Healthy Weight Action Plan (CHWAP) 2019/22, will continue to be a priority. The CHWAP has 3 key themes (1) Making childhood Obesity everybody's business, (2) Supporting children young people and their families (3) healthy place, which includes healthy food and the physical environment. This aligns with the whole systems approach to diabetes (Project 2).		2	2	4
End date	2022-23						
Project 4		Project Title:	Healthy Workplace		Improved effectiveness		
Start date	2019 -20	Project Details:	Working with partners to scale up healthy work places across Merton, with a focus on mental health and active travel, focussed for the latter on the co-benefits with climate change. Building a network with other organisations at different levels, NHS SWL, Merton GP Federation, individual GP practices, Merton BIDs, MVSC and others. Within LBM, applying for the London Healthy Workplace Award, working through the Workforce Strategy Board. . To be linked to the review of the council vehicle fleet, new arrangements for staff travel, and #MertonCan physical activity campaign. Also part of the SID programme (Project 5).		2	2	4
End date	2021-22						
Project 5		Project Title:	Implementation of Prevention Offer		Improved effectiveness		
Start date	2019-20	Project Details:	Lead the implementation of the Prevention workstream of the SID programme and Health and Care Together Board. Implement the '5 Prevention Priorities' model, which focuses on: directory of services; network of connectors, staff training; healthy settings and embedding prevention into health and care pathways. Delivery will be devolved to SID workstreams and MHCT themes, with PH leads to support delivery planning, co-ordination, support and do-once tasks.		2	2	4
End date	2020-21						
Project 6		Project Title:	Development of integrated Community Health Services		Improved effectiveness		
Start date	2019-20	Project Details:	Lead transformation of community health services, working with Adult Social Care, Children, Schools and Families and Merton Clinical Commissioning Group. Develop vision and development of closer integration of services to provide seamless care pathways; engage providers and residents to co-create service models; undertake procurement of integrated services including healthy child services (health visiting and school nursing) and substance misuse ; continue to develop integrated commissioning functions between PH, CSF and MCCG. Participate in the London Sector Led Improvement programme on health visiting and school nursing.		3	3	9
End date	2023-24						
Project 7		Project Title:	Sexual Health Strategy and Integrated sexual health services		Improved effectiveness		
Start date	2019-20	Project Details:	Lead the implementation of Merton joint Sexual Health Strategy - focusing on 3 priorities: education and training; easy access to sexual health and well being services; comprehensive sexual health and wellbeing, including support for vulnerable groups. Service priorities include: further developing integrated sexual health services; strategic approach to managing demand, working collaboratively with London Sexual Health Programme.		3	3	9
End date	2023-24						

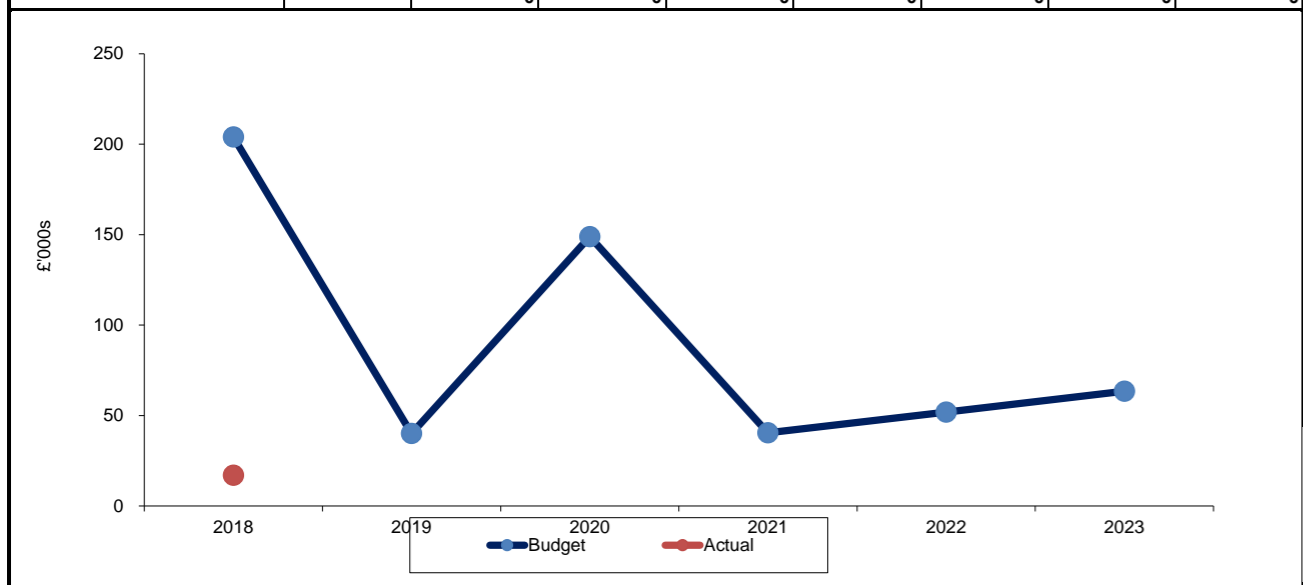
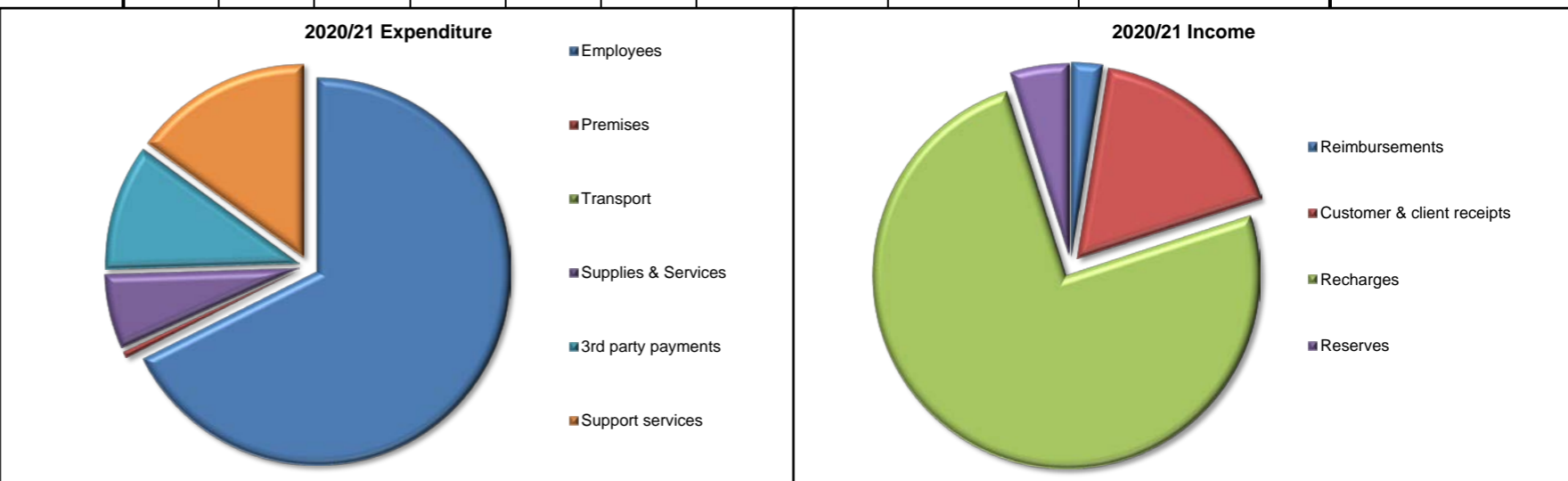
Corporate Services

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD								
Corporate Governance								
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk			
			Likelihood	Impact	Score			
Project 1		Project Title:	Efficiency programme		Improved efficiency (savings)	3	1	3
Start date	2015-16	Project Details:	To further reduce spend on printing committee agendas by moving CMT members to paperless agendas for LSG, Cabinet, Council and other committees. To encourage Cabinet Members and level 2 managers to follow suit. To encourage the Mayor and Group Leaders to produce electronic Christmas cards to save money on print and postage. To continue to monitor and review the impact of the Service Level Agreement in the Mayor's Office, particularly in relation to spend on drivers, and negotiate further changes as required to achieve manageable levels of activity and further reduction in spend. To promote online event booking to save staff time and provide improved service for customers.					
End date	2021-22							
Project 2		Project Title:	Scrutiny Improvement Programme		Improved customer experience	2	1	2
Start date	2018-19	Project Details:	To build on the recommendations of the review carried out by the Centre for Public Scrutiny in order to improve effectiveness and impact of the scrutiny function and to engage all non-executive councillors in scrutiny activities. The action plan will be developed by a cross party councillor working group and agreed by the Overview and Scrutiny Commission and reviewed each year when it receives the Annual Member Survey. Increase public involvement and use of external expert witnesses.					
End date	2021-22							
Project 3		Project Title:	Creation of centralised Local Land Charges Register		Improved customer experience	3	1	3
Start date	2014-15	Project Details:	Review of LLC service delivery; dependent on national directive					
End date	2020-21							
Project 4		Project Title:	2018/22 Administer statutory elections, referendums and ballots.		Risk reduction and compliance	3	3	9
Start date	2018-19	Project Details:	Administer full borough council elections in 2022, Mayor of London and London Assembly elections in 2020, and the next parliamentary General Election (currently scheduled for 2024) together with any other referendums and ballots that may be required.					
End date	2021-22							
Project 5		Project Title:	Work with Local Government Boundary Commission on planned Electoral Review of Merton - implementation for 2022 Council elections		Infrastructure renewal	3	2	6
Start date	2019-20	Project Details:	Council size proposal due March 2019, warding patterns proposal due July 2019. Draft recommendations published September 2019. Final recommendations published February 2020.					
End date	2020-21							
Project 6		Project Title:	Data Protection Act (DPA18) / General Data Protection Regulation (GDPR)		Risk reduction and compliance	3	2	6
Start date	2017-18	Project Details:	Refresh of all IG related policies and strategies and promote to all staff.					
End date	2020-21							
Project 7		Project Title:	To reduce printing costs		Improved efficiency (savings)	3	1	3
Start date	2019-20	Project Details:	Roll out Modern Gov App to encourage councillors and senior officers to go paperless at Committee meetings. Identify champions. Cascade from CMT.					
End date	2020-21							

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD									
Customers, Policy & Improvement									
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Website Improvement Project		Improved customer experience				
Start date	2019-20	Project Details:	Deliver the Customer Contact Strategy		The programme is part of the move to a 21st Century organisation, with technology that supports a more comprehensive and cohesive service to customers and recognises the new, modern ways in which they wish to access services. Through channel shift and a reduction in avoidable contact/failure demand we expect the programme to support and enable the achievement of savings and efficiencies within individual services.		3	3	9
End date	2021-22								
Project 2		Project Title:	Redesign of Merton Link		Improved customer experience				
Start date	2019-20	Project Details:	Implement the redesign of Merton Link to improve the customer experience and increase self service.				2	2	4
End date	2020-21								
Project 3		Project Title:	Implement recommendations of internal review and LGA Peer Challenge		Improved effectiveness				
Start date	2019/20	Project Details:	Manage the workstreams implementing the recommendations from the Internal Review and LGA Peer Challenge. Provide programme, project and policy support to the workstreams		To build on the elements of the Merton organisational model that have ensured we are well placed moving forward and to optimise the opportunities to improve as a council.		3	2	6
End date	2020/21								

Human Resources	Planning Assumptions						The Corporate strategies your service contributes to				
Cllr Mark Allison: Deputy Leader & Cabinet Member for Finance	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Enter a brief description of your main activities and objectives below 1) Support effective people management across the organisation through development of a workforce strategy/TOM people layer 2) Implement and maintain efficient HR transactions for recruitment, induction, employee data, payroll, performance management, appraisal, learning and development 3) Provide HR advice and consultancy support across the Council 4) Produce HR metrics, analyse people-related problems and take appropriate actions 5) Produce HR strategies, policy frameworks and systems to support effective people management 6) Support and develop capacity building in Members	Employees in Merton for HR, payroll, advice, L&D, EAP etc.	4,000	3,800	6,000	6,000	6,000		Workforce Strategy	Workforce Strategy	Workforce Strategy	
	<i>Employee figures now include Schools, Casuals and Shared Services expansion</i>										
	New recruits to be appointed	140	145	140	142	142			Economic Development Strategy	Economic Development Strategy	
	New Apprentices to be appointed	33	33	33	33	33			Equality and Community Cohesion Strategy	Equality and Community Cohesion Strategy	
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
	Staff (FTE)	32.5	32.5	32.8	32.8	32.8	32.8				
	Apprentices (FTE)	0	4	5	5	5	5				
	Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
	No. of working days per FTE lost to sickness absence excluding schools	9.55	7	8.5	TBC	TBC	TBC	Low	Quarterly	Outcome	Increased costs
Length of time from Job being advertised to offer being made	N/A - indicator has been revised		45	45	45	45	Low	Quarterly	Outcome	Increased costs	
Completion of all performance appraisals	86%	98%	100%	100%	100%	100%	High	Annual	Outcome	Poor decision making	
Voluntary turnover rate (the rate of resignations)	7.54	12%	12%	12%	12%	12%	Low	Quarterly	Outcome	Reputational risk	
No. of Apprentices excluding schools (Govt Apprenticeship Levy Scheme)	175	60	60	TBC	TBC	TBC	High	Quarterly	Outcome	Increased costs	
No. of Apprentices in schools (Govt Apprenticeship Levy Scheme)	N/A	30	30	TBC	TBC	TBC	High	Quarterly	Outcome	Increased costs	

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	2,817	2,661	2,930	209	2,899	2,791	2,802	2,814
Employees	1,910	1,826	1,948	154	1,959	1,963	1,966	1,969
Premises	48	12	49	0	16	16	17	18
Transport	2	4	2	(2)	4	4	4	4
Supplies & Services	195	131	196	76	181	64	66	69
3rd party payments	294	284	303	(20)	307	312	316	321
Support services	368	404	432	0	432	432	432	432
Depreciation								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	2,613	2,644	2,890	21	2,751	2,751	2,751	2,750
Government grants	0	0	0	0	0	0	0	0
Reimbursements	79	86	79	(21)	79	79	79	79
Customer & client receipts	560	343	560	42	531	531	531	531
Recharges	2,141	2,382	2,292	0	2,292	2,292	2,292	2,292
Reserves	(167)	(167)	(40)	0	(152)	(152)	(152)	(152)
Capital Funded								
Council Funded Net Budget	204	17	40	230	149	40	52	63
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
			0	0	0	0	0	0

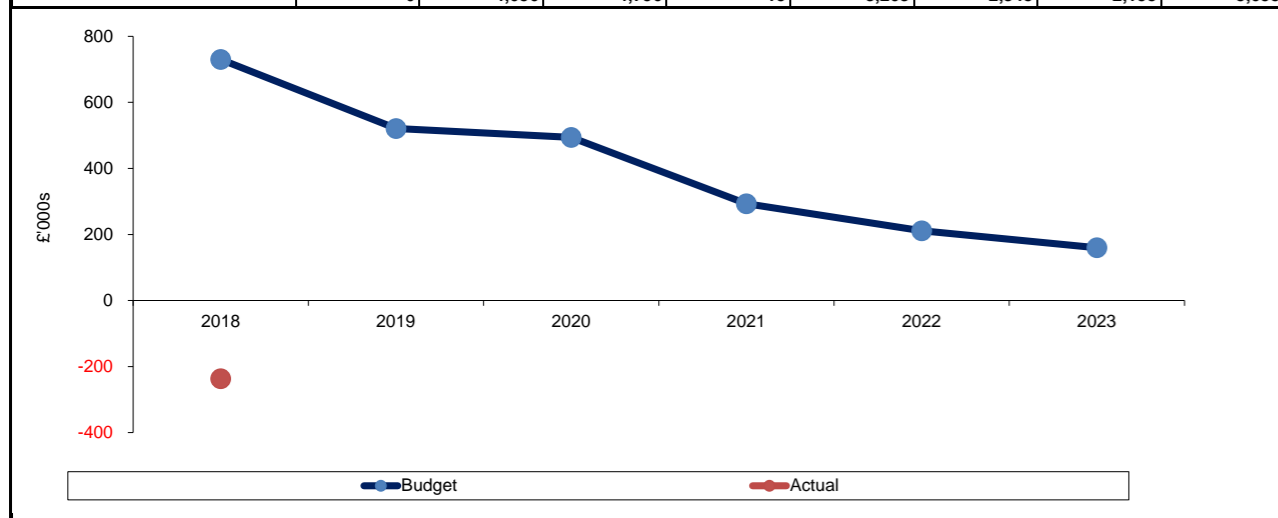
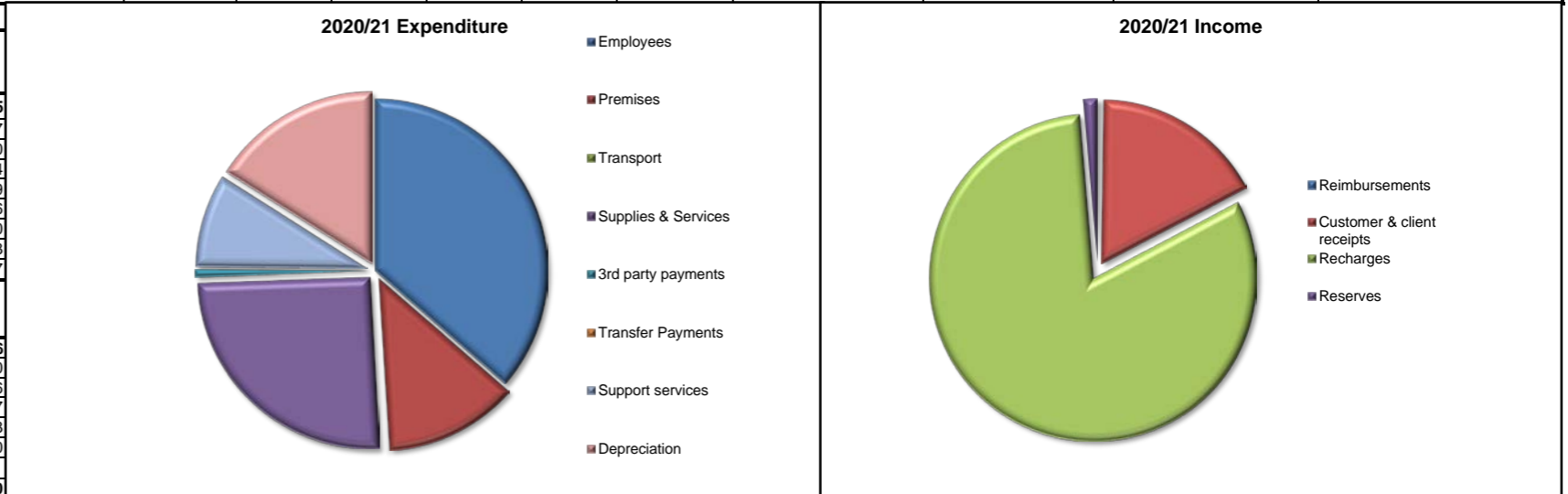


Summary of major budget etc. changes	
Year	Change
2020/21	2019-20 CS24 Realignment/redesign of HR services to provide services to the organisation and mitigate associated risks £50k 2019-20 CS25 Charge for voluntary sector payroll £7k
2021/22	2019-20 CS26 Review of contract arrangements £120k
2022/23	
2023/24	

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD									
Human Resources									
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Workforce Strategy		Improved staff skills and development		3	3	9
Start date	2018-19	Project Details:	Deliver the 5 key strands of the Council's workforce strategy to support the wider TOM programme for organisational change						
End date	2020-21								
Project 2		Project Title:	Establishment and workforce		Improved staff skills and development		3	4	12
Start date	2017-18	Project Details:	Embed systems to maintain, monitor and control an accurate establishment and vacancy position across the Council for both permanent and interim staff. Delivered but will always be on ongoing situation.						
End date	2020-21								
Project 3		Project Title:	Apprenticeships		Improved effectiveness		3	3	9
Start date	2017-18	Project Details:	Processes in place to increase the number of apprentices in schools and the organisation. Maximise the use of the Levy. Good progress being made but an ongoing project						
End date	2020-21								
Project 4		Project Title:	Review and retender key HR contracts		Improved effectiveness		3	3	9
Start date	2017-18	Project Details:	Commission Occupational Health, Agency contract, Schools SLAs and Recruitment system are all completed. DBS provision will be reviewed during the course of 2019/20. In hand.						
End date	2020-21								
Project 5		Project Title:	Member Development		Improved effectiveness		2	2	4
Start date	2017-18	Project Details:	Ensure induction and development activities are in place to enable Members to undertake their role. Ongoing						
End date	2020-21								
Project 6		Project Title:	ATS Project		Improved effectiveness		3	3	9
Start date	2019-20	Project Details:	Implement a new Recruitment Management system that will provide more functionality for users.						
End date	2019-20								

Infrastructure and Technology (previously Infrastructure & Transactions)	Planning Assumptions						The Corporate strategies your service contributes to			
Cllr Mark Allison: Deputy Leader & Cabinet Member for Finance	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
Enter a brief description of your main activities and objectives below	Repairs & Maintenance of Corporate Buildings (Revenue)	700,00	600,00	400,00	400,000	400,000	400,000	APPENDIX B		
<p>Infrastructure & Technology Division (I&T) is a support service made up of seven functions:</p> <p>IT Service Delivery - IT(SD) supports the councils operations by providing IT infrastructure, desktop equipment and associated software. Fixed and mobile telecommunications, Service Desk facilities, IT Disaster Recovery and Business Continuity arrangements together with IT governance and data security.</p> <p>IT Business Systems - IT (BS) will work with the organisation to establish and deliver the IT strategy and associated implementation plan, ensure a coordinated and planned approach for the implementation and support of technology whilst complying with the agreed corporate IT strategy, standards to support business efficiency and improve service delivery.</p> <p>Facilities Management - FM provides the infrastructure to deliver services through accommodation, building repairs and maintenance for the portfolio of corporate buildings, energy management and conservation, cleaning, catering, print and post room services, security and other associated hard and soft FM services.</p> <p>Transactional Services - Incorporates Accounts Payable, Accounts Receivable, Carefirst Administration and Vendor Maintenance. Ensuring prompt and accurate payment for all goods and services provided to LBM. Raise and issue invoices promptly and accurately to maximise revenue received. Ensuring that Vendor Maintenance database is controlled, accurate and cleansed. Providing training and support for all users of the systems required for payments or invoicing</p> <p>Safety Services - Provides Health and Safety, Emergency Planning and Business Continuity services across the Council as required by duties imposed under the Health and Safety At Work Etc. Act 1974, The Management of Health and Safety At Work Regulations 1999, The Civil Contingencies Act 2004 and all sister regulations.</p> <p>Client Financial Affairs - Act as court appointed deputies for vulnerable clients who do not have the capacity to make their own decisions or manage their own personal financial affairs. These decisions are for issues involving the person's property, financial affairs and health and welfare working in accordance with the statutory principles set out in the Mental Capacity Act Code of Practice to ensure that they act in the best interests of the person who lacks capacity.</p> <p>Commercial Services - Are the strategic centre of excellence for procurement and category management, guidance, training and advice including ownership of the Council's Procurement Strategy, involvement in key tender processes, identification of savings opportunities and commercial benefits, compliance with EU and UK procurement legislation, benchmarking and best practice and ownership of the contracts register.</p>	IT Service Calls	27,800	25,500	25,000	25,000	25,000	25,000	Strategic Plan		
	Health & Safety Statutory Inspections	100	100	100	100	100	100	Risk Management Strategy		
	Transactions requested by departments	80,000	80,000	80,000	80,000	80,000	80,000	Local Plan		
	Number of Client Affairs cases being managed	250	250	250	250	250	250	Procurement Strategy		
	Procurement Support (Number of projects)	42	80	80	80	80	80	Workforce Strategy		
	Core IT Systems support and management (days)	5,720	5,720	5,720	5,720	5,720	5,720	IT Strategy and Implementation Plan		
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
	FM (FTE)	34.23	34.23	31.63	31.63	31.63	31.63			
	Transactional Services (FTE)	13.3	13.3	10.3	7.3	7.3	7.3			
	IT Service Delivery (FTE)	28	28	28	28	28	28			
Safety Services (FTE)	4	4	5	5	5	5				
Client Financial Affairs (FTE)	6	6	6	6	6	6				
Commercial Services & Procurement (FTE)	7	9	9	9	4	4				
Management (FTE)	2	2	2	2	2	2				
Business Systems (FTE)	25.2	25.2	26.2	26.2	26.2	26.2				
Performance indicator	Actual Performance Target (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
Completed planned Health & Safety workplace inspections	47	50	50	50	50	50	High	Quarterly	Outcome	Breach statutory duty
The level of CO ₂ emissions from the council's buildings (tonnes/tCO ₂ e)	5,048	7,128.80	6,823	6,518	6,212	5,907	Low	Annual	Output	Environmental issues
Customer satisfaction - incident resolution, rated good or excellent	95.26%	90%	90%	90%	90%	90%	High	Monthly	Outcome	Reduced customer service
First time fix rate for IT Service Desk	78.13%	75%	75%	75%	75%	75%	High	Monthly	Outcome	Reduced service delivery
IT System Availability	99.58%	99%	99%	99%	99%	99%	High	Monthly	Business critical	Reduced service delivery
Mosaic invoices paid in 30 days from invoice date (minus 4 days for postage)	96.79%	95%	95%	96%	96%	96%	High	Monthly	Business critical	Reduced service delivery
E5 invoices paid in 30 days of receipt by LB Merton	95.47%	95%	95%	96%	96%	96%	High	Monthly	Business critical	Reduced service delivery
% of influencible spend published on contracts register	86%	85%	95%	96%	97%	98%	High	Quarterly	Outcome	Reputational risk

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	14,746	14,954	14,905	(250)	15,189	15,183	15,227	15,175
Employees	5,344	6,014	5,438	192	5,531	5,433	5,385	5,387
Premises	2,262	2,740	2,211	40	1,910	1,948	1,987	1,880
Transport	25	18	25	(5)	23	23	24	24
Supplies & Services	3,532	2,593	3,443	(373)	3,843	3,895	3,947	3,999
3rd party payments	98	0	100	(100)	101	103	104	106
Transfer Payments	9	6	10	(4)	10	10	10	10
Support services	1,129	1,236	1,333	0	1,333	1,333	1,333	1,333
Depreciation	2,347	2,347	2,347	0	2,437	2,437	2,437	2,437
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	14,016	15,191	14,385	531	14,695	14,890	15,016	15,016
Government grants	0	0	0	0	0	0	0	0
Reimbursements	81	118	81	(39)	36	36	36	36
Customer & client receipts	2,362	2,490	2,608	570	2,577	2,697	2,697	2,697
Recharges	11,704	12,714	12,283	0	12,283	12,283	12,283	12,283
Reserves	(131)	(131)	(586)	0	(201)	(126)	0	0
Capital Funded								
Council Funded Net Budget	730	(237)	521	281	494	293	211	160
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Capital Building Works	0	611	1,114	(19)	911	950	650	1,375
Invest to Save	0	2,071	166	0	400	300	300	300
Business Systems	0	224	537	0	1,232	125	240	550
Social Care IT System	0	125	425	0	0	0	0	2,100
IT Planned Replacement	0	1,625	2,554	0	660	970	1,005	770
	0	4,656	4,796	-19	3,203	2,345	2,195	5,095



Summary of major budget etc. changes 2020/21

2020/21

- CS2015-03 Restructure of Transactional Services team £100k
- CSD7 Restructure Print and Post service and delete one post £47k
- 2018-19 CS03 Adjust current Local Authority Liaison Officer (LALO) arrangements to require Assistant Directors to undertake the duties as part of their job description £33k
- 2019-20 CS19 Reduction in the Repairs and Maintenance budgets for the corporate buildings £100k
- 2019-20 CS20 Reduction in the energy 'Invest to Save' budget for the corporate buildings £100k
- 2019-20 CS22 Reduction in the frequency of the cleaning within the corporate buildings £25k
- 2020-21 CS8 A further £100k reduction of the repairs and maintenance budget for corporate buildings £100k
- 2020-21 CS9 Reduction in the frequency of the cleaning within the Councils corporate buildings £30k
- 2020-21 CS13 Cancel lease on two Council vans £15k
- 2020-21 CSG1 Emergency Planning growth £150k
- 2020-21 CSG2 Microsoft Licences (Enterprise Agreement) growth £280k

2021/22

- 2019-20 CS21 Implement phase 2 of the Flexible Working Programme to generate additional vacant floor space and generate income from commercial lease arrangements £90k
- 2019-20 CS23 Implement a means assessed charging scheme for appointeeships undertaken by the CFA team £30k
- 2020-21 CS10 Further restructuring of the Transactional Services team £100k

2022/23

- 2020-21 CS11 Restructure of the Commercial Services (Procurement) team and deletion of 1 permanent FTE post £50k

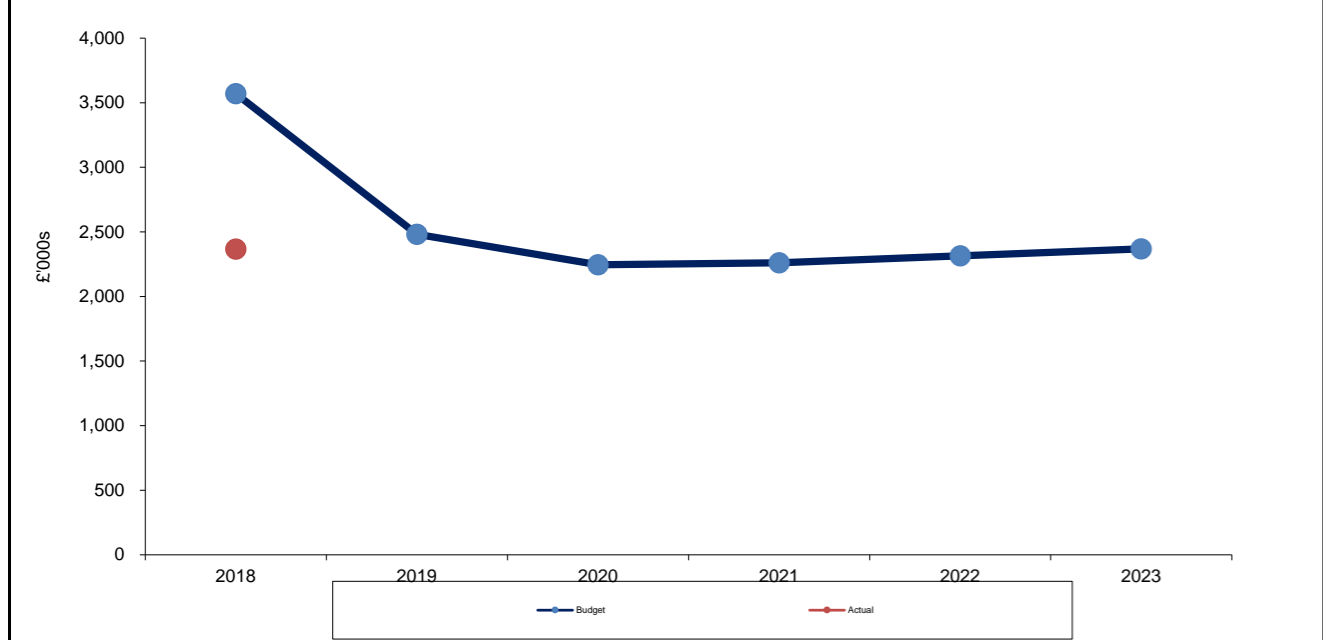
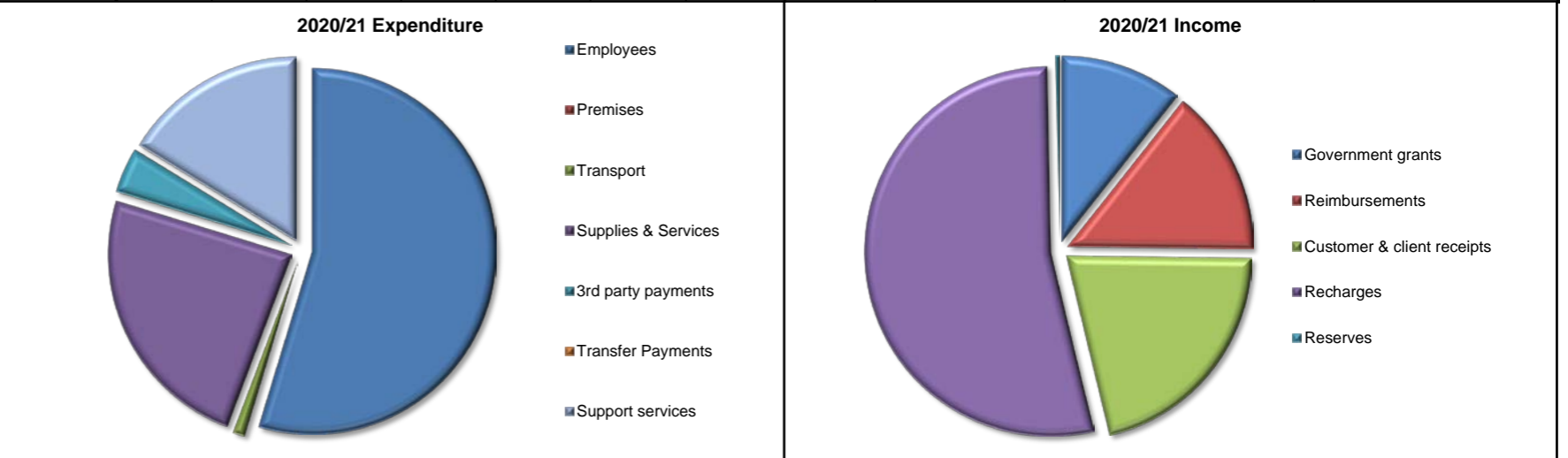
2023/24

- 2019-20 CS17 Closure of Chaucer centre and relocation of operational teams at the Civic centre £77k
- 2019-20 CS18 Closure of Gifford House and relocation of SLLP to the Civic centre £69k

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD									
Infrastructure and Technology (previously Infrastructure & Transactions)									
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Implementation of IT Strategy & Plan		Infrastructure renewal		3	3	9
Start date	2020-21	Project Details:	Implementation of corporate IT Strategy & Plan which has been developed on the basis of information derived from departmental Target Operating Models.						
End date	2022-23								
Project 2		Project Title:	Implementation of 4P's project		Infrastructure renewal		3	2	6
Start date	2019-20	Project Details:	Procure and implement M3LP and M3PP hosted environment to facilitate the delivery of the three borough shared Regulatory Service.						
End date	2020-21								
Project 3		Project Title:	Implement SMARTER working		Improved effectiveness		2	3	6
Start date	2020-21	Project Details:	Implement phase two of the rebranded flexible working programme which will further develop the innovative use of modern IT technology, infrastructure and office accommodation in order to enable the Council to continue to deliver its services in the most efficient and cost-effective manner possible.						
End date	2021 -22								
Project 4		Project Title:	Upgrade/refurbishment of staff toilets		Improved customer experience		2	1	2
Start date	2020-21	Project Details:	Works to upgrade and refurbish the staff toilets within the Civic centre as part of the agreed planned capital maintenance programme.						
End date	2021-22								
Project 5		Project Title:	Energy "Invest to Save" Initiatives		Improved sustainability		3	2	6
Start date	2020-21	Project Details:	Completion of a range of projects across the Council's entire portfolio of properties which will reduce energy consumption and associated CO2 emissions and that are designed to have a maximum financial pay back of between 7 and 10 years.						
End date	2021-22								
Project 6		Project Title:	Undertake 'Make/Buy/Share' reviews of key service provision		Improved efficiency (savings)		3	2	6
Start date	2018-19	Project Details:	Review of current operational service delivery models to ensure that the Council is utilising the most cost effective and efficient means of providing services to both internal and external customers.						
End date	2020-21								
Project 7		Project Title:	Upgrade to Office 365		Improved effectiveness		3	2	6
Start date	2019-20	Project Details:	Complete works to upgrade from current version of Microsoft Office to Office 365 and implement cloud based services, including telephony.						
End date	2020-21								
Project 8		Project Title:	Introduction of Artificial Intelligence		Improved effectiveness		3	2	6
Start date	2020-21	Project Details:	Introduction of Artificial Intelligence (Robotics) to automate current manual processing of transactional elements of the Councils operations in order to improve efficiency and reduce operating costs.						
End date	2021-22								
Project 9		Project Title:	Refurbishment of Merton Link		Improved customer experience		3	2	6
Start date	2020-21	Project Details:	Refurbishment of Merton Link and the main reception area in order to promote and enhance the new Customer Contact strategy and improve facilities for staff and visitors.						
End date	2021-22								

Resources		Planning Assumptions						The Corporate strategies your services contribute to				
Cllr Mark Allison: Deputy Leader & Cabinet Member for Finance		Anticipated demand		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
<p>Accountancy manage financial health of the council through advice & support to officers and Members, production of council's financial accounts, revenue & budget setting, profiling and reporting & monitoring. Over the next four years we will transform by improving use of technology /reviewing processes /how information is stored in our financial systems.</p> <p>Financial Strategy and Capital manage Financial Strategy & Capital Strategy/Monitoring, Financial Systems Liaison & Development & Strategic and Operational Risk Management. The team facilitate multi-year planning, target resources, manage risk & integrate financial, business information. Over the next four years we will improve robustness of our systems & projections, challenge services to improve their risk management. The Team is also responsible for the support and maintenance of e5 in accordance with legislation and best practice.</p> <p>Treasury and pensions manage the Council's treasury (including the day to day cashflow, banking and cash), pension and insurance funds and oversee the contract for pensions administration.</p> <p>Local Taxation Responsible for Council tax & Business rates collection and debt recovery</p> <p>Housing Benefit Responsible for administering housing and council tax benefit schemes & identification and prevention of fraud.</p> <p>Bailiffs Collection of outstanding warrants in a shared service between Sutton & Merton for all areas, especially council tax and parking fines.</p>		Revenue/Capital Budget Managers supported		136/23	136/23	136/23	136/23	136/23	136/23	Capital Strategy		
		Budget & Risk Monitoring Reports		10	10	10	10	10	10	10	Medium term Financial Strategy	
		Benefit/Council Tax support claimants		14,000	14,000	12,750	12,250	12,000	11,750	11,750	Procurement Strategy	
		Council tax properties		85,000	85,500	86,000	86,500	86,750	87,000	87,000	Treasury Management Strategy	
		Anticipated non financial resources		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
		Staff (FTE)		145.1	145.5	141.8	141.8	141.8	141.8	141.8		
		Staff (Trainees)		1	1	4	4	4	4	4		
		Performance indicator		Actual Performance (A) Performance Target (T) Proposed Target (P)					Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
				2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)				
		% of Council tax collected		97.98%	97.25%	97.25%	97.4%	97.6%	97.8%	High	Monthly	Business critical
% Business Rates collected		98.45%	97.50%	97.50%	97.75%	98%	98.25%	High	Monthly	Business critical	Loss of income	
Number of processing days for new Housing Benefit claims		12	14	14	14	14	14	Low	Monthly	Business critical	Customer hardship	
Number of processing days for Housing Benefit change of circumstances		8.21	8	8	8	8	8	Low	Monthly	Business critical	Customer hardship	
% of red risks with current control measures		100	90	90	90	90	90	High	Quarterly	Outcome	Poor decision making	
Accuracy of P10 Revenue Forecast (compared to outturn)		22.65%	90%	90%	90%	90%	90%	High	Annual	Outcome	Poor decision making	
Accuracy of P8 (P9 to 2013/14) Capital Forecast		86.29%	90%	90%	90%	90%	90%	High	Annual	Outcome	Poor decision making	
% of Insurance Claims responded to within 5 working days		93%	96%	96%	TBC	TBC	TBC	High	Quarterly	Outcome	Reduced customer service	
Delivery against current year MTFs savings targets		82.1	100%	100%	100%	100%	100%	High	Quarterly	Business critical	Poor decision making	
Closing Accounts by due date (Publish draft accounts by 31 May, and External Auditor sign off by 31 July)		N/A	N/A	Yes	Yes	Yes	Yes	Yes/No	Annual	Business critical	Reputational risk	
Accuracy of benefit payments over £1500		N/A	N/A	95%	95%	95%	95%	High	Quarterly	Outcome	Loss of income	

Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	12,408	13,219	12,076	1,170	12,041	12,071	12,125	12,180
Employees	6,639	7,435	6,647	756	6,585	6,587	6,589	6,591
Premises	2	2	2	1	2	2	2	2
Transport	130	177	132	73	127	129	131	133
Supplies & Services	3,333	3,305	3,051	244	2,887	2,908	2,954	3,001
3rd party payments	279	393	284	95	479	483	487	491
Transfer Payments	0	2	0	0	0	0	0	0
Support services	2,025	1,905	1,961	0	1,961	1,961	1,961	1,961
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	8,838	10,852	9,594	(1,243)	9,796	9,811	9,811	9,811
Government grants	1,099	1,076	1,099	0	1,050	1,050	1,050	1,050
Reimbursements	1,236	1,930	1,189	(503)	1,435	1,435	1,435	1,435
Customer & client receipts	1,917	2,884	2,067	(741)	2,071	2,086	2,086	2,086
Recharges	4,673	5,049	5,270	0	5,270	5,270	5,270	5,270
Reserves	-87	-87	-30	0	-30	-30	-30	-30
Council Funded Net Budget	3,570	2,367	2,482	(73)	2,246	2,260	2,314	2,369
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Financial Systems	0	72	25	0	0	0	700	0
Multi Function Device	0	0	0	0	600	0	0	0
Acquisitions Budget	0	65	0	0	0	0	6,985	0
Capital Bidding Fund	0	0	0	0	0	0	1,186	0
Corporate Capital Contingency	0	0	0	0	0	0	4,834	0
Housing Company	0	0	1,900	0	23,374	0	0	0
Westminster Coroners Court	0	0	5	0	455	0	0	0
	0	137	1,930	0	24,429	0	13,705	0

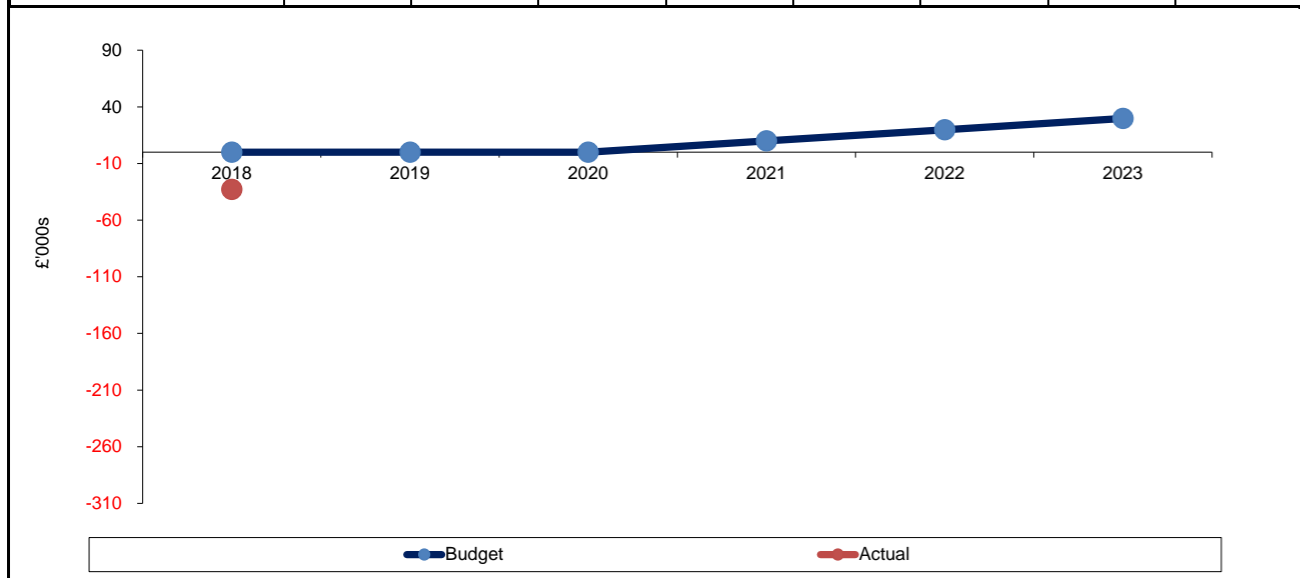
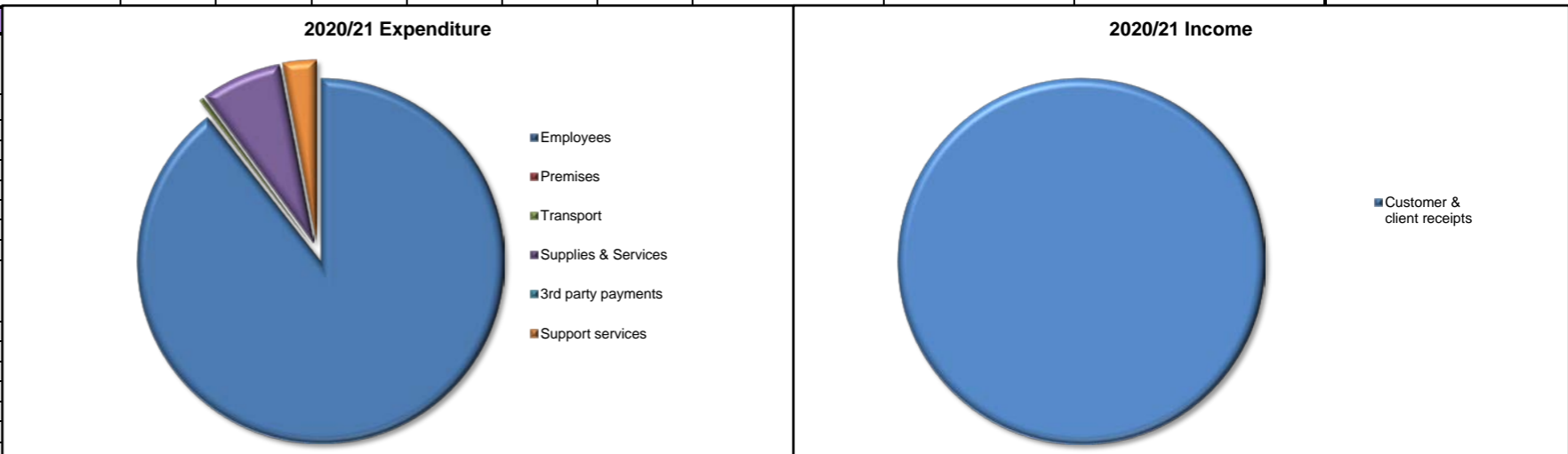


Summary of major budget etc changes	
2020/21	2018-19 CS06 Miscellaneous budgets within Resources £17k 2018-19 CS07 Retender of insurance contract £50k 2018-19 CS08 Increase in income from Enforcement Service £20k 2019-20 CS06 Revenues and Benefits reduction in staffing £146k 2019-20 CS08 Insurance reduction in staffing £15k 2020-21 CS1 Right sizing charge to Pension Fund for Pension Manager time £24k 2020-21 CS2 Savings in Insurance Fund top up budget £70k
2021/22	2018-19 CS07 Retender of insurance contract £25k 2018-19 CS08 Increase in income from Enforcement Service £15k
2022/23	
2023/24	

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD					
Resources					
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk
			Likelihood	Impact	Score
Project 1		Project Title:	Evaluation of future funding levels		
Start date	2019-20	Project Details:	Analysis of all relevant information relating to local government finance. This will include details provided in annual Local Government Finance Settlements, Annual Budgets, Spending Reviews and other financial information published by the Government. This information is incorporated into the Council's MTFS and updated as part of annual Budget Setting Procedures. Modelling of the retained NNDR system will be undertaken along with sensitivity analysis.	Risk reduction and compliance	6
End date	2023-24				
Project 2		Project Title:	Financial systems		
Start date	2013-14	Project Details:	The E5 Financial System was successfully upgraded to V5.5 in February 2019. We are continuing to upgrade the system functionality, introducing Business Processes manager and E5 Supplier during 2020/21 in addition to developing our reporting suite.	Improved effectiveness	4
End date	2021-22				
Project 3		Project Title:	Improved effectiveness		
Start date	2018-19	Project Details:	This project will be undertaken in four stages (it is envisaged that it will be piloted with vehicles purchasing) 1) Develop a template to capture appropriate information 2) Pilot the template on two selected schemes 3) Amend the template 4) Apply the template to selected schemes	Improved effectiveness	6
End date	2021-22				

Shared Legal Services		Planning Assumptions						Indicators				
Cllr Mark Allison: Deputy Leader & Cabinet Member for Finance		Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	service contributes to			
Enter a brief description of your main activities and objectives below		Chargeable hours for Merton	19,125	19,125	17,632	17,632	17,632	17,632	Contribute to all Corporate Strategies			
The service delivers legal advice, support and representation to all services across the London Boroughs of Merton, Sutton, Richmond, Wandsworth and the Royal Borough of Kingston upon Thames, including to arms length delivery vehicles (Achieving for Children, and currently Sutton Housing Partnership) and several local authority trading companies. The service also provides advice in relation to the constitution and decision making processes in all councils, and advice to members in relation to their roles.		Chargeable hours for Richmond	13,828	13,828	13,828	13,828	13,828	13,828				
		Chargeable hours for Sutton	22,835	22,835	22,835	22,835	22,835	22,835				
		Chargeable hours for Kingston	11,329	11,329	11,329	11,329	11,329	11,329				
		Chargeable hours for Wandsworth	22,487	22,487	22,487	22,487	22,487	22,487				
		Chargeable hours for Achieving for Children	11,222	11,222	11,222	11,222	11,222	11,222				
		Chargeable hours for Sutton Housing Partnership	2,516	2,516	2,516	2,516	2,516	2,516				
		Anticipated non financial resources		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24			
		Staff (FTE)	106.1	105.3	121.3	121.3	121.3	121.3				
		Apprentices	2	6	3	3	3	3				
Performance indicator		Actual performance (A) Performance Target (T) Proposed Target (P)					Polarity	Reporting cycle	Indicator type	Main impact if indicator not met		
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)					2023/24(P)	
Chargeable hours (Shared Legal Services)		103,804	103,939	103,939	TBC	TBC	TBC	TBC	High	Monthly	Business critical	Loss of income
Income for SLLP and 3rd Party		£34,346	£100,000	£230,000	TBC	TBC	TBC	TBC	High	Quarterly	Outcome	Loss of income
1st draft S106 agreement sent to client dept within 10 days		99.25%	95%	90%	TBC	TBC	TBC	TBC	High	Quarterly	Perception	Reputational risk
Prosecutions - number of successful outcomes		93.75%	85%	80%	TBC	TBC	TBC	TBC	High	Quarterly	Perception	Reputational risk
Provide FOI/EIR reviews within 20 working days		75%	80%	90%	TBC	TBC	TBC	TBC	High	Quarterly	Perception	Breach statutory duty
Provide FOI/EIR reviews within 40 working days if an extension has been applied		N/A	N/A	90%	TBC	TBC	TBC	TBC	High	Quarterly	Perception	Breach statutory duty

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	6,892	10,842	7,023	471	8,274	8,284	8,293	8,303
Employees	6,047	6,419	6,168	521	7,399	7,400	7,401	7,402
Premises	5	6	5	0	5	5	5	5
Transport	28	18	28	(11)	34	34	35	35
Supplies & Services	567	4,036	574	(39)	586	595	604	612
3rd party payments	0	118	0	0	0	0	0	0
Support services	245	245	249	0	249	249	249	249
Depreciation								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	6,892	10,875	7,023	(469)	8,274	8,274	8,274	8,274
Government grants	0	0	0	0	0	0	0	0
Reimbursements	0	3,622	0	(364)	0	0	0	0
Customer & client receipts	6,892	7,253	7,023	(105)	8,274	8,274	8,274	8,274
Recharges	0	0	0	0	0	0	0	0
Capital Funded								
Council Funded Net Budget	0	(33)	(0)	2	0	10	20	30
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
	0	0	0	0	0	0	0	0



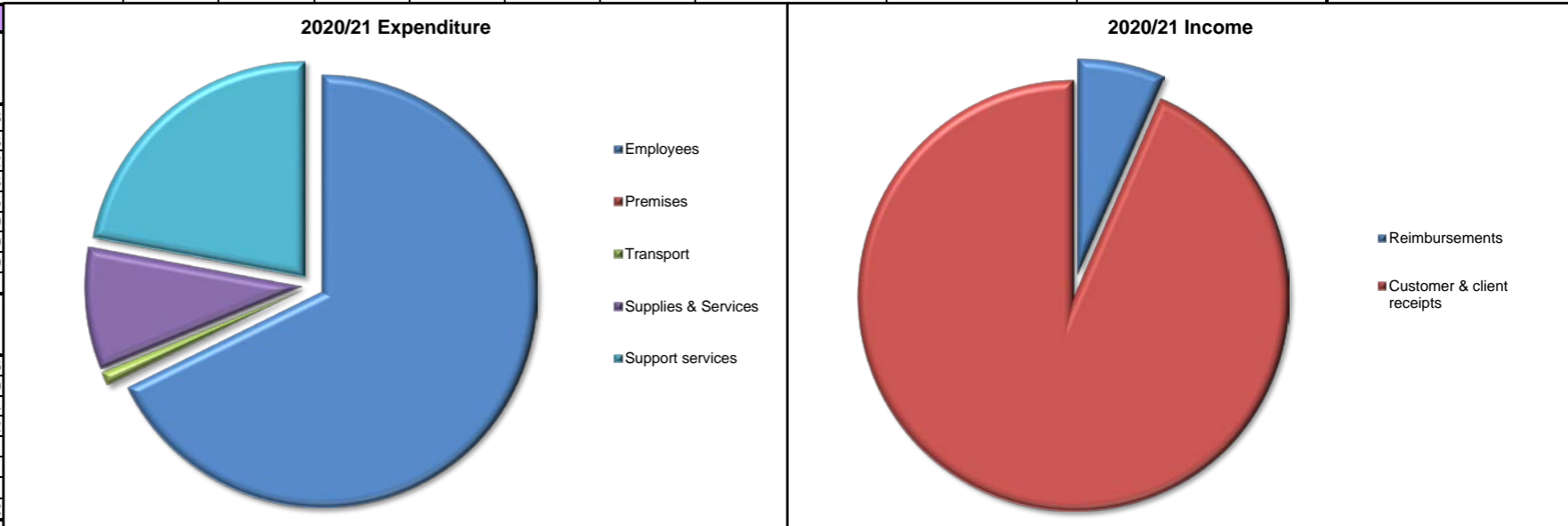
Summary of major budget etc. changes	
2020/21	2018-19 CS12 SLLP - reduction in legal demand £50k 2019-20 CS14 Impose criminal litigation cap £20k 2019-20 CS15 Reduce civil litigation legal support by 50% £45k
2021/22	
2022/23	
2023/24	

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD							
Shared Legal Services							
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk		
			Likelihood	Impact	Score		
Project 1		Project Title:	Increase 3rd party income		Economic outcomes		
Start date	2019-20	Project Details:	To increase income from fees and charges of 3rd parties across all partner councils and explore generating income from providing legal advice and support to other authorities. Target: additional £290k		2	1	2
End date	2020-21						
Project 2		Project Title:	Further expansion of SLLP		Economic outcomes		
Start date	2019-20	Project Details:	To provide an expanded legal support and advice service to Achieving for Children. Income target for 2019/20 - £50k; target for 2020/21: £80k		2	1	2
End date	2020-21						
Project 3		Project Title:	Develop Transactional Team		Improved effectiveness		
Start date	2019-20	Project Details:	To establish a transactional team for high volume routine matters to deliver efficiency savings		2	1	2
End date	2020-21						

Environment & Regeneration

Development and Building Control		Planning Assumptions						The Corporate strategies your service contributes to				
CIlr Martin Whelton: Cabinet Member for Regeneration, Environment & Housing		Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Enter a brief description of your main activities and objectives below		Enforcement cases	554	580	580	580	580		Economic Development Strategy			
Building Control Building Control competes with Approved Inspectors (AIS). We provide a Building Control Service in competition with AIS to deliver high quality Building Control advice and regulation. We also regulate safety of structures and sports grounds. Development control Promote sustainable regeneration by assessing and determining planning applications against the adopted policies for the built environment contained within the council's Core Strategy. Continue to implement the Mayoral Community Infrastructure Levy (CIL) charging regime. Objectives - continue to concentrate on the commercialisation of the Building Control (BC) service and maintain or improve the market share -- review the pre-application charging regime for Development Control (DC) and to investigate whether additional income generation is possible especially through Planning Performance Agreements. - implement mobile/flexible working to improve efficiency -as part of sustainable communities to enable a comprehensive development management process to encourage regeneration. - re-procure the M3 database (on going) - move away from expensive and transient temporary staff towards a more established and reliable staffing base		Planning applications (economy dependant)	3678	3700	3700	3700	3700		Merton Regeneration Strategy			
		BC applications (economy dependant)	1650	1700	1750	1750	1750		Medium Term Financial Strategy			
		Tree applications	557	550	550	550	550					
		Pre applications	114	115	115	115	115					
		Planning performance agreements	25	25	25	325	325					
		Prior approvals (permitted development)	640	640	650	650	650					
				Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24		
				Staff (FTE)	35	34	37	37	37	37		
		Performance indicator		Actual Performance (A) Performance Target (T) Proposed Target (P)					Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
				2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)				
% Major planning applications processed within 13 weeks		83	68	68	68	68	68	High	Monthly	Quality	Reduced customer service	
% minor applications determined within 8 weeks		85	71	71	71	71	71	High	Monthly	Quality	Reduced customer service	
% "other" applications determined within 8 weeks		93	82	82	82	82	82	High	Monthly	Quality	Reduced customer service	
% of appeals lost		24	35	35	35	35	35	Low	Quarterly	Perception	Reputational risk	
Income (Development & Building Control)		1,545,187	£1.886m	£1.886m	£1.886m	£1.886m	£1.886m	High	Monthly	Business critical	Loss of income	
% of Market share retained by local authority (building control)		51.06	54	54	54	54	54	High	Monthly	Perception	Loss of income	
No. of planning enforcement cases closed		662	520	520	520	520	520	High	Monthly	Quality	Reduced service delivery	
No. of backlog planning enforcement cases		901	849	500	500	500	500	Low	Monthly	Output	Reduced service delivery	

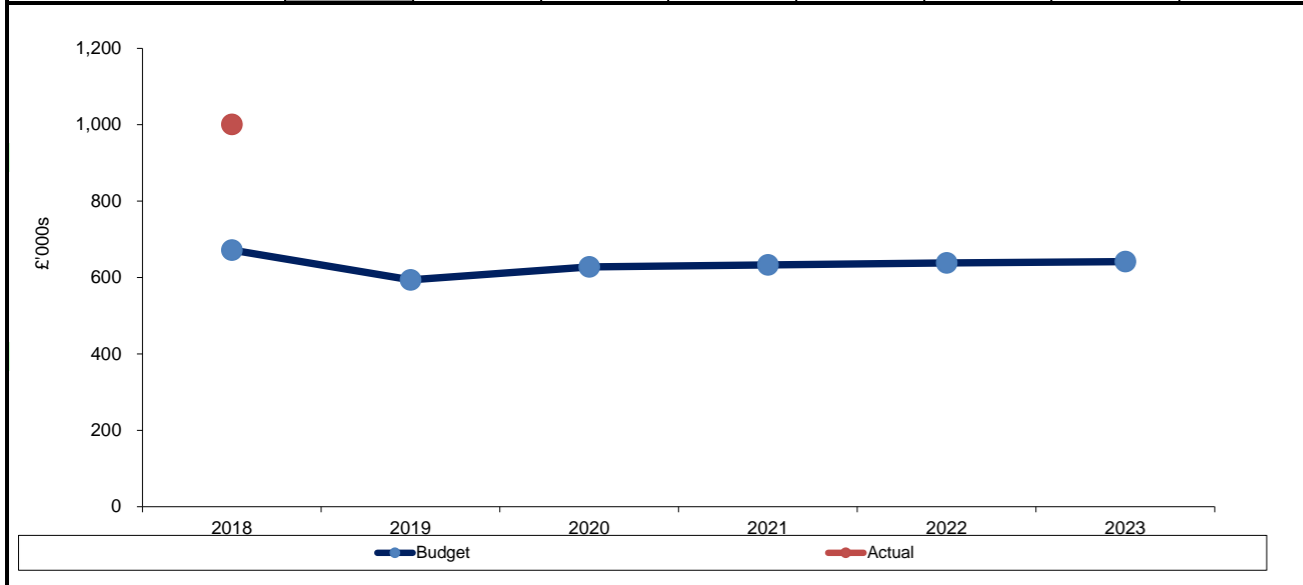
DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	2,656	2,765	2,580	60	2,674	2,679	2,684	2,688
Employees	1,673	1,733	1707	103	1811	1812	1813	1813
Premises	2	4	2	(3)	2	2	2	2
Transport	26	14	27	(17)	27	27	28	28
Supplies & Services	251	257	254	(23)	244	248	251	255
3rd party payments	0	0	0	0	0	0	0	0
Transfer payments	0	0	0	0	0	0	0	0
Support services	704	757	590	0	590	590	590	590
Depreciation								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	1,984	1,764	1,986	(133)	2,046	2,046	2,046	2,046
Government grants	0	0	0	0	0	0	0	0
Reimbursements	96	219	99	(92)	134	134	134	134
Customer & client receipts	1,888	1,545	1887	(41)	1912	1912	1912	1912
Recharges								
Reserves								
Capital Funded								
Council Funded Net Budget	672	1,001	594	(73)	628	633	638	642



Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
		0	0	0	0	0	0	0

Summary of major budget etc. changes

2020/21



2021/22

2022/23

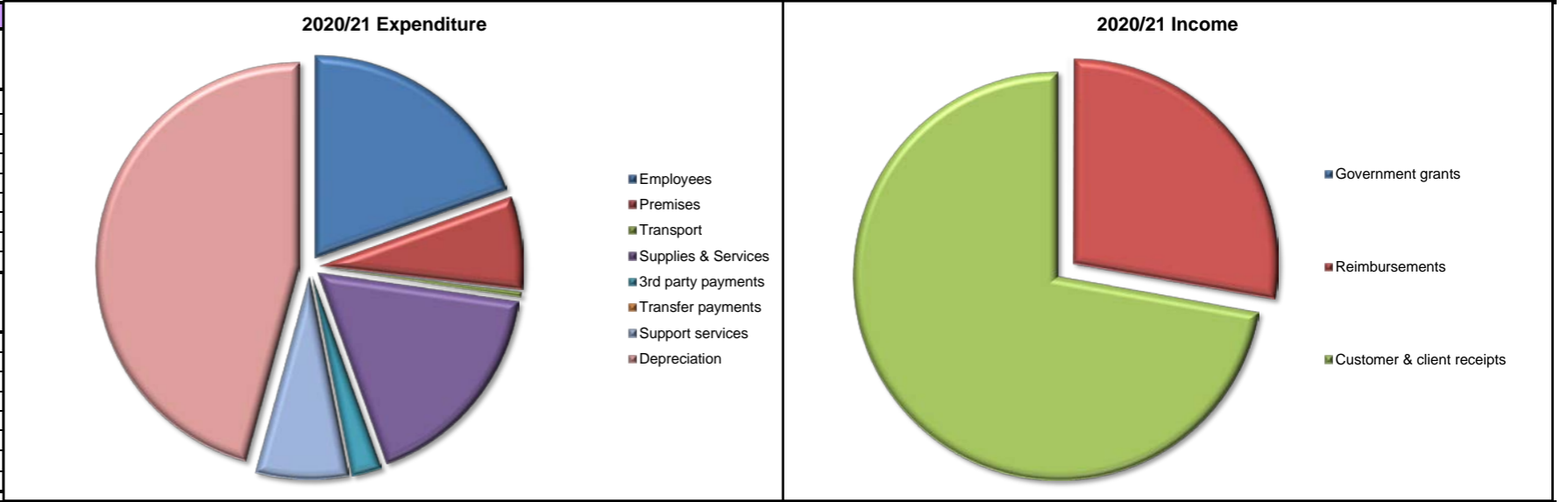
2023/24

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD									
Development and Building Control									
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Commercialisation of Building Control		Improved efficiency (savings)		3	1	3
Start date	2018-19	Project Details:	This is to ensure Building Control is more commercially aware in a more competitive market.		Additional income generation. More staff resilience				
End date	2021-22								
Project 2		Project Title:	Improving the development management processes		Improved effectiveness		2	2	4
Start date	2018-19	Project Details:	As part of sustainable communities, continue to review the end to end development management process to deliver regeneration objectives.		Improve regeneration opportunities				
End date	2021-22								
Project 3		Project Title:	Developing eforms and M3 capability and e-payments		Improved customer experience		4	1	4
Start date	2018-19	Project Details:	Enforcement eforms, BC eforms . (currently delayed)		Channel shift				
End date	2020-21								
Project 4		Project Title:	Lean review of pre-application process (part of TOM)		Improved effectiveness		6	1	6
Start date	2018-19	Project Details:	To ensure the process is efficient and robust from a customer perspective and to investigate any further income opportunities.		income generation opportunities				
End date	2020-21								
Project 5		Project Title:	Re-procurement of M3 or equivalent IT system		Improved effectiveness		3	1	3
Start date	2018-19	Project Details:	The re-procurement is well underway and the lift and shift planned. The next phase is the step up to the 'Assure' system		Improved Mobile working capability and better working practices				
End date	2020-21								

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Future Merton & Traffic and Highways		Planning Assumptions						contributes to					
Cllr Martin Whelton: Cabinet Member for Regeneration, Housing and Transport		Anticipated demand		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	contributes to			
Enter a brief description of your main activities and objectives below													
Future Merton is the council's lead on growth and strategic development for the long-term sustainability of the borough. Our primary objective is to make Merton a great place and enhance the quality of life of our residents.		Population (GLA housing-led 2016)		209,421	210,452	212,658	214,740	216,661	218,298	Local Plan			
The team plans and monitors the delivery of new housing in Merton and supports the creation of new businesses and jobs. We manage the council's Highway & Street Lighting contracts and ensure the borough's network of roads, footways, cycleways and street lighting are well maintained and safe.		Homes (GLA housing-led 2016)		84,210	84,483	85,762	87,041	88,320		Climate Change Strategy			
The team also manage major town centre and estate regeneration projects and lead on the coordination of infrastructure projects such as Crossrail 2 and Tramlink. We are responsible for locally delivering our objectives in the Mayor's London Plan and Mayor's Transport Strategy.		Businesses (includes enterprises)		12,960	13,500	14,000	14,500	14,750		Community Plan			
Future Merton contributes to the Merton Partnership via the activities of the Sustainable Communities & Transport Partnership (SCTP), Economic Wellbeing Group, Housing Group and Climate Change Steering Group. The team also services the Borough Plan Advisory Committee (BPAC) and Design Review Panel (DRP) and leads on South London Partnership's Transport, Growth & Skills boards.		Electric Vehicles		300	350	400	500	600		Sustainable Transport Strategy (TFL LIP)			
Performance indicator		Anticipated non financial resources		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
		Staff (FTE)		48	49	49	48	48	48	Employment and Skills Action Plan			
				2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)	Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
Key service areas include: Regeneration, Placemaking, Strategic Planning, Housing Strategy, Economic Development, Traffic & Highways, Transport Planning, Road Safety Education, Flood Mitigation, Urban Design, management of the Community Infrastructure Levy and the management of Vestry Hall.		New homes built annually		429	1328	918	918	918	918	High	Annual	Outcome	Loss of Government grant
Service transformations identified in the TOM involve streamlined processes for project delivery, increased mobile working, increasing online consultations and interactive digitisation and mapping of highway and traffic management asset records.		Number of publically available Electric Vehicles Charging Points		78	49	145	175	205	235	High	Annual	Outcome	Reputational risk
		Number of business premises improved		18	10	10	10	10	10	High	Annual	Outcome	Reputational risk
		Average number of days taken to repair an out of light street light		1	3	3	3	3	3	Low	Quarterly	Quality	Reduced customer service
		Road emergency call outs (% attended to)		99.72	98	98	98	98	98	High	Monthly	Business critical	Reduced customer service
		Carriage way condition - unclassified roads defectiveness condition indicator		Awaited	75	75	75	75	75	High	Annual	Quality	Increased costs
		Footway condition (% not defective, unclassified road)		N/A	75	75	75	75	75	High	Annual	Quality	Increased costs
		Streetworks permitting determined		100	98	98	98	98	98	High	Monthly	Output	Loss of income

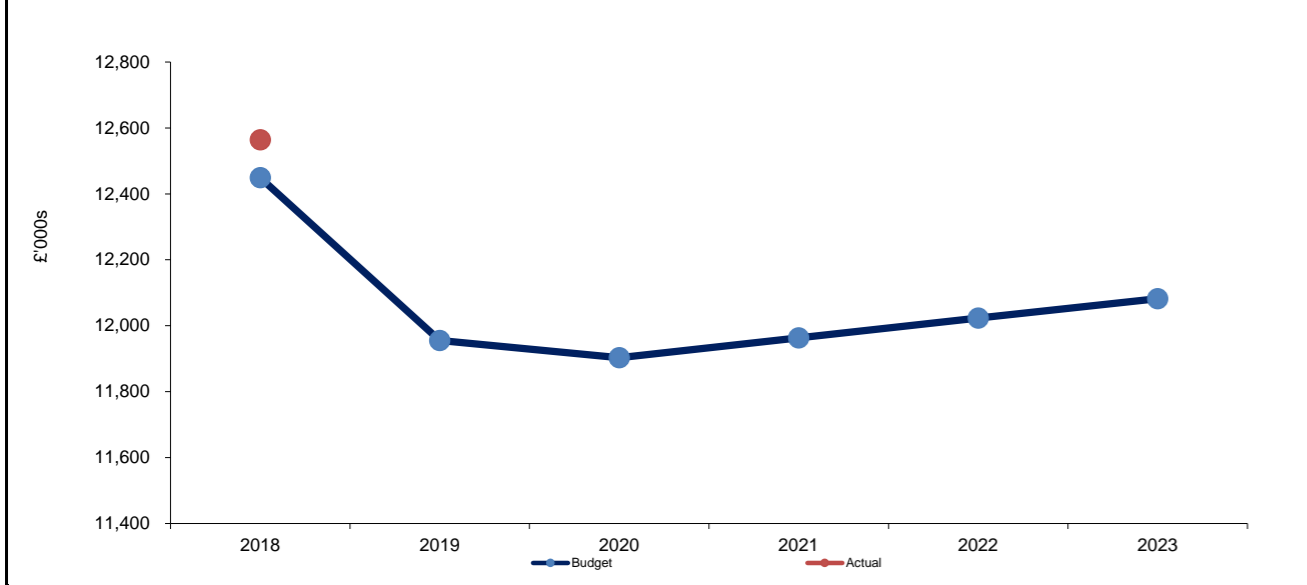
DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	15,780	15,611	14,762	48	14,749	14,809	14,869	14,928
Employees	2,894	2,885	2817	(8)	2874	2879	2883	2887
Premises	1,178	1,265	1192	67	1089	1105	1121	1136
Transport	68	55	69	(14)	61	61	62	63
Supplies & Services	3,206	2,921	2366	(102)	2538	2572	2606	2640
3rd party payments	445	432	435	105	352	357	362	367
Transfer payments	0	0	0	0	0	0	0	0
Support services	1,200	1,264	1093	0	1093	1093	1093	1093
Depreciation	6,789	6,789	6790	0	6742	6742	6742	6742
Revenue £'000s	3,331	3,047	2,807	(89)	2,846	2,846	2,846	2,846
Government grants	69	86	1	(17)	1	1	1	1
Reimbursements	1,392	1,032	804	0	791	791	791	791
Customer & client receipts	1,870	1,929	2002	(72)	2054	2054	2054	2054
Reserves	0	0	0	0	0	0	0	0
Council Funded Net Budget	12,449	12,564	11,955	(41)	11,903	11,963	12,023	12,082



Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Highway Maintenance	0	4,069	4,672	0	5,089	4,699	4,399	3,099
Transport Improvement	0	570	1,981	0	0	0	0	0
Regeneration	0	649	688	0	5,436	3,633	2,100	0
	0	5,288	7,341	0	10,525	8,332	6,499	3,099

Summary of major budget etc changes

2020/21



2021/22

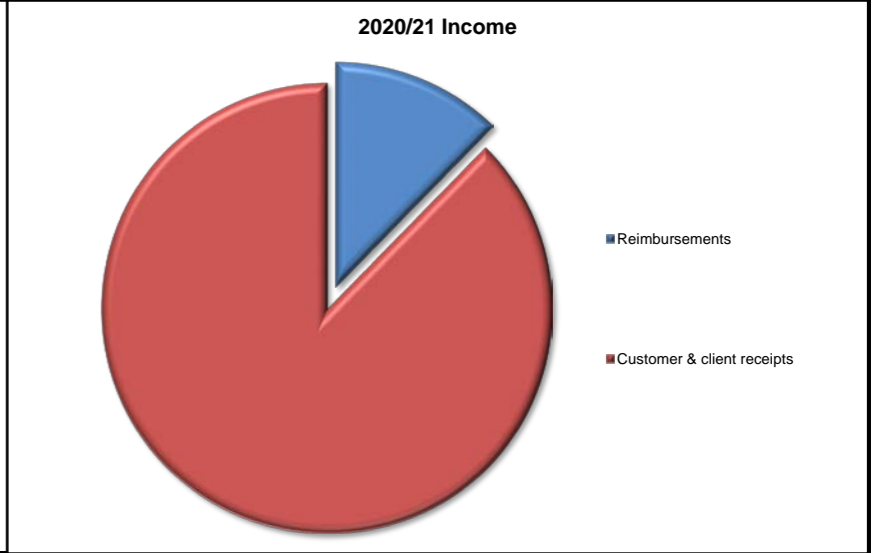
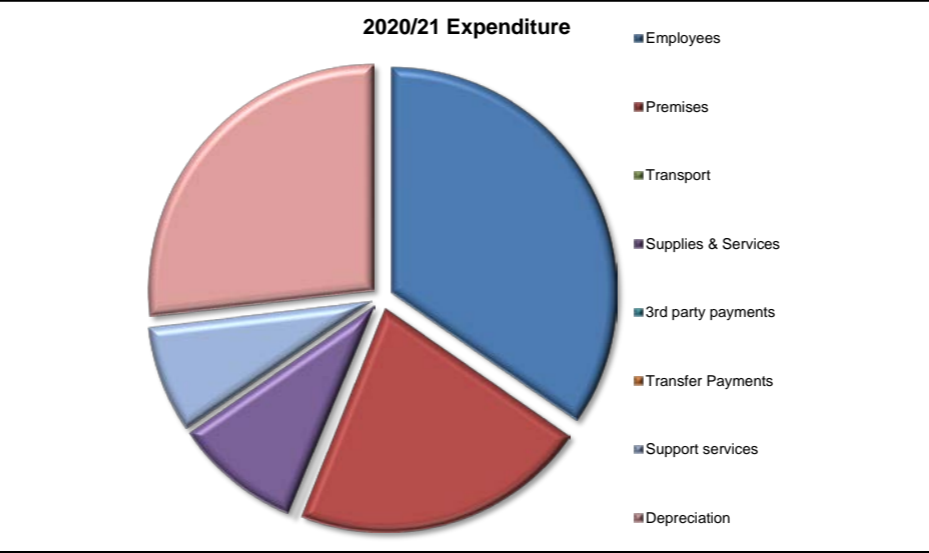
2022/23

2023/24

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD									
Future Merton & Traffic and Highways									
PROJECT DESCRIPTION			MAJOR PROJECT BENEFITS		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Estate Regeneration		Infrastructure renewal				
Start date	2014-15	Project Details:	Working with Clarion Housing Group to deliver investment in new homes and the regeneration of High Path, Eastfields and Ravensbury estates. Supported by the preparation of a Local Plan (DPD) Also working with Moat housing to co-ordinate investment in regenerating Pollards Hill.		<ul style="list-style-type: none"> - Deliver more homes, including affordable homes (performance indicator) - improve quality of homes for existing and new residents - help address issues of overcrowding for existing residents 		4	3	12
End date	2024-25								
Project 2		Project Title:	Future Wimbledon & Crossrail 2		Economic outcomes				
Start date	2014-15	Project Details:	Identifying the growth potential of Wimbledon as the premier business hub in South London. Explore investment and development opportunities in advance of Crossrail2 and linked to its long-term delivery, and improving the quality of architecture, design and placemaking. Masterplan (2018/2019) Local Plan 2020		<ul style="list-style-type: none"> - Support business and jobs growth in Merton (performance indicator) - Improve economic resilience for the borough (retaining businesses and jobs) - improve quality of life and Merton's reputation through design and infrastructure quality in advance of and to inform the development of Crossrail2 		3	4	12
End date	2022-23								
Project 3		Project Title:	Morden Town Centre Regeneration		Economic outcomes				
Start date	2014-15	Project Details:	Growth, investment and intensification to support regeneration in Morden. Collaborative partnership with TFL Commercial Property to attract a development partner to Morden in 2019. New development and investment in the streetscape and public realm from 2019-2022		<ul style="list-style-type: none"> - Deliver more homes, including affordable homes (performance indicator) - improve Merton's reputation through improved placemaking, design and public realm (performance indicators) - improve the condition and value of Merton's assets including streets and landholdings 		4	3	12
End date	2025-26								
Project 4		Project Title:	Merton's New Local Plan 2020		Improved sustainability				
Start date	2017-18	Project Details:	Refreshing Merton's current Local Plan suite of documents (Core Strategy 2011, Sites & Policies 2014) to form a new statutory Local Plan for 2020. The plan will guide new development, infrastructure, growth areas, sustainability and design quality.		<ul style="list-style-type: none"> - Deliver more homes including affordable homes (performance indicator) - Improve quality of life and Merton's reputation through improved placemaking, design and public realm (performance indicator) - Improve the condition and value of Merton's assets including streets and landholdings 		3	2	6
End date	2020-21								
Project 5		Project Title:	Merton's Transport Local Implementation Plan		Improved customer experience				
Start date	2018-19	Project Details:	Setting out the strategy and funding bids to Transport for London to interpret and deliver the Mayor of London's transport strategy in Merton		<ul style="list-style-type: none"> - improve Merton's reputation through better urban design and public realm (performance indicators) - Increase funding into the borough for healthy streets, active travel and different transport modes 		2	2	4
End date	2020-21								
Project 6		Project Title:	Merton's new Highways contract		Infrastructure renewal				
Start date	2019-20	Project Details:	Re-procuring Merton's highways maintenance contract to ensure that the borough's streets, roads and paths are well maintained and built		<ul style="list-style-type: none"> - improve Merton's reputation through better urban design and public realm (performance indicators) - maintain or improve the condition of the carriageway and footway (performance indicators) - improve resilience in maintaining the streetscene and public realm 		2	3	6
End date	2020-21								

Leisure & Cultural Development	Planning Assumptions						The Corporate strategies your service contributes to				
Cllr Caroline Cooper-Marbiah: Cabinet Member for Commerce, Leisure & Culture	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Enter a brief description of your main activities and objectives below	Population	209,421	210,452	237,679	240,375	242,701	244,574	Asset Management Plan			
	Size of Catchment for Wimbledon Park Watersports Centre - No. of Children & Young People aged 8-17 in wards in west of borough	10,755	11,090	11,458	11,709	11,856	11,924	Children & Young person's Plan			
Main Activities: Build infrastructure so that people can engage in healthy living and lifestyle changes through participation in sports, arts, cultural and physical activities and events, by working with and through partners to increase the number, scope and quality of facilities, programmes, activities and events on offer. Main Objectives: - Develop solutions to de-silt & implement plans to mitigate flood risk at Wimbledon Park Lake - Develop plans for the delivery of the Wimbledon Park Master Plan - Deliver final elements of the LB of Culture plans in partnership with the Culture Advisory Group - Manage the Leisure Centres Contract; Wimbledon Theatre Lease; Polka and Attic Theatre's Grants - Deliver core service functionalities including operation of Watersports Centre, Morden Assembly Hall, etc. - Commission culture, arts & sports services where funding allows or with external funding - Deliver Merton's contribution to Ride London, Mini Marathon, VE day celebrations, etc. Key Changes: - Delivery of major projects working to generate increased income over expenditure - Services delivered through others – contracts; commissioning using procurement tools - Significant changes in technology, procurement, health & safety and employment law - Process reviews to make business changes following new IT and corporate changes - Increased use of IT to trade, report service failures and provide self-service solutions wherever possible, seeking to maximise customers use for culture and sports services - Growth of partnership working - Resident and customers' needs and determining how best to meet those needs.	Population of most disadvantaged wards	110,368	110,843	125,599	127,111	128,428	129,543	Culture and Sport Framework Community Plan			
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
	Staff (FTE)	7.8 (A)	8.8	8.8	8.8	8.8	8.8	8.8	Open Spaces Strategy		
	Accommodation	7 (A)	7 (A)	7	7	7	7	7	Social Inclusion Strategy		
	Volunteers	25	30	35	40	40	40	40	Voluntary Sector Strategy		
	Staff seasonal	30	30	30	30	30	30	30			
	Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
	Income from Watersports Centre (£)	405,244	365,000	385,000	385,000	385,000	385,000	High	Monthly	Business critical	Loss of income
	14 - 25 year old fitness participation at leisure centres	99,304	103,100	106,120	108,546	109,626	110,022	High	Monthly	Output	Reduced uptake of service
Total number of users of Merton's Leisure Centres	974,290	1,092,000	1,102,026	1,115,078	1,124,265	1,126,390	High	Monthly	Outcome	Reduced customer service	
Total number of users of Polka Theatre	84,125	18,700	69,470	101,670	111,000	111,000	High	Monthly	Output	Reduced uptake of service	
% of the Users of Leisure & Sports rating facilities Good to Excellent	N/A - measure has been revised for 2020-21		78	78	78	78	High	Biennial	Output	Reduced customer service	
% of the young people using Leisure & Sports rating facilities Good to Excellent	N/A - measure has been revised for 2020-21		66	66	66	66	High	Biennial	Output	Reduced customer service	

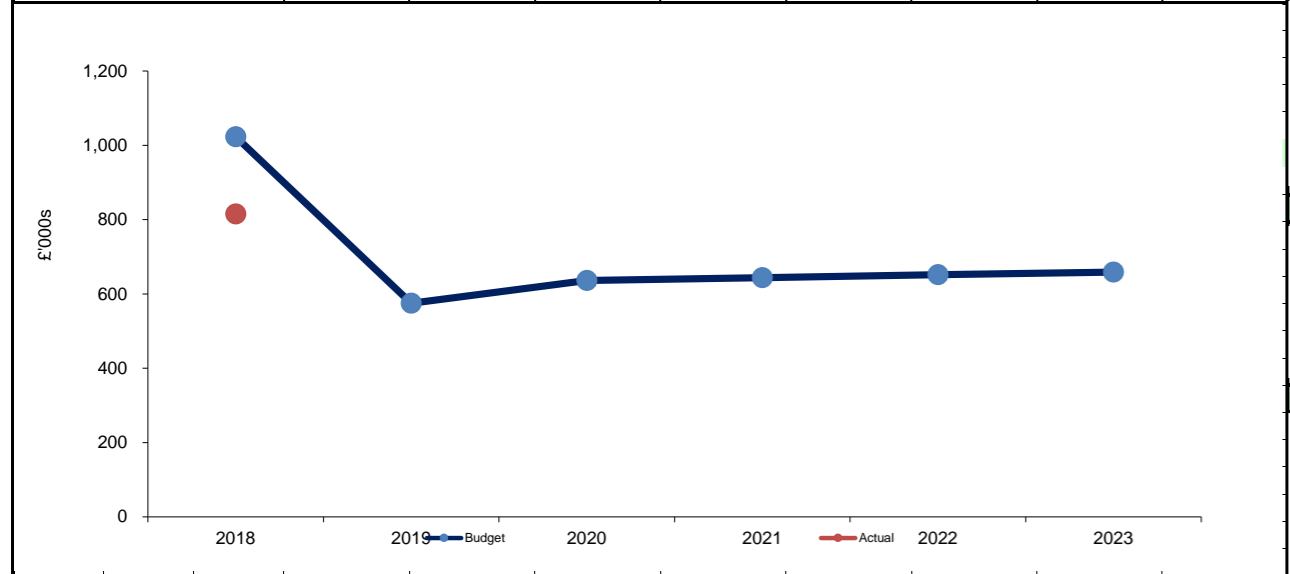
DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	2,002	1,895	1,984	(1)	2,065	2,073	2,081	2,088
Employees	572	510	688	(7)	716	716	716	716
Premises	286	358	435	0	442	448	454	460
Transport	6	5	5	0	5	5	5	5
Supplies & Services	415	291	217	6	188	190	192	193
3rd party payments	8	3	0	0	0	0	0	0
Transfer Payments	0	0	0	0	0	0	0	0
Support services	168	181	159	0	159	159	159	159
Depreciation	547	547	480	0	555	555	555	555
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	979	1,080	1,409	(254)	1,429	1,429	1,429	1,429
Government grants								
Reimbursements	219	16	176	(1)	176	176	176	176
Customer & client receipts	760	1,064	1,233	(253)	1,253	1,253	1,253	1,253
Recharges								
Reserves								
Capital Funded								
Council Funded Net Budget	1,023	815	575	(255)	636	644	652	659
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Morden Leisure Centre	0	5,848	365	0	0	0	0	0
Wimbledon Park Reservoir Safety	0	7	75	0	1318	0	0	0
Other	0	340	495	0	250	250	250	250
	0	6,195	935	0	1,568	250	250	250



Summary of major budget etc changes

2020/21

E3 = £30k



2021/22
2022/23
2023/24

DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD

Leisure & Cultural Development

PROJECT DESCRIPTION		MAJOR PROJECT BENEFIT		Risk			
				Likelihood	Impact	Score	
Project 1		Project Title:	Wimbledon Park Lake Flood Risk & De-silting	Risk reduction and compliance			
Start date	2017-18	Project Details:	Develop solutions to de-silt & implement plans to mitigate flood risk at Wimbledon Park Lake	Statutory Duty - Flood risk alleviation works implemented by January 2022. Costed de-silting of lake options are produced.	4	3	12
End date	2023-24						
Project 2		Project Title:	Wimbledon Park Master Plan	Infrastructure renewal			
Start date	2019-20	Project Details:	Develop plans for the delivery of the Wimbledon Park Master Plan	Upgraded, replaced, new - facilities, landscapes and heritage delivered over a 25 year period with and through partners.	2	2	4
End date	2044-45						
Project 3		Project Title:	London Borough of Culture	Improved customer experience			
Start date	2018-19	Project Details:	Deliver final elements of the LB of Culture plans in partnership with the Culture Advisory Group	Increased cultural activities through film primarily to the east of the borough. Enhancing the lives of many within the community through culture.	2	2	4
End date	2020-21						
Project 4		Project Title:	Contract, Lease and Grant Management	Improved customer experience			
Start date	2018-19	Project Details:	Manage the Leisure Centres Contract; Wimbledon Theatre Lease; Polka and Attic Theatre's Grants	Ensuring the community and residents benefit from the cultural and sport offers whilst achieving sustainability for the delivery agents.	2	1	2
End date	2023-24						
Project 5		Project Title:	Commission Culture & Sport Services	Improved customer experience			
Start date	2018-19	Project Details:	Commission culture, arts and sports services where funding allows or with external funding	Increased culture, sports and arts offer.	2	1	2
End date	2023-24						
Project 6		Project Title:	Leisure & Culture Development Services	Improved customer experience			
Start date	2018-19	Project Details:	Deliver core service functionalities including operation of Watersports Centre, Morden Assembly Hall, etc.	Increased culture, sports and arts offer.	2	2	4
End date	2023-24						
Project 7		Project Title:	Leisure & Culture Development Services	Improved customer experience			
Start date	2018-19	Project Details:	Deliver Merton's contribution to Ride London, Mini Marathon, VE day celebrations, etc.	Increased culture, sports and arts offer.	2	2	4
End date	2023-24						
Project 8		Project Title:					
Start date		Project Details:			1	1	1
End date							

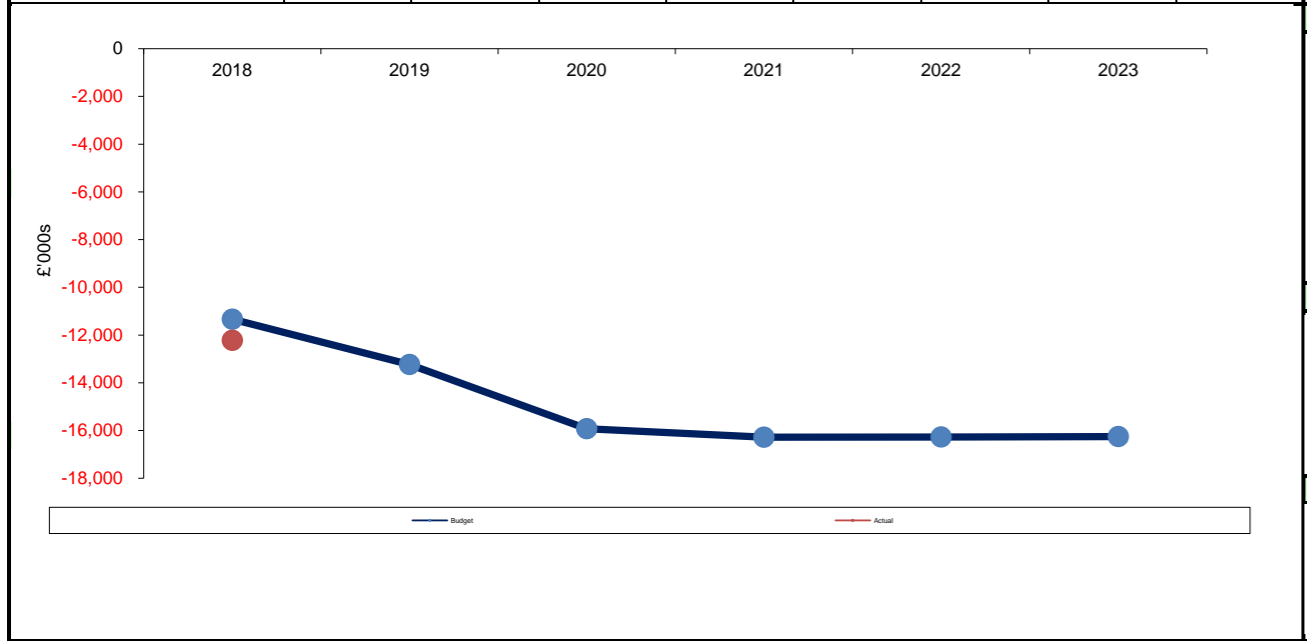
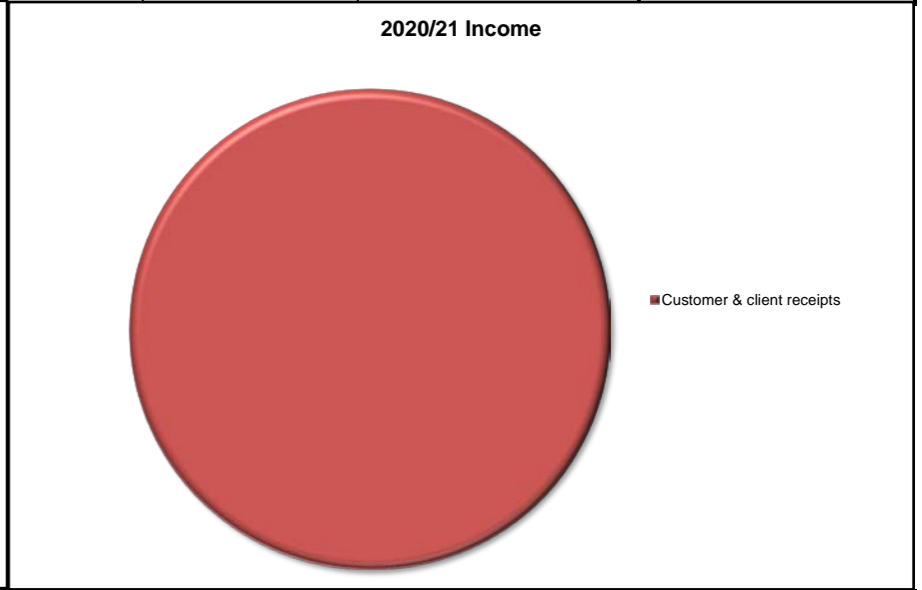
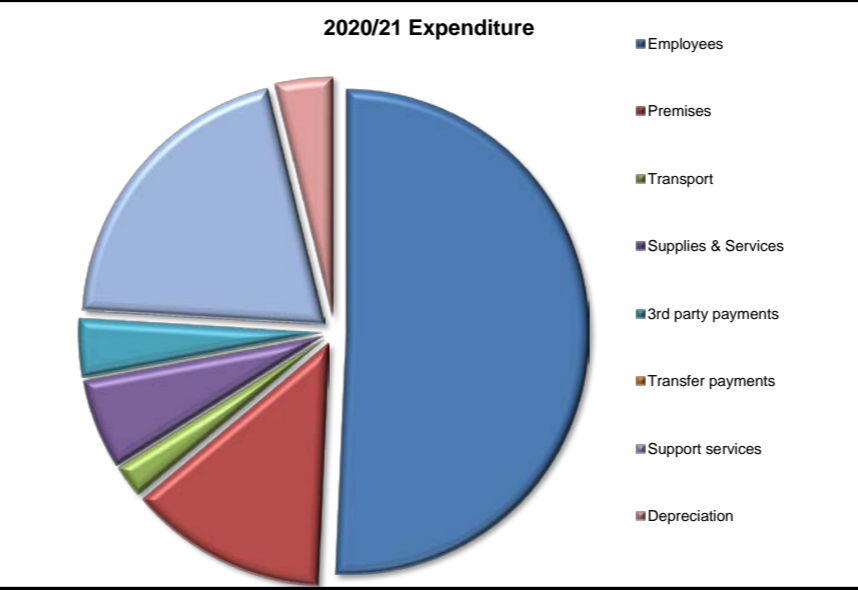
Parking
CIlr Martin Whelton: Cabinet Member for Regeneration, Housing and Transport
Enter a brief description of your main activities and objectives below
 The Service directly contributes to a number of key council policy priorities, including Public Health, Air Quality, Mayor's Transport Strategy and the Local Implementation Plan.
 The service is required to enforce parking regulations to ensure the through flow of traffic can be maintained and ensuring residents and blue badge holders have the ability to park in bays they have a permit or badge for. Surplus income generated by traffic management must be used for transport related areas.
 The section is responsible for the management of 14 car parks within the borough along with the management of 400+ P&D machines, including cash collections and reconciliation. The management of cashless parking is also the responsibility of Parking Services.
 The section is responsible for the processing of all Permit applications in the management of CPZ.
 All appeals to PCNs issued are also managed within Parking Services.
Objectives:
 - enforce parking regulations across the borough including Controlled Parking Zones and bus lanes and measures to improve traffic enforcement efficiency, specifically to provide an excellent customer service in the management of Permit processing, PCN appeals and associated email and phone communications.
 - To ensure our parking facilities and payment solution are working well and are easy to use by our customers.
 - To contribute key council objectives such as Public Health, Air Quality, Mayor's Transport Strategy and the Local Implementation Plan.

Planning Assumptions		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Anticipated demand											
Population growth		209,421	210,452	212,658	214,740	216,662	218,298				
Number of CPZ's based upon 5% growth		64	67	70	73	77	81				
Anticipated non financial resources											
Staff (FTE)		81.50	73.50	73.50	73.50	73.50	73.50				
Transport (Fleet Vehicle requirements)		12	10	10	9	8					
Performance indicator		Actual Performance (A) Performance Target (T) Proposed Target (P)					Polarity	Reporting cycle	Indicator type	Main impact if indicator not met	
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
% of Permits applied/processed online		N/A	55%	55%	60%	65%	70%	High	Monthly	Unit cost	Increased costs
% of PCN Appeals received online		N/A	55%	55%	60%	65%	70%	High	Monthly	Unit cost	Increased costs
Blue Badge Inspections (cumulative annual figure)		N/A	100	100	120	140	160	High	Monthly	Perception	Increased fraud
Total cashless usage against cash payments at machines.		N/A	60%	60%	62%	64%	68%	High	Monthly	Business critical	Reduced uptake of service
Percentage of cases 'heard' and won at ETA		N/A	73%	73%	75%	77%	80%	High	Quarterly	Quality	Poor decision making
Sickness - No. days per FTE (12 month rolling average).		18.51	8	8	8	8	8	Low	Monthly	Business critical	Reduced service delivery

The Corporate strategies your service contributes to

- Transport Plan
- Safer & Stronger Strategic Assessment
- Performance Management Framework
- Air Quality Action Plan
- Climate Change Strategy
- Customer Contact Strategy
- Health & Wellbeing Strategy

BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	5,918	6,448	5,770	344	5,812	5,802	5,806	5,824
Employees	2,797	2,948	2,857	93	2,947	2,947	2,947	2,947
Premises	716	817	747	69	766	772	779	786
Transport	126	122	128	5	128	130	132	134
Supplies & Services	434	556	429	137	347	326	318	323
3rd party payments	219	299	222	40	226	229	232	236
Transfer payments	0	0	0	0	0	0	0	0
Support services	1,415	1,495	1,176	0	1,176	1,176	1,176	1,176
Depreciation	211	211	211	0	222	222	222	222
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	17,253	18,666	19,003	(682)	21,741	22,081	22,081	22,081
Government grants								
Reimbursements	0	4	0	(4)	0	0	0	0
Customer & client receipts	17,253	18,662	19,003	(678)	21,741	22,081	22,081	22,081
Recharges								
Reserves								
Capital Funded								
Council Funded Net Budget	(11,335)	(12,218)	(13,233)	(338)	(15,929)	(16,279)	(16,275)	(16,257)
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Parking Improvements	0	171	56	0	964	555	0	0
CCTV Investment	0	68	10	0	140	699	480	0
	0	239	66	0	1,104	1,254	480	0



Summary of major budget etc. changes	
2020/21	ENV1819-02 = £57k - 2fte reduction in admin/processing roles ENV1819-03 = £1,900k - review of parking supply/demand - link to Air Quality Strategy ENV1819-04 = £13k - reduction in number of P&D machines ENV1920-01 = £340k - Application to change Merton's PCN charge band from band B to band A ENV1920-02 = £300k - Recognition of ANPR revenue currently being received by the Council rather than any estimated increase.
2021/22	ENV1819-04 = £26k - reduction in number of P&D machines ENV1920-01 = £340k - Application to change Merton's PCN charge band from band B to band A
2022/23	ENV1819-04 = £14k - reduction in number of P&D machines
2023/24	

Parking

APPENDIX 8

PROJECT DESCRIPTION		MAJOR PROJECT BENEFIT			Likelihood	Impact	Score		
Project 1		Project Title:	ICT Update	Improved effectiveness			2	2	4
Start date	2018/19	Project description:	Implementation of a new software system for PCNs, Permits, Customer Appeals and improved data management and analysis.	The new system will give the ability to direct the nearest CEO to the location of a complaint, improving response times and increasing customer satisfaction with Parking Services. Plotting PCNs on a map and producing an enforcement 'heat map' will help us to better understand compliance across the borough. This in turn will help us to deploy our resources more effectively by directing staff to the areas with lowest compliance. Mapping will also enable us to monitor performance and ensure that every road in a Controlled Parking Zone is patrolled regularly.					
End date	2019-20	Project Details:	<p>The purpose of this project is to procure a PCN and permit management system, which will be hosted and managed by the supplier.</p> <p>The system will include the following features or functions:</p> <ul style="list-style-type: none"> • Mobile enforcement software (for on-street officers to issue PCNs using smartphones and a Bluetooth-connected printer), • Hosted software system for managing PCNs from issue through to closure. • Customer-facing website for appealing against, viewing evidence for, and paying PCNs • Integration with our existing Siemens Zengrab ANPR (Automatic Number Plate Recognition) enforcement system, • Geographical information (Civil Enforcement Officer (CEO) and PCN mapping) • Workflow management • Integrated payment processing, • Customer-facing website for applying for and managing parking permits, including cancelling and amending permits. • Hosted software system, accessed over the Internet, for staff to process permits and permit applications. • The ability to issue 'Virtual' or paperless permits • Issue and management of parking suspensions and dispensations. • Integrated payment processing, • Management information reports, • Integration with corporate and third party systems. • Standard letters and paragraphs 	<p>The new system will also allow us to better use our two ANPR enforcement vehicles to patrol Controlled Parking Zones.</p> <p>A new permit system will bring numerous benefits including improved self-serve online functionality; the ability to operate an emissions-based charging scheme; and 'virtual' permits.</p> <p>Virtual parking permits are issued digitally rather than as a physical device that customers display in their vehicle. CEOs check for permits by entering the vehicle registration into their handheld device or checking VRMs against a downloaded list of valid permits. The registration is then checked against a list of valid permits downloaded to the handheld. We already use this process with our RingGo cashless parking service, and customers will be familiar with it since DVLA stopped issuing paper discs for the Vehicle Excise Licence.</p> <p>Issuing permits virtually will mean residents and businesses no longer need to wait to receive their permits in the post. All functions (changing address/vehicle and cancelling permits) are carried out manually by the permit team. A new system will move these transactions online, improving the customer experience and reducing the workload of the permits team.</p>					
Project 2		Project Title:	Review Diesel Levy, CO2 emission based charging and use of cashless.	Improved effectiveness			2	1	2
Start date	2018-19	Project description:	The Section will undertake a review of the diesel level as requested by Members during the implementation of the levy. In addition the principle of CO2 emission based charging will be investigated with a view to introducing emission based charging on all parking and permit activity in the borough.	<p>We will review our diesel levy in 2019 to ensure that this is pushing change and reducing emissions in the borough. We will carry out in depth air quality audits in these areas, which will review traffic and building sources, traffic management, parking, obstructions and deliveries. We will also assess the contributions made by individual vehicle types and their impact upon air quality, which will then influence what actions can be taken in these areas over the coming years.</p> <p>Merton's Air Quality Action Plan 2018-2023 strongly supported by Members is a key policy document which clearly sets out the links between vehicle use and air quality in the Borough. Within the plan there is a specific point number 32 which states, Review the impact of our diesel levy" and consider a review of parking and charges to help reduce combustion engine vehicle use and the consequent emissions. Since the diesel levy was introduced in April 2017 the proportion of permits issued to diesel vehicles has fallen and the full effect of the levy will be reviewed in early 2019.</p> <p>Consideration will also be given to a full emission-based charging scheme for permits as referred to in the AQAP. Emissions have a direct relationship to air quality and emissions-based charging conforms to the 'polluter pays' principle. There is a clear logic which is now commonplace in London for a higher premium to be charged for vehicles that have high emissions, and a lower charge for cars that have lower emissions. This principle will be reviewed along with the diesel levy in early 2019 and reported back to Members.</p> <p>The review will also consider options for emission based charging based on individual parking sessions which take place on a day to day basis in our car parks and on street. Technology is developing quickly to be able to deliver this form of charging and the 2019 report will update Members.</p> <p>It is clear in this context the vital role that Parking must play in moving motorists towards more sustainable modes of transport and less polluting vehicles. Most Parking charges have been frozen for a number of years and there is now a need to assess them in order to change behaviour and reduce car usage. The new charges are designed to reflect the key policies and objectives.</p>					
End date	2019-20	Project Details:							
Project 3		Project Title:	Cashless and P&D Machine removal	Improved efficiency (savings)			2	2	4
Start date	2018-19	Project description:	To facilitate the CO2 emission based charging increased transactions need to take place on a cashless platform. To encourage uptake of cashless payment over cash in the machine payments a publicity campaign will take place along with the removal of a number of P&D machines.	<p>Cashless parking is central to the TOM objective of introducing emissions-based charging for all parking sessions, as our existing ticket machines are not capable of performing the DVLA database lookup that is required in order to determine the fuel type or emissions of a particular vehicle.</p> <p>The cashless parking service allows motorists to pay for parking using their mobile phone and a debit/credit card via an app, mobile webpage, or automated telephone service. This payment method offers several advantages over buying a paper ticket from a machine:</p> <ul style="list-style-type: none"> • No need to carry change for parking • Customers can extend their parking time (subject to the maximum stay) without having to return to their vehicle. • Customers can choose to receive a reminder text when their session is due to expire. • Online account where customers can view a record of their parking sessions, print invoices etc. 					
End date	2021-22	Project Details:							
Project 4		Project Title:	Public Health, Air Quality and sustainable transport - a strategic approach to parking charges.	Select one major benefit			3	2	6
Start date	2018-19	Project description:	The Merton parking service already contributes to, and helps deliver, the key policies set out in: Merton's Health and Wellbeing Strategy; Merton's Air Quality Action Plan; the Council's Local Implementation Plan; and the Mayor of London's Transport Strategy.	<p>The help meet the aims of the Council's Public Health, Air Quality and Transport objectives. The project will contribute towards a change in driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors, businesses now in the future.</p>					
End date	2019-20	Project Details:	The project falls into 4 phases: 1. Policy justification and recommendation, 2. Consultation and approval process 3. implementation and 4. review.						

Commissioned Service
Parks & Green Spaces
Cllr Caroline Cooper-Marbiah: Cabinet Member for Commerce, Leisure & Culture
Service Provider: i dverde UK Ltd

The service maintains and develops Merton's numerous parks & open spaces (some 117 separate sites), including sports facilities (including pavilions), gardens, playgrounds (more than 40), the borough's highways verges, and the management of its cemetery and allotments services. The portfolio also includes support for, and the production of, a varied programme of outdoor events from small community to large commercial ones in parks, including the annual civic fireworks displays and Mitcham Carnival and hosts various elements of the Wimbledon (tennis) Championships. The service manages more than 50,000 Council-owned trees and several nature reserves. Greenspaces serves as the managing agent for Mitcham Common (for the Mitcham Common Conservators) and the Merton & Sutton Joint Cemetery (for the Merton & Sutton Joint Cemetery Board). The grounds maintenance elements of the service are outsourced to idverde UK Limited under a long-term contract (up to 24 years from 2017) and is overseen by the Greenspaces client team who, in addition, retain overall responsibility for policy, strategy & investment in the borough's parks & open spaces.

Planning Assumptions							The Corporate strategies the service contributes to			
Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Increased demand for sports pitches & sports activities (Total number of bookings)	1%	1%	1%	1%	1%	1%	Open Space Strategy			
Attendance at major community outdoor events (No. of people)	70,000	75,000	80,000	85,000	90,000	95,000	Culture and Sport Framework			
Number of funerals at LBM cemeteries (not MSJC)	160	165	170	175	180	185				
Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Contractors	Contract price and schedule of rates									
Client-side team (Lot 2 contract, retained services & policies)	8.7	8.9	8.5	8.5	8.5	8.5				
Performance indicator	Performance Targets (T) & Provisional Performance Targets (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
% of residents (all service users) rating parks & green spaces good or very good (ARS)	81	N/A	77	N/A	77	N/A	High	Biennial	Perception	Reputational risk
Young peoples % satisfaction with parks & green spaces (ARS)	86	N/A	85	N/A	85	N/A	High	Biennial	Perception	Reputational risk
Number of Green Flag Awards	6	6	6	7	7	7	High	Annual	Quality	Reputational risk
Number of outdoor event-days in parks	244	140	140	140	140	140	High	Monthly	Outcome	Reputational risk
Income from outdoor events in parks	N/A	531,230	540,000	540,000	540,000	540,000	High	Monthly	Outcome	Financial
Average Performance Quality Score (Grounds Maintenance Standards)	N/A	5+	5+	5+	5+	5+	High	Annual	Outcome	Reputational risk
Number of street trees planted	N/A	235	235	235	235	235	High	Annual	Output	Environmental issues
Average Performance Quality Score (Grass Verge Standards)	N/A	N/A	5	5	5	5	High	Quarterly	Outcome	Reputational risk
Average Performance Quality Score (Litter & Cleansing Standards)	N/A	N/A	5	5	5	5	High	Quarterly	Outcome	Reputational risk
% of tree works commissions completed within SLA (30 working days)	N/A	N/A	85	85	85	85	High	Quarterly	Outcome	Loss of income
Number of friends & similar groups undertaking voluntary activities within parks & open spaces	N/A	N/A	40	40	40	40	High	Annual	Outcome	Reputational risk
Financial Information								Additional Expenditure Information		
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24		
Expenditure	4,071	4,333	4,109	197	4,255	4,316	4,376	4,436		
Employees	454	506	469	54	476	476	477	477		
Premises	622	464	608	(48)	601	609	617	625		
Transport	45	42	45	(3)	35	36	36	37		
Supplies & Services	364	373	309	138	316	319	322	325		
3rd party payments	1,807	2,135	1,979	56	2,041	2,090	2,138	2,186		
Transfer payments	0	0	0	0	0	0	0	0		
Support services	543	577	463	0	463	463	463	463		
Depreciation	236	236	236	0	323	323	323	323		
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24		
Income	2,318	2,401	2,401	(174)	2,368	2,368	2,368	2,368		
Government grants	69	69	8	0	8	8	8	8		
Reimbursements	364	424	418	(41)	423	423	423	423		
Customer & client receipts	1,885	1,908	1,975	(133)	1,937	1,937	1,937	1,937		
Recharges										
Reserves										
Council Funded Net Budget	1,753	1,932	1,708	23	1,887	1,948	2,008	2,068		
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24		
Parks Investment	0	489	515	0	2,148	569	390	300		
	0	489	515	0	2,148	569	390	300		

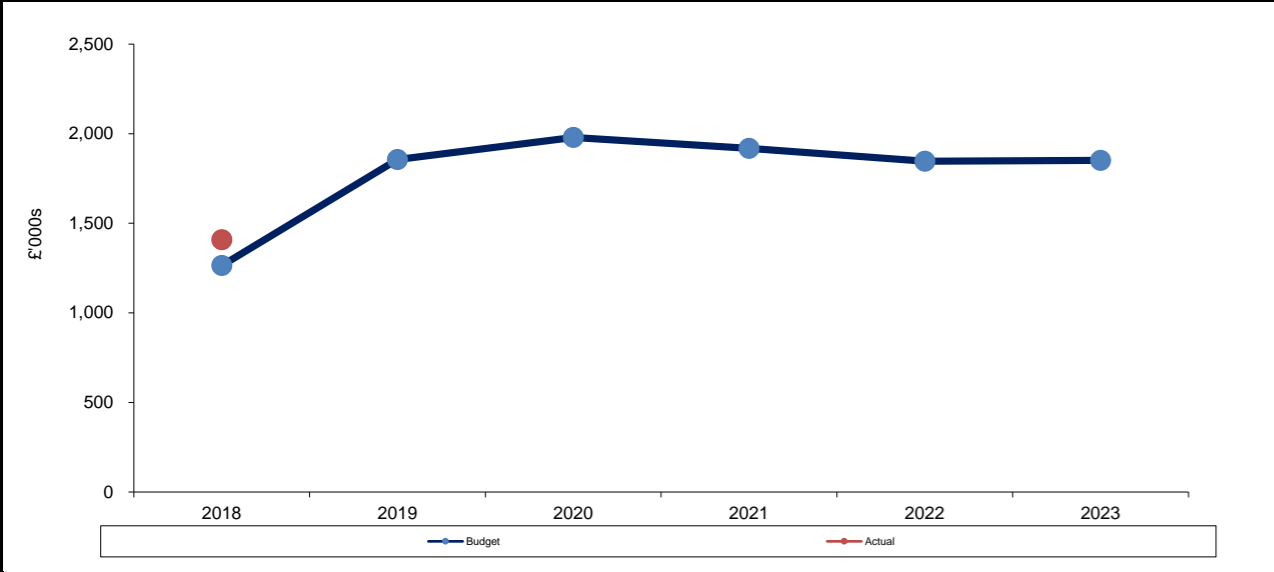
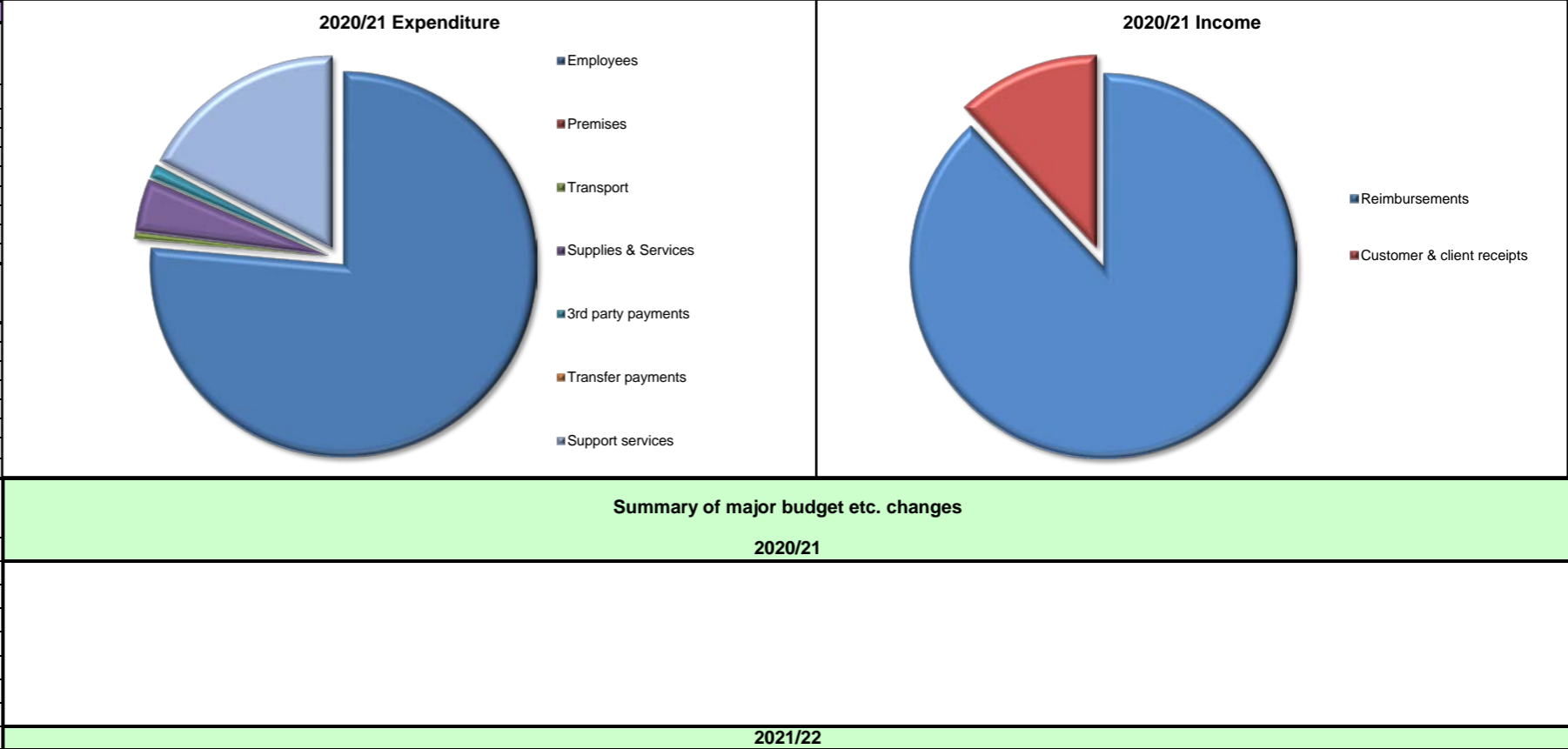
DETAILS OF MAJOR PROJECTS Parks & Green Spaces									
PROJECT DESCRIPTION			MAJOR PROJECTS BENEFITS		Risk				
					Likelihood	Impact	Score		
Project 1		Project Title:	Greenspaces TOM		Improved effectiveness				
Start date	2017-18	Project Details:	Implementation of Target Operating Model for Greenspaces		Various benefits & enhancements across a range of services & themes		3	2	6
End date	2023-24								
Project 2		Project Title:	Greenspaces Commercialisation		Improved efficiency (savings)				
Start date	2017-18	Project Details:	Increased commercialisation across a range of Greenspaces services and open spaces		Diversifying the outdoor events portfolio, including new commercial events to increase income. Working with our grounds maintenance service provider, idverde, to increase income for the service, especially from sport & recreational activities		3	2	6
End date	2023-24								
Project 3		Project Title:	Canons House & Rec Restoration		Improved customer experience				
Start date	2017-18	Project Details:	Delivery of Lottery-funded Canons Restoration Project		Multi-million pound investment project to restore, conserve & improve recreational opportunities at Canons Recreation Ground & Canons House.		2	2	4
End date	2022-23								
Project 4		Project Title:	Phase C, Lot 2 Contract		Improved customer experience				
Start date	2017-18	Project Details:	Embedding new systems & processes and ensuring quality & performance standards in relation to Phase C, Lot 2 grounds maintenance contract		Working with our grounds maintenance contractor, idverde, to maintain & improve green spaces & recreational services at a lower cost		3	2	6
End date	2023-24								
Project 5		Project Title:	Re-use of Parks Assets		Improved reputation				
Start date	2017-18	Project Details:	Re-use of surplus & redundant parks facilities and re-modelling of under-utilised properties: pavilions, yards & mess rooms and other parks assets		Increased income & preservation of some existing parks assets		2	1	2
End date	2023-24								
Project 6		Project Title:	Revision of Arboricultural Services		Improved efficiency (savings)				
Start date	2017-18	Project Details:	Reconfiguration of current arboricultural service provisions, systems & polices. Reprourement of arboricultural operational service		Improved service integration, policy clarification & consolidation & improved operational efficiency		3	3	9
End date	2020-21								
Project 7		Project Title:			Improved efficiency (savings)				
Start date		Project Details:							
End date									
Project 8		Project Title:			Improved customer experience				
Start date		Project Details:							
End date									
Project 9		Project Title:			Economic outcomes				
Start date		Project Details:							
End date									

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DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD						
Property						
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk	
Likelihood	Impact	Score				
Project 1	Project Title:					
Start date		Project Details:	Property have no projects planned for 2019-20			
End date						

Regulatory Services - Merton element only		Planning Assumptions						The program strategies your service contributes to				
Cllr Mark Allison: Deputy Leader & Cabinet Member for Finance		Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23		2023/24			
Cllr Tobin Byers: Cabinet Member for Adult Social Care		Total number of food premises	1530	1606	1686	1771	1771					
A brief description of your main activities and objectives: Provide statutory environmental health, trading standards and licensing functions across those councils that make up the Regulatory Services Partnership (currently LB Merton, LB Richmond and LB Wandsworth).		Total number of service requests	6234	6357	6357	6357	6357	Air Quality Action Plan				
		Licence/permit applications	1900	1900	1900	1900	1900	Climate Change Strategy				
		Population	209,421	210,452	212,658	214,740	216,662	218,298	Merton Regeneration Strategy			
Deliver savings and efficiencies in line with the Target Operating Model: <ul style="list-style-type: none">Switch to intelligence-led, risk based, targeted enforcementgenerating additional income from trading activitiesattracting new businessrationalising ICT systems		Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
		Staff (FTE) (Total)	40.75	111.42	115.39	115.39	115.39	115.39				
Transform the service by: <ul style="list-style-type: none">demand managementstreamlining business processesimplementing new ways of workingDeveloping commercial/business planning skills (L&D)		Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target(P)				Polarity	Reporting cycle	Indicator type	Main impact if indicator not met		
			2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
		Total % compliance of non-road mobile machinery on major construction sites with GLA emissions standards	N/A	85	85	85	85	85	High	Annual	Business critical	Environmental issues
		% of alcohol and regulated entertainment licences issued within 10 working days of the conclusion of 28 day consultation period (excl those subject to licensing hearing)	N/A	N/A	95	95	95	95	High	Quarterly	Business critical	Reputational risk
		% of service requests with an initial response within the "defined timescale"	N/A	N/A	90	90	90	90	High	Quarterly	Business critical	Reduced service delivery
		Carry out age restricted sales physical interventions for knives, alcohol, fireworks, tobacco and e-cigarettes	N/A	N/A	Awaiting agreement with Partnership	TBC	TBC	TBC	High	Annual	Business critical	Safeguarding issues
		High risk A & B and non-compliant C-rated food establishments due for inspection completed	N/A	N/A	100	100	100	100	High	Annual	Business critical	Government intervention
		Number of monitoring stations that meet annual Particulate air quality objectives	N/A	N/A	Awaiting agreement with Partnership	TBC	TBC	TBC	High	Annual	Outcome	Political risk
		Number of monitoring stations measuring below the Nitrogen Dioxide air quality objectives	N/A	N/A	Awaiting agreement with Partnership	TBC	TBC	TBC	High	Annual	Outcome	Political risk

Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	3,190	6,112	7,124	(399)	7,916	7,920	7,924	7,928
Employees	2,249	5,054	5,525	(357)	6,028	6,028	6,028	6,028
Premises	5	19	0	2	0	0	0	0
Transport	44	57	45	1	45	46	46	47
Supplies & Services	125	198	80	(34)	347	349	351	353
3rd party payments	97	82	98	(11)	95	96	98	99
Transfer payments	0	0	0	0	0	0	0	0
Support services	670	702	1,376	0	1,376	1,376	1,376	1,376
Depreciation	0	0	0	0	25	25	25	25
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	1,926	4,704	5,268	466	5,937	6,002	6,077	6,077
Government grants	0	1	0	0	0	0	0	0
Reimbursements	1,350	3,834	4662	269	5225	5225	5225	5225
Customer & client receipts	295	644	606	197	712	777	852	852
Recharges	281	225	0	0	0	0	0	0
Reserves								
Capital Funded								
Council Funded Net Budget	1,264	1,408	1,856	67	1,979	1,918	1,847	1,851
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Mortuary provision							54	
							54	



E1 = £65k

E1 = £75k

Regulatory Services - Merton element only

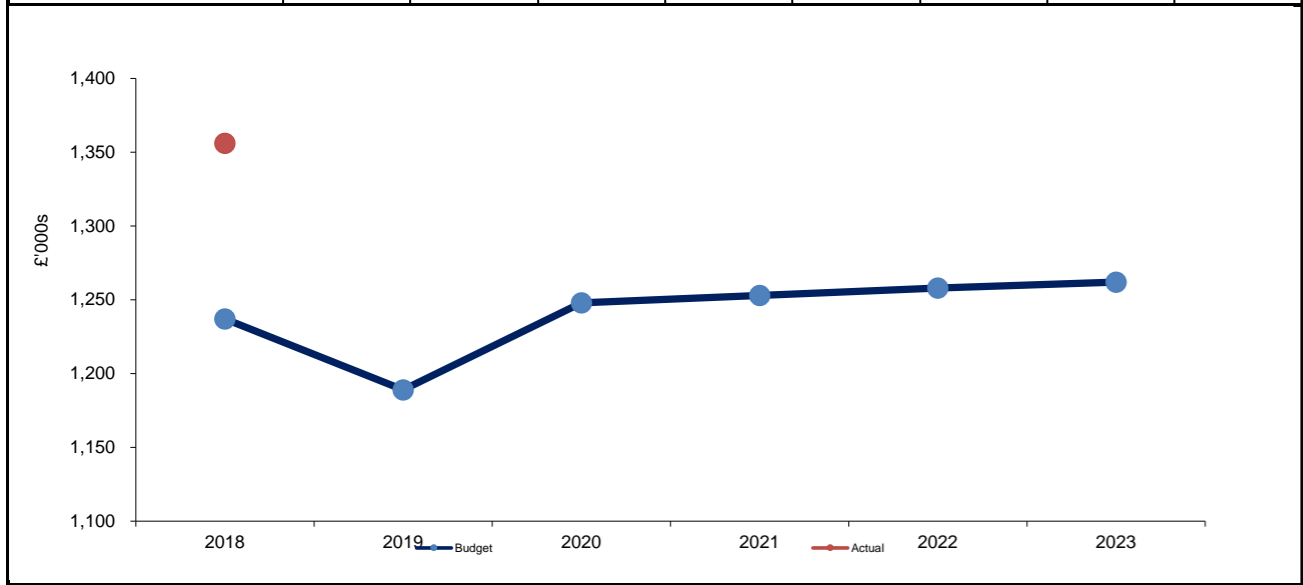
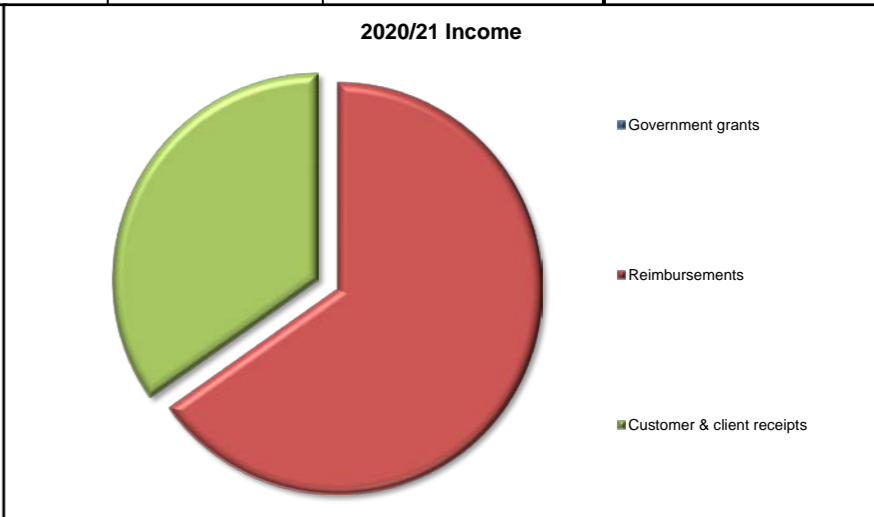
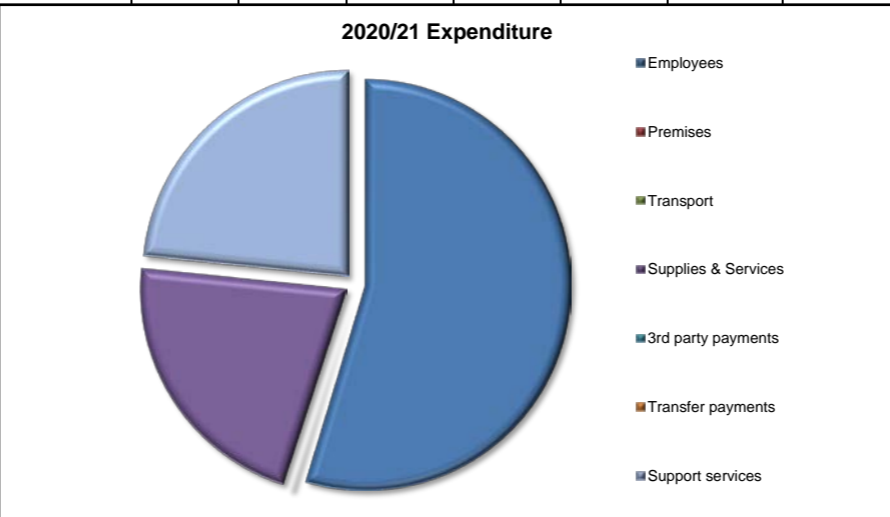
APPENDIX 8

PROJECT DESCRIPTION		MAJOR PROJECT BENEFITS		APPENDIX 8		
				Likelihood	Impact	Score
Project 1		Project Title:	Procurement of a new ICT case management system	Improved efficiency (savings)		2
Start date	2016-17	Project Details:	Contribution to the ICT led procurement of a new computer system for E&R and potential joint procurement with Richmond and Wandsworth	2	1	
End date	2019-20					
Project 2		Project Title:	Design and implement a joint Merton/Richmond budget	Economic outcomes		2
Start date	2015-16	Project Details:	Design and implement a joint revenue (income & expenditure) budget on a to be determined costs apportionment model	2	1	
End date	2019-20					
Project 3		Project Title:	Merton Air Quality Action Plan	Risk reduction and compliance		20
Start date	2018 -19	Project Details:	Deliver Merton's Air Quality Action Plan including monthly reporting and review. Air quality has been identified as a priority both nationally and within London, where pollution levels continue to exceed both EU limit levels and UK air quality objectives. Merton, along with nearly all London Boroughs, continues to breach the legally binding air quality limits for both Nitrogen Dioxide (NO2) and particulate matter (PM10). In 2018, Merton published its new Air Quality Action Plan 2018-2023 (AQAP) - this was developed in response to recommendations made by the 2017 Air Quality Task Group. The AQAP is split into nine separate themes and contains some 70 action points.	5	4	
End date	2019 - 23					
Project 4		Project Title:	Pan London Non Road Mobile Machinery (NRMM) Project	Risk reduction and compliance		2
Start date	2018-19	Project Details:	Deliver a Mayor of London air quality project across London to deliver cleaner construction sites. This £889,000 project will be a cornerstone of the GLA air quality priorities for the third round of Mayor's Air Quality funding.	2	1	
End date	2019-21					
Project 5		Project Title:	Commercialisation	Improved efficiency (savings)		6
Start date	2018-19	Project Details:	Development of chargeable business advice across the Regulatory Services portfolio. Suggested initiatives include: (i) a licensing pre-application service (ii) increasing the number of Primary Authority Agreements (iii) charging for food hygiene rating rescoring (iv) Contaminated land scientific consultancy aimed at large developers	3	2	
End date	2019-21					

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Safer Merton Cllr Edith Macauley: Cabinet Member for Voluntary Sector, Partnerships and Community Safety Enter a brief description of your main activities and objectives below	Planning Assumptions						The Corporate strategies your service contributes to				
	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23		2023/24			
Safer Merton delivers the council's statutory Community Safety Partnership (CSP) function and the public realm CCTV functionality. The team consists of 17.8 officers working across several themes: 1) Tackling anti-social behaviour - supporting victims, enforcing against perpetrators 2) Tackling Domestic Violence and Abuse - supporting victims, enforcing against perpetrators 3) Managing and delivering Merton's Neighbourhood Watch programme 4) Crime and ASB analysis - providing an intelligence lead CSP and the annual strategic assessment alongside tackling serious youth violence 5) Tackling hate crime agenda and delivering the hate crime strategy 6) Managing and delivering a 24/7 CCTV service which includes 210 static CCTV cameras and a current deployable asset of 13 cameras The service ensures that MOPACs Police and Crime plan priorities are delivered and is overseeing the embedding of police command units merger working to minimize the impact on Merton and our residents. The service retains strategic oversight and commissioning of MOPAC funded workers and externally commissioned service provision for domestic violence victims. The work of Safer Merton is delivered in partnership with both statutory and non-statutory partners. The statutory duty for Safer Merton consists of the following: 1) A duty to establish a crime and disorder partnership and deliver an annual partnership plan 2) Completion of an annual strategic assessment governed by the Community Safety Partnership 3) Respond to and deal with crime and disorder through evidence based analytical work in a timely and effective manner 4) Manage and deliver CCTV operations within the parameters set by the Information Commissioner	Resident numbers	209,421	210,452	212,658	214,740	216,662	218,298	Community Plan			
	Number of new, actionable, ASB cases	400 (Actual = 1237)	350	350	350	350	350	350	Community Cohesion Strategy		
	% of all residents actively engaged in Neighbourhood Watch schemes	35% (coverage for the whole borough)	470	470	470	480 active watches	490 active watches	500 active watches	Community Cohesion Strategy		
	Hate crime victims	300 (Actual = 278)	320	320	320	300	300	300	Hate crime strategy		
	Total knife crime incidents	185	175	165	155	145	115	115	Safer & Stronger Strategic Assessment		
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/2024		Workforce Strategy		
	Staff (FTE)	7.49	17.80	16.16	16.16	16.16	16.16				
	Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
	Repeat MARAC cases (domestic abuse) by volume	N/A	30%	30-40%	30-40%	30-40%	30-40%	Range	Monthly	Outcome	Safeguarding issues
	Number of Community Protection Warnings Issued *	25	24	24	24	24	24	Low	Quarterly	Outcome	Reduced enforcement
	Number of Community Protection Notices Issued *	2	1	3	3	3	3	Low	Quarterly	Quality	Reduced enforcement
	Number of premise closure orders used *	1	8	8	8	8	8	Low	Quarterly	Outcome	Anti social behaviour
	Total number of Neighbourhood Watches *	517	535	535	535	535	535	High	Quarterly	Output	Community engagement
	ASB cases acknowledged within service timescales	94.1	95	95	95	95	95	High	Quarterly	Output	Anti social behaviour
% of public realm CCTV cameras working at all times	97.14%	98%	98%	98%	98%	98%	High	Monthly	Output	Reduced enforcement	
Number of external contracts managed by CCTV	N/A	2	2	2	2	2	High	Annual	Outcome	Loss of income	

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	1,483	1,582	1,548	39	1,553	1,558	1,563	1,567
Employees	740	731	788	(30)	760	760	760	760
Premises	3	9	3	8	3	3	3	3
Transport	1	1	1	0	2	2	2	2
Supplies & Services	255	353	289	73	300	304	309	313
3rd party payments	31	10	16	(12)	0	1	1	1
Transfer payments	0	0	0	0	0	0	0	0
Support services	327	352	325	0	325	325	325	325
Depreciation	126	126	126	0	163	163	163	163
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Income	246	226	359	83	305	305	305	305
Government grants	76	0	136	0	0	0	0	0
Reimbursements	165	224	117	85	199	199	199	199
Customer & client receipts	5	2	106	(2)	106	106	106	106
Recharges								
Council Funded Net Budget	1,237	1,356	1,189	122	1,248	1,253	1,258	1,262
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
	0	0	0	0	0	0	0	0



Summary of major budget etc. changes	
2020/21	
2021/22	
2022/23	
2023/24	

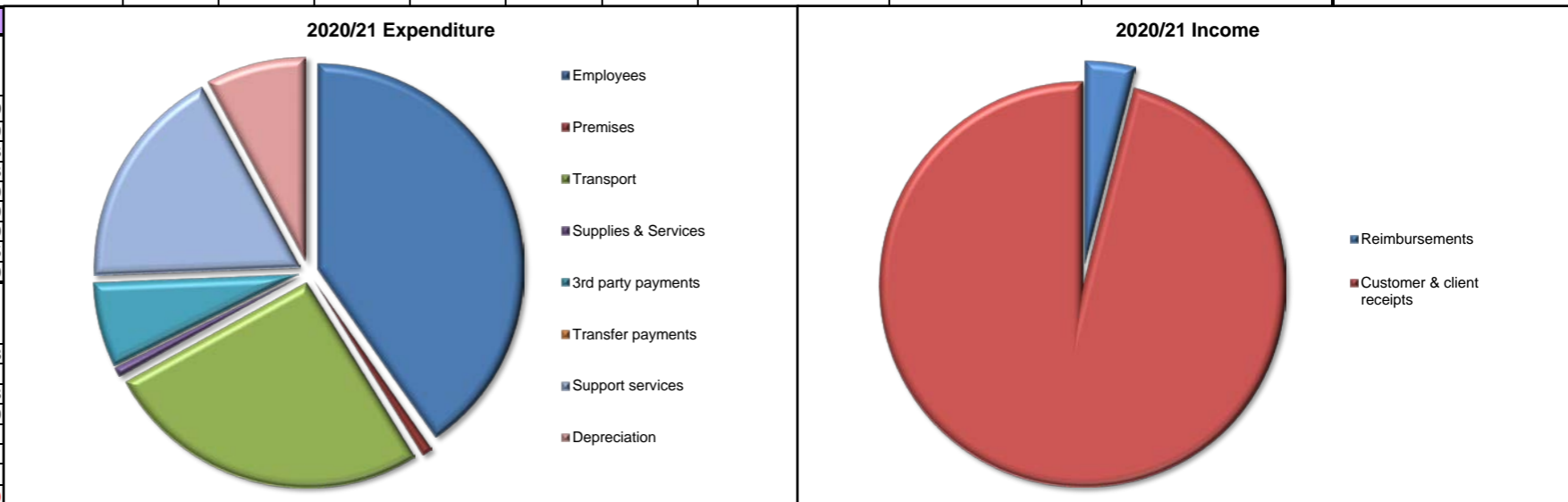
Safer Merton

PROJECT DESCRIPTION		MAJOR PROJECT BENEFITS			APPENDIX 8				
					Likelihood	Impact	Score		
Project 1		Project Title: 1	Merton says NO MORE - Sexual Violence Focus	Improved customer experience					
Start date	2017-18		Building on the success of the UK SAYS NO MORE launch in September 2016 (Merton was the second London borough to launch the campaign), the Community Safety Partnership, and VAWG board wish to now focus more on sexual violence. Since September 2016 a lot of work has been undertaken on DV and now work on SV will commence - this is to align with the #MeToo campaign, increased awareness of sexual violence and the need to respond to this more coherently	For the victim - Improved victim awareness and increased numbers of victims seeking support, Reputational - Merton is seen as a pro-active borough in SV and understanding the drivers behind it			2	2	4
End date	2020-21								
Project 2		Project Title: 2	ASB Strategy renewal	Improved effectiveness					
Start date	2020-21		Review and redesign the councils, and partnerships, approach to ASB incorporating the administrations requirements on enforcement, the service development in court presentation and ensuring that the Police BCU model does not negatively impact on ASB outcomes around matters such as CBOs and PSPO enforcement	By being clear and concise in what work the ASB service will undertake, under what powers and timeframes LBM residents will be clearer as to the service deliverables. The council will also have greater scope to hold partners to account for their delivery			2	2	4
End date	2020-21								
Project 3		Project Title: 3	VAWG Strategy renewal	Improved reputation					
Start date	2020-21		Review and redesign the partnerships VAWG strategy ensuring that the council, and partners, identify and address the VAWG strands most needed. Build on the developed areas of work to further enhance outcomes and commence exploration in less developed fields of work. Move away from Safer Merton holding all responsibility for the VAWG strategy to a more co-designed and jointly owned approach	Merton is known as a good council for VAWG already but a redesigned strategy will further enhance this reputation and cement our work			2	2	4
End date	2020-21								
Project 4		Project Title: 4	ASB Enforcement - Tackling Law Breakers	Improved reputation					
Start date	2018-19		As part of work to meet the manifesto pledge to "tackle non law abiding citizens" Safer Merton, and the Community Safety Partnership, will increase enforcement work across key areas of business as set out in the TOM. Areas of work will include: Issuing community protection warnings and notices, use of premise closure powers, use of injunctions, use of positive prohibitions to encourage engagement in treatment and care services	The community - Residents understand, and can see, what work is being undertaken to address poor behaviour and how their support contributes to this Reputational - elected members can see how their manifesto is being delivered and Merton is known as a borough where action is taken against non law abiding citizens			5	1	5
End date	2020-21								
Project 5		Project Title: 5	Public Space Protection Order (PSPO) renewal	Risk reduction and compliance					
Start date	2019-20		The current street drinking PSPO expires in October 2020. In Autumn 2019 a thorough consultation and engagement process must be undertaken to ascertain if PSPOs should continue in Merton beyond 2020 and if so in which area(s). Consultation will involve residents, businesses, elected members and any other person(s) whom have an involvement with Merton. This will be the biggest engagement process undertaken by Safer Merton for some time	The community - Residents state the street drinking is one of their top three crime concerns. Any extension of the current PSPO will allow for continued work to enforce against problematic persons Reputational - Data will show where, and how, the PSPO is being enforced and where street drinking challenges are present. This will shape geographical areas of consideration. A data lead approach will mean that areas of need are covered and areas where demand is not present will not			5	3	15
End date	2020-21								
Project 6		Project Title: 6	CCTV service review	Improved staff skills and development					
Start date	2019-20		A full, root and branch review of CCTV is required. Previously commissioned service review (undertaken in 2014) identified several areas for review which have not been progressed. Gaps in service delivery are an ever present risk, contracts for key aspects of service are not in place and/or do not offer value for money and the service requires a dedicated manager to look at greater commercialisation possibilities and operational hours - do we need a 24/7 service, can we seek to share service, how do we become a more efficient, cost neutral benefit to LBM	The significance and volume of work for this project is significant and cannot be under-estimated. The benefits will vary significantly depending on the final scope of the review. Potential benefits: For the recipients - Staff are more engaged and are able to work in a more effective and efficient manner. Reputational - Outcomes and improvements are seen across the CCTV service with current operational challenges overcome			2	3	6
End date	2020/21								
Project 7		Project Title: 7	CCTV maintenance commissioning	Improved efficiency (savings)					
Start date	2020/21		To commission a new CCTV service maintenance contract - this contract will ensure that all LBM owned cameras are maintained and operational alongside, capital funding dependent, that a replacement programme of camera upgrades also takes place It is likely that the contract length will be upwards of five years and may also link in with Project 6, CCTV service review	It is envisaged that the council will benefit from greater scales of economy in annual maintenance fee per camera alongside decreased downtime of cameras - especially if a replacement programme is rolled out			3	2	6
End date	2020/21								

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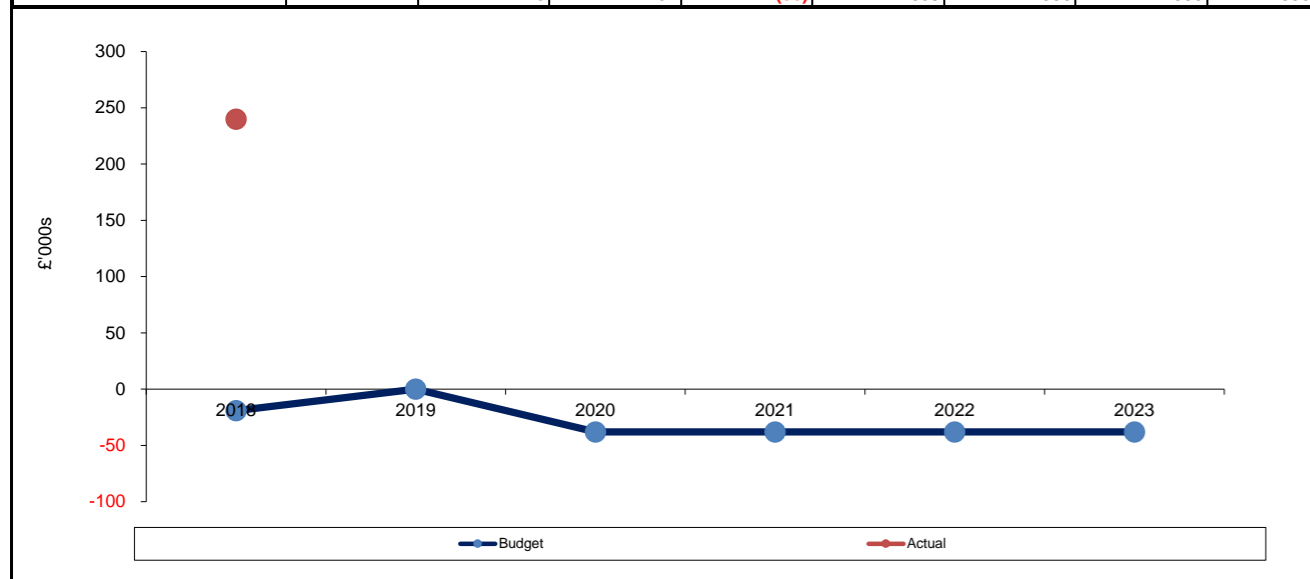
Transport	Planning Assumptions							The Corporate strategies your service contributes to			
<p>Cllr Martin Whelton: Cabinet Member for Regeneration, Housing and Transport</p> <p>Enter a brief description of your main activities and objectives below</p> <p>To provide effective Home to School and Vulnerable Adults transport service, using the in-house fleet of buses and assorted vehicles</p> <p>To provide health & safety and vehicle related in-house training to all council staff and external organisations utilising the Councils fleet of vehicles. To provide a transport solution service to the Council to ensure that transport needs are met and are best value and sustainable. To reduce air pollution and adverse impact on the environment.</p>	Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
	CSF Passenger Journeys - In-House	70,000			Dependent on outcome of transport review by CSF and C&H				Children and Young People's Plan		
	C&H Passenger Journeys - In-House	70,000			Dependent on outcome of transport review by CSF and C&H				Special Educational Needs and Disabilities Strategy		
	Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
	No. Transport Fleet vehicles	40		Dependent on outcome of transport review by CSF and C&H							
	Staff	44.84	42.36	42.39	42.39	42.39	42.39				
	Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)						Polarity	Reporting cycle	Indicator type	Main impact if indicator not met
		2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
	% Client user satisfaction	100	97	97	97	97	97	High	Annual	Outcome	Reduced customer service
	Average % passenger vehicles in use	87	85	85	85	85	85	High	Annual	Unit cost	Reduced customer service
	% in-house journey that meet timescales	85.08	85	85	85	85	85	High	Annual	Outcome	Reduced customer service
	Sickness - average days per FTE	37.5	9.5	9.5	9	9	9	Low	Monthly	Unit cost	Increased costs
	% of council fleet using Diesel fuel	N/A	80%	80%	80%	80%	80%	High	Annual	Outcome	Environmental issues

DEPARTMENTAL BUDGET AND RESOURCES								
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Expenditure	4,224	4,469	4,013	(23)	3,920	3,920	3,920	3,920
Employees	1,484	1,560	1,484	32	1,579	1,579	1,579	1,579
Premises	34	29	35	(5)	33	33	33	33
Transport	1,155	1,269	1,155	(19)	1,013	1,013	1,013	1,013
Supplies & Services	33	35	33	(2)	30	30	30	30
3rd party payments	243	280	243	(19)	260	260	260	260
Transfer payments	0	0	0	0	0	0	0	0
Support services	907	928	695	0	695	695	695	695
Depreciation	368	368	368	0	310	310	310	310
Income £'000s	4,243	4,229	4,013	59	3,958	3,958	3,958	3,958
Government grants								
Reimbursements	191	189	192	(4)	158	158	158	158
Customer & client receipts	4,052	4,040	3,821	63	3,800	3,800	3,800	3,800
Recharges								
Reserves								
Capital Funded								
Council Funded Net Budget	(19)	240	0	36	(38)	(38)	(38)	(38)



Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
Fleet Vehicles	0	429	54	(16)	659	300	300	300
Alleygating	0	19	30	(20)	30	30	30	30
		448	84	(36)	689	330	330	330

Summary of major budget etc. changes	
2020/21	
2021/22	
2022/23	
2023/24	



DETAILS OF MAJOR PROJECTS (INCLUDING PROCUREMENT) - MAXIMUM OF 10 OVER THE FOUR YEAR PERIOD							
Transport							
PROJECT DESCRIPTION			MAJOR PROJECT BENEFIT		Risk		
					Likelihood	Impact	Score
Project 1			Review of Fleet provision (Vehicles)		Economic outcomes		
Start date	2019-20	Project Details: Undertake a vehicle replacement programme including a review of shared / pool vehicles. This will take into account the findings / recommendations of the parking review.	Financial savings from reduced fleet through shared vehicles		3	2	6
End date	2020-21						
Project 2			Passenger transport		Improved effectiveness		
Start date	2019-20	Project Details: Undertake a joint review of the current service offer provided to SEN and C&H.	Service efficiency		3	2	6
End date	2020-21						
Project 3			In Cab technology		Improved efficiency (savings)		
Start date	2019-20	Project Details: Undertake a business case to assess the benefits of vehicle tracking and dash camera recording devices	Service improvement leading to financial savings (reduced insurance claims)		3	2	6
End date	2020-21						
Project 4			Passenger Transport Review		Improved efficiency (savings)		
Start date	2018-19	Project Details: Commission review of Passenger transport (Make or buy supply chain management)			3	2	6
End date	2019-20						

Commissioned Service
Waste Management and Cleansing
Cllr Tobin Byers: Cabinet Member for Adult Social Care, Health & the Environment
Cllr Martin Whelton Cabinet Member for Regeneration, Environment & Housing
Service Providers:
Veolia UK Ltd
Viridor Waste Management
Kingdom Ltd (Environmental Protection)
Noah's Ark (Stray Dogs / Enforcement)

The London Borough of Merton is committed to managing the provision of high quality and sustainable waste management and cleansing services to residents, businesses and those passing through the borough. The service ambition is to maintain a clean, green and safe environment that meet the standards of London's Best Council.

These services are delivered through a combination of commissioned services and in-house engagement and enforcement activities.

The key objectives of the service are:

- To fulfil the council's statutory responsibilities and duties with respect to waste management, street cleaning, waste enforcement and the management of stray animals.
- To provide value for money services that meet the needs of the community
- To provide a safe and supportive environment for our community and all employees engaged in delivering services.
- To promote and encourage sustainable waste management activities, maximising resource efficiency and securing value from all waste streams as far as practicably possible To maintain greater public space of which we can all be proud.

Planning Assumptions										
Anticipated demand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Housing Properties	85,000	86,000	86,500	86,500	86,500					
Kilometres of Roads	375	375	375	375	375					
Population	209,421	210,452	212,658	214,740	216,662	218,298				
Total household waste tonnage	71,000	69,000	68,000	67,000	67,000					
Anticipated non financial resources	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Clienting and Commissioning Team	3.19	3.19	3.09	3.09	3.09	3.09				
Community Engagement and Enforcement	9	8	8	8	8	8				
SLWP	2	1	1	1	1	1				
Client Neighbourhood team	2.4	2.4	2.4	2.4	2.4	2.4				
Veolia UK Ltd	Contract price and schedule of rates									
Viridor										
Kingdom Ltd										
Noah's Ark										
Performance indicator	Actual Performance (A) Performance Target (T) Proposed Target (P)					Polarity	Reporting cycle	Indicator type	Main impact if indicator not met	
	2018/19(A)	2019/20(T)	2020/21(P)	2021/22(P)	2022/23(P)	2023/24(P)				
% of sites surveyed on local street inspections for litter that meet the required standard (Monthly) and quarterly in line with NI195	N/A - new measure		87	87	87	87	High	Monthly	Perception	Reputational risk
% of street cleansing reports rectified within the contract standard time frame	N/A - new measure		90	90	90	90	High	Monthly	Perception	Reputational risk
% of Sites surveyed that meet the required standard for weeds	N/A - new measure		90	90	90	90	High	Quarterly	Perception	Reputational risk
% of Sites surveyed that meet the required standard for detritus	N/A - new measure		80	80	80	80	High	Quarterly	Perception	Reputational risk
% of Sites surveyed that meet the required standard for graffiti	N/A - new measure		98	98	98	98	High	Quarterly	Perception	Reputational risk
% of Sites surveyed that meet the required standard for flyposting	N/A - new measure		97	97	97	97	High	Quarterly	Perception	Reputational risk
% residents satisfied with street cleanliness	44	N/A	57	N/A	57	N/A	High	Biennial	Perception	Reputational risk
% of flytips removed within 24 hours	43.58	95	95	95	95	95	High	Monthly	Outcome	Reputational risk
No. of flytips in streets and parks recorded by Contractor	11,406	8,400	12,900	12,900	12,900	12,900	Low	Monthly	Outcome	Reputational risk
No. of refuse collections including recycling and kitchen waste (excluding Garden Waste) missed per 100,000	111.08	40	65	65	65	65	Low	Monthly	Outcome	Reduced customer service
Resident satisfaction with the Household Re-use and recycling facility (Garth Road)	N/A - new measure		75	75	75	75	High	Annual	Perception	Reputational risk
% of Residents satisfied with refuse collection	48	N/A	73	73	73	73	High	Biennial	Perception	Reputational risk
% of Household waste recycled and composted	38.95	48	48	48	48	48	High	Monthly	Business critical	Reputational risk
Residual waste kg per household	526.88	475	475	475	475	475	Low	Quarterly	Outcome	Increased costs
% Municipal solid waste sent to landfill (waste management and commercial waste)	31	10	10	10	10	10	Low	Quarterly	Outcome	Increased costs
% residents satisfied with recycling facilities	56	N/A	72	N/A	72	N/A	High	Annual	Perception	Reputational risk
Total waste arising per household (kgs)	848.22	910	910	910	910	910	Low	Quarterly	Outcome	Reputational risk
% FPNs issued that have been paid	73.08	75	70	70	70	70	High	Monthly	Output	Loss of income

Financial Information - Waste Management and Cleansing									Additional Expenditure Information
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	2019/20 ENV1920-04 = £250k ENV102-05 = £50k
Expenditure	17,355	16,290	17,746	522	18,045	18,301	18,557	18,814	
Employees	785	1,073	800	99	810	811	811	811	
Premises	338	(48)	321	(94)	115	116	118	120	
Transport	238	236	242	(2)	201	204	206	209	
Supplies & Services	8,090	13,784	8,574	509	15,354	15,602	15,851	16,100	
3rd party payments	6,882	198	6,892	10	190	193	196	199	
Transfer payments	0	0	0	0	0	0	0	0	
Support services	406	431	314	0	314	314	314	314	
Depreciation	616	616	603	0	1,061	1,061	1,061	1,061	
Revenue £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	
Income	3,351	3,872	3,717	(648)	3,766	3,766	3,766	3,766	
Government grants	36	36	0	0	0	0	0	0	
Reimbursements	177	437	325	24	326	326	326	326	
Customer & client receipts	3,138	3,399	3,392	(672)	3,440	3,440	3,440	3,440	
Recharges	0		0		0	0	0	0	
Reserves									
Capital Funded									
Council Funded Net Budget	14,004	12,418	14,029	(126)	14,279	14,535	14,791	15,048	
Capital Budget £'000s	Final Budget 2018/19	Actual 2018/19	Budget 2019/20	Forecast Variance 2019/20 P7	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	
Waste Bins	0	1,913	611	0	150	0	0	0	
Fleet Vehicles	0	2,670	0	0	0	0	340	0	
Other	0	39	0	0	18	0	0	0	
P		4,622	611	0	168	0	340	0	

DETAILS OF MAJOR PROJECTS

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PROJECT DESCRIPTION		Major Projects Benefits		Risk			
				Likelihood	Impact	Score	
Project 1	Project Title:	New Waste collection Service (Wheelie Bins)		Improved effectiveness			
Start date	2019-20	Project Details:	Promote the use of 'Street Champions' in order to educate / train members of the public to support the wider work of the Public Space department.	Improved service delivery	3	3	9
End date	2020-21						
Project 2	Project Title:	Waste disposal		Improved effectiveness			
Start date	2012-13	Project Details:	Review current disposal arrangements and develop a new commissioning and procurement plan for each of the main waste streams. This will be undertaken in partnership with SLWP	Environmental benefits from diverting waste from landfill, sustainable waste management	3	2	6
End date	2019-20						
Project 3	Project Title:	Neighbourhood Recycling Centres		Improved customer experience			
Start date	2019-20	Project Details:	Following the implementation of the new waste collection service and the introduction of new containers for recycling undertake a review of the neighbourhood recycling sites to ensure that they continue to provide a valued service and meet the needs of the community.	Resident satisfaction / reduced level of fly tips. Improved public realm	3	2	6
End date	2019-20						
Project 4	Project Title:	Environmental Enforcement		Improved efficiency (savings)			
Start date	2019-20	Project Details:	Undertake a commissioning review of the external enforcement arrangements (make or buy review) taking into account the wider scope for shared working of enforcement activities.	Service efficiency	3	2	6
End date	2020-21						

CAPITAL STRATEGY 2020-24

1 Introduction

- 1.1 As part of the Prudential Code for Capital Finance in Local Authorities 2017 local authorities are required to produce a capital strategy.
- 1.2 Merton's Capital Strategy for 2020-24 has been aligned and integrated with the Business Plan for the period 2020-24. The Business Plan sets out how the Authority's objectives have been shaped by Merton Partnership in the Community Plan. The Community Plan sets out the overall vision and strategic direction of Merton which are embodied into five strategic themes:-
- Children's Trusts;
 - Health and Wellbeing Board;
 - Safer and Stronger Communities;
 - Sustainable Communities and Transport;
 - Corporate Capacity
- 1.3 Merton Partnership works towards improving the outcomes for people who work, live and learn in the borough and, in particular, to 'bridge the gap' between the eastern and western wards in the borough.
- 1.4 The financial reality facing local government dominates the choices the council will make for the future of the borough. The development of the Business Plan 2020-24 is therefore based on the set of guiding strategic priorities and principles, as adopted by the council on 13 July 2011:
- Merton should continue to provide a certain level of essential services for residents. The order of priority of 'must' services should be:
 - i) Continue to provide everything that is statutory.
 - ii) Maintain services – within limits – to the vulnerable and elderly.
 - After meeting these obligations Merton should do all that it can to help residents who aspire. This means we should address the following as priorities in this order:
 - i) Maintain clean streets and keep council tax low.
 - ii) Keep Merton as a good place for young people to go to school and grow up.
 - iii) Be the best it can for the local environment.
 - iv) All the rest should be open for discussion.
- 1.5 Merton's scrutiny function reflects the five strategic themes above and the themes have been incorporated into the bidding process for capital funding to ensure that scarce financial resources are targeted towards strategic objectives.

2 Planning Infrastructure

2.1 Business Plan 2020-2024

2.1.1 The Business Plan sets out the council's vision and ambitions for improvement over the next four years and how this will be achieved. Business Planning and financial planning frameworks are closely aligned and integrated.

2.2 Target Operating Models (TOMs)

2.2.1 TOMs, or Target Operating Models are a series of strategy documents that set out how the organisation will respond to and manage change over the coming months and years. TOMs have been produced for Service Areas or Departments throughout the council.

2.2.2 A TOM is a statement of how an organisation will deliver its services within a certain structure as a future point in time, TOMs are living documents and will change as the organisation develops. There are a number of elements to a TOM, for Merton these are – Customer Segments, Channels, Services, Organisation, Processes, Information, Technology, Physical Location and People

2.2.3 Developing a TOM is about planning and preparing for change and improvement in a given service. Taking the time to prepare/refresh a TOM allows those within a service to consider its many facets and dependencies and determine how these will change over the coming years. Having an ambitious vision for what the future looks like for the service (which is what a TOM provides), ensures that improvement activity will be more disciplined and controlled and therefore more likely to succeed.

2.3 Service Plans

2.3.1 In developing the Capital Strategy, clear linkages have also been identified with not only the Business Plan, TOMs but also departmental service and commissioning plans beneath this. It reflects the capital investment implications of the approved objectives of those plans, which themselves reflect the council's proposals set out in service based strategies such as the Primary Places Strategy, Local Implementation Plan (Transport), and Asset Management Plans. Priorities for the Corporate Services department are based around how the council manages its resources effectively and how it carries out its wider community leadership role.

2.4 Capacity, Skills and Culture

2.4.1 Team planning and staff appraisals highlight staff developmental requirements and monitor their progression. Qualified financial staff meet the continual professional development requirements of their relevant CCAB organisation.

- 2.4.2 Member induction and development is led corporately by the Authority's Human Resources division, this is supplemented, where appropriate, with additional financial briefings.

2.5 Capital Strategy

- 2.5.1 This Capital Strategy is a fundamental component of our approach since it reflects our strategic priorities across the council and endeavors to maximise the contribution of the council's limited capital resources to achieving our vision. We will work closely with residents, community organisations and businesses to focus our resources and those of our partners effectively. The strategy also sets out the management arrangements for allocating resources to individual schemes, establishing funding for projects, monitoring progress, managing performance and ensuring that scarce capital resources are allocated efficiently.
- 2.5.2 Attached as Annex 6 is the Capital Investment Strategy for the investments/loans the Authority will hold/holds primarily to generate financial returns.

3 Accounting Definitions and Practices

- 3.1 The council's approach to Capital Accounting follows the Code of Practice on Local Authority Accounting, which itself is based on the International Financial Reporting Standards (IFRS) and guidance issued by CIPFA and professional accounting networks.
- 3.2 As in previous years, there has been continual review of the Capital Programme to ensure that expenditure meets the strict definition and to identify any items which would be more appropriate to be charged to revenue. This has not resulted in any major changes to the future programme.
- 3.3 The de-minimis of capital expenditure for the authority is set at £10,000 per project. This applies to all schemes within our capital programme, however in exceptional circumstances thresholds below this may be considered where specific items of expenditure are below this de-minimis level but meet proper accounting definitions of capital expenditure.
- 3.4 Individual schools may choose to adopt the above de-minimis limit or use the limit of £2,000 as mentioned in some Department for Education and HMRC guidance for various types of school.
- 3.5 IFRS 9 requires that investment in risk capital will need to be valued annually at fair value with any loss or gain being written through the profit and loss account in the year it occurs.

3.6 IFRS 16 will require all but short-term de-minimis leasing rental/leasing arrangements appear on the Authority's balance sheet from the financial year 2020/21.

4 Corporate and strategic capital expenditure appraisal planning and control

4.1 Capital Programme Board

4.1.1 Merton's Capital Strategy is coordinated by the Capital Programme Board. The board, which is effectively a sub-group of the Corporate Management Team (CMT). The Board comprises the Directors of Corporate and Environment and Regeneration Services with selected Level 2/3 managers from each service department.

4.1.2 The Terms of Reference of the Board are:

- Lead on the development and maintenance of the capital investment strategy and ensure it is consistent with the council's strategic objectives, TOMs and service plans.
- Ensure that the capital investment strategy informs and is informed by the asset management plan.
- Ensure there is a transparent and clearly communicated process for allocation of capital funds with clear and well documented criteria and decision making process.
- Monitor progress of capital funded schemes and any other critical schemes as determined by CMT. Receive joint reports from Finance/departmental staff on progress against deliverables, milestones and budget forecasts.
- In conjunction with other governing bodies, consider/approve business cases that involve capital investment.
- Monitor issues arising as a result of changes in accounting treatment of capital expenditure and ensure the organisation responds accordingly.
- Assess capital schemes in the context of the Medium Term Financial Strategy to ensure they are affordable in revenue terms.
- Receive reports from the Property Management and Review Manager relating to capital funds coming from the disposal of property, in collaboration with the Property and Asset Management Board.
- Receive benefits reports from Programme/Project Managers when capital projects/programmes are closed. Monitor key benefits to ensure they are realised for large capital schemes.

4.1.3 The role of the Board is to:

- Set framework and guidelines for capital bids;
- Draft the capital programme for consideration by CMT and Cabinet;
- Review capital bids and prioritise in accordance with the council's strategic objectives;
- Identify and allocate capital funds;
- Monitor progress of capital programmes/projects and key variances between plans and performance;
- Monitor budgets of capital programmes/projects against forecasts;
- Monitor benefits and ensure they are realised. Monitor capital receipts
- Develop and share good practice

4.1.4 The Board will be accountable to the Corporate Management Team who will receive reports and escalated matters from the Board on a regular basis. CMT will set the strategy and direction, the Capital Programme Board will operationalise this and escalate concerns and ideas. The Board will refer to, and take advice from, the Procurement Board on any proposals and/or decisions that have a procurement dimension. The Board will work closely with the Property and Asset Management Board on any property/asset related proposals.

4.1.5 The Board will make agendas and minutes available to the other Governance Boards within 5 working days of the meeting.

4.1.6 During the budget process the Director of Corporate Services recommends to Cabinet an initial view as to how the Capital Programme should be funded. However, this recommendation will be informed by the Capital Programme Board's consideration of the capital receipts available and the forecast of future property disposals and the final funding during the closure of accounts will depend on the precise financial position. At this stage it is intended to utilise internal borrowing, capital grant, direct revenue financing, capital receipts and earmarked reserves. Any capital loans given out by the authority, dependent on the size, will normally be funded from capital receipts as the repayments will be received as capital receipts. It will be reported to Members in advance when it is proposed to use external borrowing.

4.1.7 The council has had a robust policy for many years of reviewing its property holding and disposing of surplus property, this is detailed in the Asset Management Plan (AMP) which also includes policy and procedures for land and property acquisition. All capital receipts are pooled, unless earmarked by Cabinet, and are used either to finance further capital investment or for the payment of premiums on repayment of higher interest loans.

4.2 Capital Programme Approval and Amendment

4.2.1 The Capital Programme is approved by Council each year. Any change which substantially alters the programme (and therefore the Prudential Indicators) requires full Council approval. Rules for changes to the Capital Programme are detailed in the council's Constitution Financial Regulations and Financial Procedures and the key points are summarised here.

4.2.2 For virements which do not substantially alter the programme the below approval limits apply:

- Virements up to £5k can be signed off by the budget manager and the Chief Financial Officer (CFO) is informed of these changes as part of the monthly financial monitoring
- Virements £5k up to £100k must be approved by the Chief Officer of the area or areas affected along with the Chief Financial Officer, typically this will be as part of the monthly financial monitoring report to CMT however approval can be sought from these officers at any time if necessary
- Virements £100k and upwards go to Cabinet
- Any virement which diverts resources from a scheme not started, resulting in a delay to that scheme, will be reported to Cabinet

(Please note virement rules are cumulative i.e. two virements of £5,000 from one code; the latter would require the approval of Chief Officers)

4.2.3 For increases to the programme for existing schemes up to £100,000 must be approved by the Director of Corporate Services. Increases above this threshold must be approved by Cabinet. In accordance with the Prudential Code if the increase in the Capital Programme will substantially change prudential indicators it must be approved by Council.

4.2.4 For new schemes, the source of funding and any other financial or non-financial impacts must be reported and the limits below apply:

- Budgets of up to £50k can be approved by the Chief Financial Officer in consultation with the relevant Chief Officer
- Budgets of £50k up £500k will be submitted to Cabinet for approval
- Budgets over £500k will be submitted to full Council for approval

Approval thresholds are being reviewed as part of the review of processes after the implementation of the new Financial Information System.

4.3 Capital Monitoring

4.3.1 The Council approves the four year Capital Programme in March each financial year. Amendments to the programme are approved appropriately by CMT, Cabinet and Council. Budget managers are required to monitor their budget monthly, key reviews are undertaken in September and November. December monitoring provides the final opportunity for budget managers to re-profile their budgets for the current financial year.

4.3.2 November monitoring information feeds into the Authority's Medium Term Financial Strategy (MTFS) and is used to assess the revenue impact over the period of the strategy with minor amendments in the later months. November monitoring is also used to measure the accuracy of year-end projections.

4.3.3 Councillors receive regular monitoring reports on the overall position of capital expenditure in relation to the budget. They also receive separate progress reports on key spend areas.

4.4 Risk Management

4.4.1 The management of risk is strategically driven by the Corporate Risk Management group. The group collates on a quarterly basis the headline departmental risks and planned mitigation activity from each department, project and partnership. From this information a Key Strategic Risk Register is compiled and presented to CMT quarterly for discussion and onto Cabinet and Standards and General Purposes Committee annually. The Authority's Risk Management Strategy is reviewed and updated annually and presented to CMT, Cabinet and Council.

4.4.2 Risk Appetite - The council recognises that its risk appetite to achieve the corporate priorities identified within its business plan could be described in general as an "informed and cautious" approach. Where significant risk arises, we will take effective control action to reduce these risks to an acceptable level.

5 Revenue budget implications of capital investment

5.1 Revenue cost or savings

5.1.1 The capital strategy recognises that the prudential framework provides the council with flexibility, subject to the constraints of the council's revenue budget. This flexible ability to borrow, either from internal cash resources or by external borrowing, coupled with the revised treatment of finance leases with effect from 1 April 2010, means that prudential borrowing is used for the acquisition of equipment, where it is prudent, affordable and sustainable. Since 2015/16 it has been possible to borrow from internal cash resources rather than external borrowing and it is forecast that this will continue to be the case alongside the use of capital receipts within the current planning period up to 2022/23, from 2022/23 onwards (£8.4 million 22/23 and £34.9 million 23/24) borrowing will be required. Over the period 2020-25 the Authority is scheduled to repay £30.5 million (27%) of long term debt. This will be kept under review as part of general Treasury Management.

5.1.2 The revenue effects of the capital programme are from capital financing charges and from additional revenue costs such as annual maintenance charges. The capital financing charges are made up of interest payable on loans to finance the expenditure and of principal repayments on those loans. The principal repayments commence in the year after the expenditure is incurred and are calculated by the application of the statutory Minimum Revenue Provision. The interest commences immediately the expenditure is incurred. The revenue effects of the capital programme are fully taken account of in the MTFs, with appropriate adjustments for slippage, timing of capital payments and the use of internal investment funds.

The revenue effects of the capital programme are built into the MTFs and are summarised below:

Current Programme	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
MRP	4,874	5,707	6,801	8,592
Interest on Borrowing	6,315	6,315	6,110	6,174
Total Borrowing Costs	11,189	12,022	12,911	14,766
Interest on Investments	(275)	(144)	(23)	0
CCLA Investment Two Loans @ £10m	(322)	(322)	(322)	(322)
Total Borrowing Costs Net of Investment interest	10,592	11,556	12,566	14,444

Proposed Programme Business Plan 2020-24	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
MRP	4,874	5,574	6,850	7,593
Interest on Borrowing	6,315	6,315	6,110	6,038
Total Borrowing Costs	11,189	11,889	12,960	13,632
Interest on Investments	(291)	(159)	(19)	0
CCLA Investment Two Loans @ £10m	(322)	(322)	(322)	(322)
Total Borrowing Costs Net of Investment interest	10,576	11,408	12,618	13,310

Movement in Projected Costs	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
MRP	0	133	(49)	999
Interest on Borrowing	0	0	0	135
Total Borrowing Costs	0	133	(49)	1,134
Interest on Investments	16	15	(4)	0
CCLA Investment Two Loans @ £10m	0	0	0	0
Total Borrowing Costs Net of Investment interest	16	148	(53)	1,134

6 Capital resources 2020-24

6.1 Variety of sources

6.1.1 Capital expenditure is funded from a variety of sources:-

- Grants which are not ring-fenced to be spent on a specific project or service
- Specific grants - earmarked for a specific project or purpose
- Capital receipts from the disposal of surplus and under-utilised land and property and repayment of principal
- Other contributions such as Section 106/CIL
- Council Funding – through revenue funding, use of reserves or borrowing.

6.2 Annual Minimum Revenue Provision (MRP) Statement

6.2.1 Under guidance from the Department for Communities and Local Government, authorities are required to prepare an annual statement on their policy on making MRP. This mirrors the existing requirements to report to the council on the Prudential borrowing limit and investment policy.

6.2.2 The statement is set out in the Treasury Management Strategy.

7 Asset management review

7.1 Capital receipts

7.1.1 Capital receipts generated from the disposal of surplus and under-utilised land and property are a major source of funding and the potential available capital resources are under constant review and revision. The forecast of capital receipts included in this report are based on a forecast of planned land and property disposals. In addition, after the transfer of the housing stock to Merton Priory Homes, the council continues to receive a share of the receipts from Right to Buy applications and through future sharing arrangements, receipts from the sales of void properties, sales of development land and VAT saving on expenditure on stock enhancements.

7.1.2 In December 2017, the Secretary of State announced the continuation of the capital receipts flexibility programme for a further three years, to give local authorities the continued freedom to use capital receipts from the sale of their own assets (excluding Right to Buy receipts) to help fund the revenue costs of transformation projects and release savings. By virtue of his powers under sections 16(2)(b) and 20 of the Local Government Act 2003 (“the Act”), that the local authorities listed in Annex A (“the Authorities”) treat as capital expenditure, expenditure which:

- i. is incurred by the Authorities that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners; and
- ii. is properly incurred by the Authorities for the financial years that begin on 1 April 2016 up to and including 1 April 2021.

7.2 Property as a corporate resource

7.2.1 The council treats its property as a corporate resource, oriented towards achieving its overall goals, underpinned by:

- Clear links to financial plans and budgets.
- Effective arrangements for cross-service working.
- Champions at senior officer and member level.
- Significant scrutiny by councilors.

7.2.2 It ensures that its properties are fit for purpose by making proper provision and action for maintenance and repair. The organisation makes investment and disposal decisions based on thorough option appraisal. The capital programme gives priority to potential capital projects based on a formal objective approval process.

7.2.3 Whole life project costing was used at the design stage for significant projects where appropriate, incorporating future periodic capital replacement costs, projected maintenance and decommissioning costs.

7.2.4 Whole life costing of significant projects, which span more than one year, also forms part of the regular monitoring reports.

7.2.5 The Asset Management Plan is being reviewed and will include greater emphasis on the use of the council's property assets to support the council's Transformation Programme, regeneration and increased income/revenue generation.

7.2.6 The Authority is currently implementing a new IT system for asset accounting and the possibility of this system being used for more widespread asset management will be explored.

8 Summary of estimated disposals 2020-2024

8.1 Projected Capital Receipts

8.1.1 Due to difficulties in the property market since the economic recession a cautious view has been taken of the potential capital receipts identified. Much of the anticipated capital receipts are as a result of the VAT shelter agreement entered into with Merton Priory Homes as part of the housing stock transfer. There are current proposals for some of the properties under this agreement to be redeveloped which could result in a reduction in receipts from the VAT shelter agreement, however a Development and Disposals Clawback Agreement was entered into as part of the same transfer and this could result in a significant capital receipt should these development plans go ahead. The following table represents an estimate of an anticipated cash flow and therefore these future capital receipts have been utilised to fund the capital programme:-

Anticipated Capital Receipts	2020/21	2021/22	2022/23	2023/24
	£000s	£000s	£000s	£000s
Sale of Assets	0	0	0	0
Right to buy/VAT Shelter	900	900	900	900
Repayment of One Public Estate	0	(260)	0	0
Total	900	640	900	900

8.1.2 As there is currently not a need to enter into external borrowing until 2022/23, investment balances will rise with the addition of capital receipts until utilised to fund the capital programme. Average expected interest rates on investments across the years of the capital programme are approximately 1.3%, as such an increase in receipts of £1m would be expected to generate a £13,000 increase in interest in a full year.

8.1.3 The table below shows the funding of the capital programme utilising capital receipts, capital grants and contributions, capital reserves and revenue provisions. Balances held by the authority will generate interest until utilized to fund the capital programme.

Capital Expenditure	2019/20 Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000's
Capital Expenditure	26,875	46,799	26,676	14,020	25,704
Slippage and Underspends	(1,808)	(12,025)	3,101	2,940	815
Total Capital Expenditure *	25,067	34,773	29,777	16,960	26,520
Financed by:					
Capital Receipts * and **	10,128	900	640	900	900
Capital Grants & Contributions	13,325	13,571	9,158	5,343	4,142
Revenue Provisions	1,423	3,999	57	57	30
Net financing need for the year	191	16,303	19,922	10,659	21,447

* Finance lease expenditure is included in the table in Treasury Management Strategy but excluded from this Table

** Includes anticipated in-year capital receipts in the table above

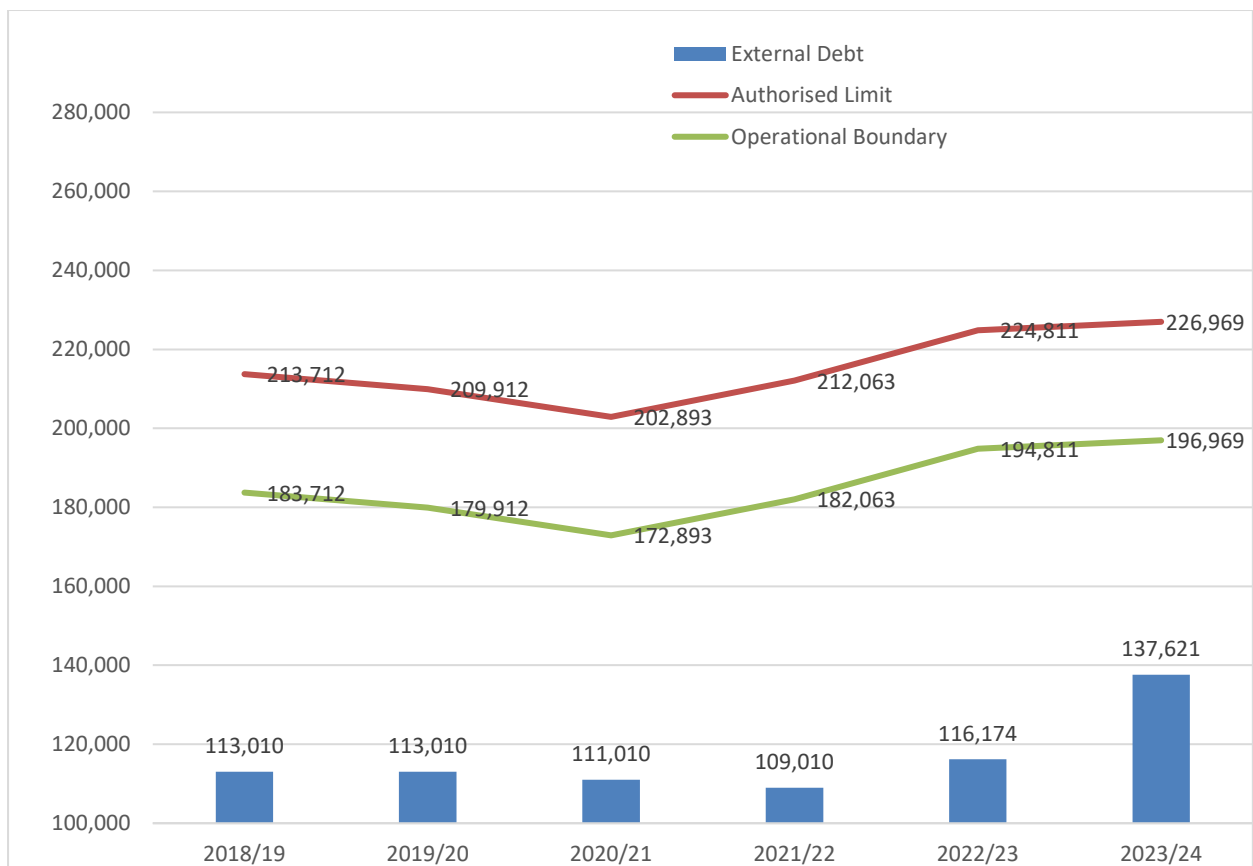
8.1.4 Under the requirements of the Localism Act 2011 parish councils and local voluntary and community organisations have the right to nominate local land or buildings they would like to see included in a list of assets of community value which is maintained by the Local Authority. Once listed the owner must allow community interest groups up to six months to make an offer before the property can be sold to another. It is envisaged that this may lengthen the disposal time for some properties if they are listed as assets of community value by the council.

8.2 Debt repayment

8.2.1 The council has had a strategy to reduce its level of debt when opportunity arises in the market. The average interest payable on outstanding debt is 5.47%. For the period 2020-24, capital receipts may continue to be used to pay the premiums on the repayment of those authority debts which have high fixed interest charges, if the terms offered will result in appropriate revenue savings. Any decision to repay debt early will be considered alongside the funding however, this is unlikely to be the case in the short to medium term requirement of the programme.

8.2.2 The chart below shows the debt related treasury activity limits discussed in detail in 4.4 of the Treasury Management Strategy and incorporates the proposed capital programme and funding strategy contained in this document.

Treasury Management Limits on Activity



8.2.3 The Table below shows the maturity structure of current external debt

	Actual November 2019	Value £'000
less than 1 year	0%	-
1 to 2 years	3.54%	4,000
2 years to 5 years	23.45%	26,510
5 years to 10 years	3.98%	4,500
10 years to 20 years	11.06%	12,500
20 years to 30 years	11.95%	13,500
30 years to 40 years	28.32%	32,000
40 years to 50 years	17.70%	20,000
Total	100.00%	113,010

8.2.4 Section 3 of the Treasury Management Strategy details the Authority's minimum revenue provision policy statement setting out how it intends to fund unsupported capital expenditure over the expected life of assets

8.2.5 Internal borrowing to fund unsupported capital expenditure will reduce the balances available to invest under the treasury management strategy. In contrast, external borrowing will provide additional balance to invest under the Treasury Management Strategy until utilised.

9 Grant and Contributions Funding Capital Resources

9.1 Grant Funding

The Table below summarises the grants being utilised to fund the proposed capital programme over the planning period:

Grants	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
Heritage Lottery Fund	81	3,028	712	0	0
Transport for London LIP (earmarked) Capital *	2,825	**1,435	1,300	1,300	1,300
Total: E&R	2,906	4,463	2,012	1,300	1,300
School Condition (non-ringfenced)*	1,915	1,900	1,900	1,900	1,900
Basic Need (non-ringfenced)	446	0	0	0	0
Special Provision Grant	1,520	491	0	0	0
Healthy Schools	159	30	0	0	0
Total CSF	4,040	2,421	1,900	1,900	1,900
Devolved Formula Capital (Earmarked)	348	TBA	TBA	TBA	TBA
TOTAL: CSF*	4,388	2,421	1,900	1,900	1,900
Better Care Fund incl. Disabled Facilities Grant)**	1,280	TBA	TBA	TBA	TBA
Total Grant Funding * and **	8,574	6,884	3,912	3,200	3,200

* CSF and TfL Estimated from 2020-21

** Slipped Schemes from 2019/20 and Indicative allocation for 20-21

9.2 Summary of Contributions

9.2.1 The Table below summarises the contributions being utilised to fund the proposed capital programme over the planning period:

Contributions	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
Strategic Community Infrastructure Levy	4,004	7,052	3309	840	0
Neighbourhood Community Infrastructure Levy	478	599	0	0	0
Section 106 Agreements	897	621	633	462	145
Total Used to Fund the Programme	5,379	8,272	3,942	1,302	145

10 Summary of Total Resources 2020-24:

10.1 Summary

10.1.1 The total anticipated resources over the plan period 2019-23, including existing grant funding and anticipated CS&F grants, is summarised in the following table:-

	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
Grant & Contributions *	13,571	9,158	5,343	4,142
Council Funding	21,201	20,619	11,617	22,377
Total	34,773	29,777	16,960	26,520

* This table shows the grants and contributions applied to fund the programme allowing for slippage.

10.1.2 Projects for which earmarked resources have been notified have been given authority to proceed, subject to a detailed specification and programme of works being agreed which ensures that the maximum benefits accrue to the council within the overall constraints of the approved funding. Those schemes, on their own, represent a considerable capital investment.

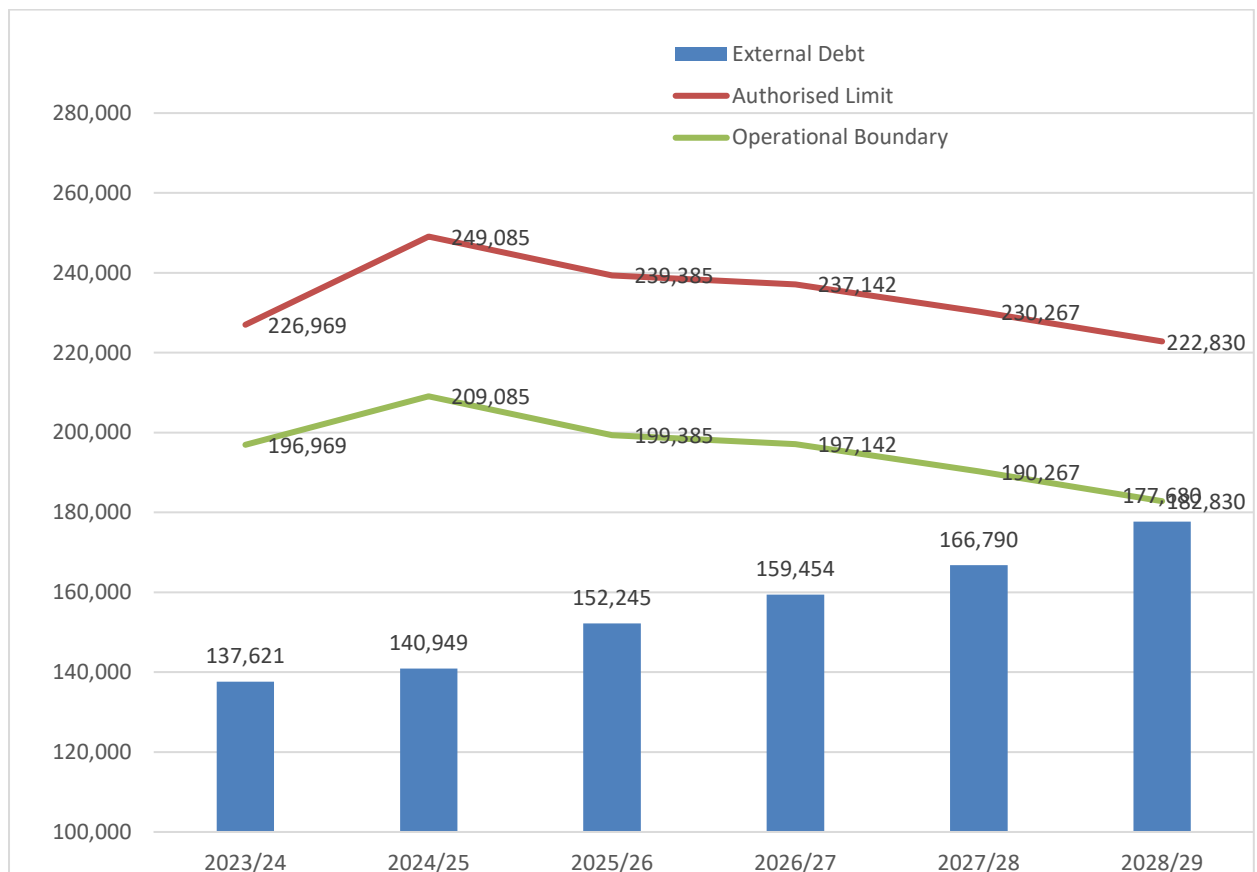
10.1.3 The Table below summarises the Indicative Capital Programme for 2024 to 2029. Additional detail is provided as Annex 5:

Department	Indicative Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29
Corporate Services	3,055	4,186	2,970	3,280	5,670
Community and Housing *	280	630	280	420	280
Children, Schools and Families	1,900	1,900	1,900	1,900	1,900
Environment and Regeneration *	4,039	7,977	4,014	3,979	3,979
Total*	9,274	14,693	9,164	9,579	11,829

* Please note these figures do not include any allowance of grant funding or expenditure for Transport for London and Disabled Facilities.

12.3.1 10.1.4 For every £1 million capital expenditure that is funded by external borrowing it is estimated that there will be annual revenue debt charges of between £219k for assets with a life of 5 years to £51k for an asset life of 50 years.

10.1.4 The Table below shows the impact of the indicative programme 2024-29 on the Authority’s debt:



11 Capital Bids and Prioritisation Criteria

11.1 Prioritisation of schemes 2023/24

The allocation of capital resources, on those schemes to be funded by borrowing, is focused towards the achievement of the council's key strategic objectives as agreed by councillors as highlighted in section 1 of this strategy.

The prioritisation criteria used in respect of growth were 'Statutory', Need (demand and / or priority), attracts match funding and revenue impact (including invest to save). Due to officers' awareness of the need to restrain the capital programme to affordable levels, the revisions put forward over the period 2020-24, on the basis of these criteria by the board to Cabinet was £15 million (including indicative TfL and revised Housing Company Funding) as shown below.

Department	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services	(6,823)	6,883	(13,105)	13,579
Community and Housing	0	0	0	0
Children, Schools and Families	200	750	0	0
Environment and Regeneration	3,683	3,231	3,442	1,272
Total	(2,940)	10,864	(9,663)	14,851

12 Detailed Capital Programme 2019-23

12.1 Corporate Services

12.1.1 This department is responsible for the administration of finance and staff, together with the corporate buildings including IT and utility services. The programme is detailed in Annex 3. Its main capital expenditure is on IT software and hardware, and on improvements to buildings (including invest to save schemes). Annual capital allocations are available to meet ongoing capital commitments within property, IT and invest to save. In addition, provision is made for one off projects, business systems and corporate level schemes and contingencies.

12.2 Children, Schools and Families

12.2.1 CSF Capital Programme 2019-23

The requirement to provide sufficient school places is a key statutory requirement and the Authority must also maintain existing school buildings for non-PFI community primary and special schools. The government provides capital grant to meet some of this need. The individual projects for this department are all listed in Annex 3.

12.2.2 Primary schools

No further primary school expansion is planned. From 2019/20 £1.9 million per annum is provided for community and voluntary controlled schools (subject to grant funding) this will be limited to urgent health and safety related needs, with the council expecting schools to fund all works below £20,000. Work for the next few years will be prioritised using a conditions survey undertaken in late 2017.

12.2.3 Secondary school places

The demand for secondary places is monitored regularly and trends in demand are analysed. Following the delivery of the new Harris Wimbledon Academy through the government's Free School programme, no further secondary school expansion is now planned. The capital programme for 2020/24 includes £0.3 million for the final elements of committed schemes.

12.2.4 Special school places

The increase in demand for special school provision is significant and the council has a lower than average proportion of children attending in-borough state special schools. The government's Special Provision Fund only provides a proportion of the investment needed. Capital funding of £5.9 million is provided in the 2020/24 programme for the expansion of SEN provision within the borough. This includes completion of the expansion of Cricket Green School, providing primary provision for pupils with SEMH (Social, Emotional and Mental Health), expansion of ASD (Autism Spectrum Disorder), and further provision for children with medical needs.

12.4 Environment and Regeneration

12.4.1 This department provides a co-ordinated approach to managing the public realm (all borough areas to which the public has access), as well as the regeneration of our town centres and neighbourhoods. The individual projects for this department are all listed in Annex 3.

12.4.2 Annual capital allocations are available to meet ongoing capital commitments within fleet vehicles, ally gating, street trees, highways and footways, sports facilities and parks. In addition, provision is made for one off projects and regeneration activities including Transport for London schemes.

12.5 Community and Housing

12.5.1 This department aims to provide residents with the chance to live independent and fulfilling lives, in suitable homes within sustainable communities, with chances to learn, use information, and acquire new skills. The departmental Capital Programme for 2020-24 is detailed in Annex 3.

12.5.2 Annual capital allocations are available to meet disabled facility grants and provision is made for one off projects.

12.5 Overall Programme

12.5.1 The approved Capital Programme for 2020/24 follows at Annex 1, Annex 3 provides an additional breakdown detail of the approved schemes. The summary is as follows:

Department	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services	22,100	11,128	2,895	18,100
Community and Housing	2,004	913	882	425
Children, Schools and Families	6,166	3,900	1,900	1,900
Environment and Regeneration	16,530	10,735	8,343	5,279
Total	46,799	26,676	14,020	25,704

12.5.2 The funding details for the programme follow at Annex 2

12.5.3 Within the funding details the authority has anticipated some slippage for schemes that require a consultation process or a planning application or where the implementation timetable is not certain. The slippage anticipated reduces the spend in the year it is budgeted but increases the spend in the following year when it is incurred. When slippage from 2019/20 is approved, the 2020/21 Capital Programme will be adjusted accordingly.

12.5.4 Annex 1	Capital Investment Programme - Schemes for Approval
Annex 2	Funding the Capital Programme 2020-24
Annex 3	Detailed Capital Programme 2020-24
Annex 4	Analysis of Growth/(Reduction) from current approved programme
Annex 5	Indicative Capital Programme 2024-29
Annex 6	Capital Investment Strategy

Capital Investment Programme - Schemes for Approval**Annex 1**

Department	Scrutiny	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services		22,100	11,128	2,895	18,100
Community and Housing		2,004	913	882	425
Children, Schools and Families		6,166	3,900	1,900	1,900
Environment and Regeneration		16,530	10,735	8,343	5,279
Total		46,799	26,676	14,020	25,704

Department	Scrutiny	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services					
Customer Policy and Improvement		1,350	1,900	0	0
Facilities		1,311	1,250	950	1,675
IT Infrastructure		1,892	1,095	1,245	3,420
Resources		0	0	700	0
Corporate		17,546	6,883	0	13,005
Total Corporate Services		22,100	11,128	2,895	18,100
Community and Housing					
Adult Social Care		39	0	0	0
Housing		1,415	913	742	425
Libraries		550	0	140	0
Total Community and Housing		2,004	913	882	425
Children, Schools and Families					
All Sectors		1,900	1,900	1,900	1,900
Secondary		300	0	0	0
Special		3,966	2,000	0	0
Total Children, Schools and Families		6,166	3,900	1,900	1,900
Environmental and Regeneration					
Public Protection and Development		1,104	1,254	480	0
Street Scene and Waste		737	330	670	330
Sustainable Communities		14,689	9,151	7,193	4,949
Total Environmental and Regeneration		16,530	10,735	8,343	5,279
Total Capital		46,799	26,676	14,020	25,704

Please Note

1. Excludes budgets relating to future year announcements of Better Care Fund
 2. Includes indicative budgets relating to future year announcements of Transport for London Grant
- OSC = Overview and Scrutiny, CYP = Children and Young People, HCOP = Heathier Communities and Older People
and SC = Sustainable Communities

FUNDING THE CAPITAL PROGRAMME 2019-24**Annex2**

Merton	Capital Programme £000s	Funded by Merton £000s	Funded by grant and capital contributions £000s
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2019/20 Current Budget	26,875	12,686	14,189
Potential Slippage b/f	0	0	0
2019/20 Revised Budget	26,875	12,686	14,189
Potential Slippage c/f	(1,276)	(562)	(714)
Potential Underspend not slipped into next year	(532)	(384)	(150)
Total Spend 2019/20	25,067	11,742	13,325

2020/21 Current Budget	46,799	30,716	16,083
Potential Slippage b/f	1,276	562	714
2020/21 Revised Budget	48,075	31,278	16,797
Potential Slippage c/f	(11,196)	(8,383)	(2,813)
Potential Underspend not slipped into next year	(2,105)	(1,692)	(413)
Total Spend 2020/21	34,773	21,201	13,571

2021/22 Current Budget	26,676	18,543	8,134
Potential Slippage b/f	11,196	8,383	2,813
2021/22 Revised Budget	37,872	26,926	10,946
Potential Slippage c/f	(6,492)	(4,950)	(1,543)
Potential Underspend not slipped into next year	(1,603)	(1,357)	(246)
Total Spend 2021/22	29,777	20,619	9,158

2022/23 Current Budget	14,020	9,238	4,782
Potential Slippage b/f	6,492	4,950	1,543
2022/23 Revised Budget	20,512	14,189	6,325
Potential Slippage c/f	(2,217)	(1,481)	(735)
Potential Underspend not slipped into next year	(1,336)	(1,090)	(246)
Total Spend 2022/23	16,960	11,617	5,343

2023/24 Current Budget	25,704	22,079	3,625
Potential Slippage b/f	2,217	1,481	735
2023/24 Revised Budget	27,921	23,561	4,360
Potential Slippage c/f	(1,002)	(892)	(109)
Potential Underspend not slipped into next year	(399)	(290)	(109)

Total Spend 2023/24	26,520	22,377	4,142
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Detailed Capital Programme 2020-24**Annex 3**

Department	Scrutiny	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services					
<u>Customer Policy and Improvement</u>					
Customer Contact Programme	OSC	1,350	1,900	0	0
<u>Facilities</u>					
Other Buildings - Capital Building Works	OSC	650	650	650	650
Civic Centre Boilers	OSC	201	0	0	0
Civic Centre Lighting Upgrade	OSC	0	300	0	0
Combined Heat and Power (CHP) System Rep.	OSC	0	0	0	450
Absorption Chiller Replacement	OSC	0	0	0	275
Civic Centre Cycle Parking	OSC	60	0	0	0
Invest to Save schemes	SC	400	300	300	300
<u>IT Infrastructure</u>					
Aligned Assets	OSC	0	75	0	0
Environmental Asset Management	OSC	0	0	240	0
Revenue and Benefits	OSC	400	0	0	0
Capita Housing	OSC	100	0	0	0
ePayments Project	OSC	157	0	0	0
School Admission System	OSC	125	0	0	0
Planning&Public Protection Sys	OSC	200	0	0	550
Kofax Scanning	OSC	0	0	0	0
Spectrum Spatial Analyst Repla	OSC	165	0	0	0
Ancillary IT Systems	OSC	0	50	0	0
Youth Justice IT Systems	OSC	85	0	0	0
Replacement SC System	OSC	0	0	0	2,100
Project General	OSC	390	870	705	770
Data Centre Support Equipment	OSC	150	0	0	0
Network Switch Upgrade	OSC	0	0	200	0
IT Equipment	OSC	120	100	100	0
<u>Resources</u>					
Financial Systems	OSC	0	0	700	0
<u>Corporate</u>					
Acquisitions Budget	OSC	0	0	0	6,985
Capital Bidding Fund	OSC	0	0	0	1,186
Multi-Functioning Device (MFC)	OSC	600	0	0	0
Westminster Coroners Court	OSC	455	0	0	0
Housing Company	OSC/SC	16,491	6,883	0	0
Corporate Capital Contingency	OSC	0	0	0	4,834
Total Corporate Services		22,100	11,128	2,895	18,100

Please Note

1. Excludes budgets relating to future year announcements of Better Care Fund
 2. Includes indicative budgets relating to future year announcements of Transport for London Grant
- OSC = Overview and Scrutiny, CYP = Children and Young People, HCOP = Heathier Communities and Older People and SC = Sustainable Communities

Detailed Capital Programme 2020-24 Continued.....**Annex 3**

Department	Scrutiny	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Community and Housing					
<u>Adult Social Care</u>					
Telehealth	HCOP	39	0	0	0
<u>Housing</u>					
Disabled Facilities Grant	SC/HCOP	927	280	280	280
Learning Dsbility Aff Housing	SC/HCOP	488	633	462	145
<u>Libraries</u>					
Library Self Service	SC	350	0	0	0
West Barnes Library Re-Fit	SC	200	0	0	0
Library Management System	SC	0	0	140	0
Total Community and Housing		2,004	913	882	425

Department	Scrutiny	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Children, Schools and Families					
<u>All Sectors</u>					
Unallocated - Schools Capital maintenance	CYP	1,900	1,900	1,900	1,900
<u>Secondary</u>					
Harris Academy Wimbledon New School	CYP	300	0	0	0
<u>Special</u>					
Perseid - Schools Capital maintenance	CYP	8	0	0	0
Cricket Green School Expansion	CYP	100	0	0	0
Melrose Primary SEMH annexe 16	CYP	1,550	0	0	0
Melrose Secondary SEMH 14 Places	CYP	200	750	0	0
Harris Morden Sec Autism Unit	CYP	1,360	0	0	0
Further SEN Provision	CYP	288	0	0	0
Primary ASD base 1-20 places	CYP	100	0	0	0
Secondary SEMH/medical PRU	CYP	80	800	0	0
New ASD Provision	CYP	250	450	0	0
Melbury College - Healthy Schools	CYP	30	0	0	0
Total Children, Schools and Families		6,166	3,900	1,900	1,900

Please Note

1. Excludes budgets relating to future year announcements of Better Care Fund
 2. Includes indicative budgets relating to future year announcements of Transport for London Grant
- OSC = Overview and Scrutiny, CYP = Children and Young People, HCOP = Heathier Communities and Older People and SC = Sustainable Communities

Detailed Capital Programme 2020-24 Continued.....**Annex 3**

Department	Scrutiny	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Environmental and Regeneration					
Public Protection and Development					
P&D machines for emission-based charging	SC	500	0	0	0
Car Park Upgrades	SC	464	520	0	0
CCTV cameras and infrastructure upgrade	SC	140	699	480	0
Public Protection and Developm	SC	0	35	0	0
Street Scene and Waste					
Replacement of Fleet Vehicles	SC	584	300	300	300
Envir. Imps - Mechanical Street Washer	SC	75	0	0	0
Alley Gating Scheme	SC	30	30	30	30
Waste SLWP IT & Premises	SC	18	0	0	0
Waste Bins	SC	30	0	0	0
Replacement of Fleet Vehicles	SC	0	0	340	0
Sustainable Communities					
Street Tree Programme	SC	60	60	60	60
New street tree planting programme	SC	50	50	0	0
Street Lighting Replacement Prog.	SC	290	290	290	290
Casualty Reduction & Schools	SC	70	0	0	0
Traffic Schemes	SC	250	150	150	150
Surface Water Drainage	SC	69	69	69	69
Repairs to Footways	SC	1,000	1,000	1,000	1,000
Maintain AntiSkid and Coloured Surface	SC	70	70	70	70
Borough Roads Maintenance	SC	1,200	1,200	1,200	1,200
Highways bridges & structures	SC	480	260	260	260
Culverts Upgrade	SC	250	250	0	0
Unallocated TfL	SC	1,300	1,300	1,300	1,300
Cycle access/parking	SC	10	0	0	0
Lost Rivers Repairs	SC	100	100	100	0
Mitcham Town Centre	SC	382	0	0	0
Figges Marsh	SC	55	0	0	0
Regeneration - Canons - Parks for People	SC	2,244	533	0	0
Wimbledon Public Realm Implementation	SC	500	500	500	0
Crowded Places-Hostile Vehicle	SC	268	0	0	0
Transportation Enhancements	SC	0	0	0	0
Morden TC Regeneration Match Funding	SC	2,000	2,500	1,500	0
Haydons Road Shop Front Improvement	SC	204	0	0	0
Christmas Lighting	SC	95	0	0	0
Vacant Premises Upgrade	SC	25	0	0	0
Wimbledon Park Lake Reservoir Safety	SC	1,318	0	0	0
Leisure Centre Plant & Machine	SC	250	250	250	250
Parks Investment	SC	300	300	300	300
Parks - Canons - Parks for People	SC	1,188	179	0	0
Merton Park Green Walks	SC	38	0	0	0
Abbey Recreation Ground	SC	40	0	0	0
New interactive water play feature at Wimbledon Park	SC	226	0	0	0
Wimbledon Park Surfacing of top entrance car park	SC	40	0	0	0
Padding Pools (borough wide) OPTION 1	SC	90	90	90	0
Padding Pools (borough wide) OPTION 2	SC	226	0	0	0
Mortuary Provision	SC	0	0	54	0
Total Environmental and Regeneration		16,530	10,735	8,343	5,279
Total Capital		46,799	26,676	14,020	25,704

Please Note

1. Excludes budgets relating to future year announcements of Better Care Fund
 2. Includes indicative budgets relating to future year announcements of Transport for London Grant
- OSC = Overview and Scrutiny, CYP = Children and Young People, HCOP = Heathier Communities and Older People and SC = Sustainable Communities

Annex 4

Growth/(Reductions) against Approved Programme 2020-23 and Indicative Programme 2023-24

Department	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services	(6,823)	6,883	(13,105)	13,579
Community and Housing	0	0	0	0
Children, Schools and Families	200	750	0	0
Environment and Regeneration	3,683	3,231	3,442	1,272
Total	(2,940)	10,864	(9,663)	14,851

Department	Proposed Budget 2020-21	Proposed Budget 2021-22	Proposed Budget 2022-23	Proposed Budget 2023-24
Corporate Services				
Facilities	60	0	0	725
IT Infrastructure	0	0	(100)	(151)
Corporate	(6,883)	6,883	(13,005)	13,005
Total Corporate Services	(6,823)	6,883	(13,105)	13,579
Children, Schools and Families				
Special	200	750	0	0
Total Children, Schools and Families	200	750	0	0
Environmental and Regeneration				
Public Protection and Development	1,104	1,219	480	0
Street Scene and Waste	75	0	0	0
Sustainable Communities	2,504	2,012	2,962	1,272
Total Environmental and Regeneration	3,683	3,231	3,442	1,272
Total Capital	(2,940)	10,864	(9,663)	14,851

Indicative Capital Programme 2024-29**Annex 5**

Department		Indicative Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29
Corporate Services						
Customer Contact Programme	OSC	0	1,000	1,000	1,000	0
Other Buildings - Capital Building Works	OSC	650	650	650	650	650
Invest to Save schemes	OSC	300	300	300	300	300
Aligned Assets	OSC	0	0	0	75	0
Environmental Asset Management	OSC	0	0	0	250	0
Revenue and Benefits	OSC	0	400	0	0	0
Capita Housing	OSC	0	100	0	0	0
ePayments Project	OSC	0	125	0	0	0
School Admission System	OSC	0	125	0	0	0
Planning&Public Protection Sys	OSC	0	0	0	0	550
Kofax Scanning	OSC	0	100	0	0	0
Spectrum Spatial Analyst Repla	OSC	0	200	0	0	0
Parking System	OSC	0	126	0	0	0
Ancillary IT Systems	OSC	0	0	50	0	0
Youth Justice IT Systems	OSC	100	0	0	0	0
Planned Replacement Programme	OSC	1,405	1,060	970	1,005	770
Financial Systems	OSC	0	0	0	0	700
Multi-Functioning Device (MFC)	OSC	600	0	0	0	600
Total Corporate Services		3,055	4,186	2,970	3,280	5,670
Community and Housing						
Disabled Facilities Grant	SC/HCOP	280	280	280	280	280
Library Self Service	SC	0	350	0	0	0
Library Management System	SC	0	0	0	140	0
Total Community and Housing		280	630	280	420	280
Children, Schools and Families						
Unallocated - Schools Capital maintenance	CYP	1,900	1,900	1,900	1,900	1,900
Total Children, Schools and Families		1,900	1,900	1,900	1,900	1,900
Environmental and Regeneration						
Pay and Display Machines	SC	60	0	0	0	0
Public Protection and Developmnt	SC	0	0	35	0	0
Replacement of Fleet Vehicles	SC	300	300	300	300	300
Alley Gating Scheme	SC	30	30	30	30	30
Waste SLWP IT & Premises	SC	0	42	0	0	0
Replacement of Fleet Vehicles	SC	0	3,956	0	0	0
Street Tree Programme	SC	60	60	60	60	60
Street Lighting Replacement Pr	SC	290	290	290	290	290
Traffic Schemes	SC	150	150	150	150	150
Surface Water Drainage	SC	69	69	69	69	69
Repairs to Footways	SC	1,000	1,000	1,000	1,000	1,000
Maintain AntiSkid and Coloured Surface	SC	70	70	70	70	70
Borough Roads Maintenance	SC	1,200	1,200	1,200	1,200	1,200
Highways bridges & structures	SC	260	260	260	260	260
Leisure Centre Plant & Machine	SC	250	250	250	250	250
Parks Investment	SC	300	300	300	300	300
Total Environmental and Regeneration		4,039	7,977	4,014	3,979	3,979
Total Capital		9,274	14,693	9,164	9,579	11,829

Capital Investment Strategy

ANNEX 6

1. Overview

This annex is new to the Capital Strategy and details the approach adopted in non-core investment activity and sets out how this will help the Authority to deliver its core functions. The definition of Investment covers all financial assets of a local authority as well as non-financial assets that the organisation holds primarily to generate financial returns, such as investment property portfolios.

The annex will detail the security, liquidity and yield of investments and consider risk management and capacity, skills and culture.

2. Detail

During the 2020-21 financial year the Authority is planning the following investment activity:

- i) Section 5 of the Treasury Management Strategy sets out the Authority's short to medium term Investment Strategy. This strategy focusses on short to medium term low risk investments.
- ii) To complement the Authority's investment activity it has established a Wholly Owned Housing Company (Merantun) to provide an investment opportunity for the Authority. This longer term investment strategy is of higher risk, will contribute towards the regeneration and affordable housing activity of the Authority and provide higher returns.
- iii) The Authority has also undertaken a long term investment in CHAS 2013 via the purchase of a £1 share, which generates considerable returns via dividend payments.

From 1 April 2018 (financial year 2018/19) the International Financial Reporting Standard 9 (Financial Instruments) came into force. Its purpose was to make accounting for financial instruments more transparent. By the end of financial year 2019/20 the Council will have a financial investment in the wholly owned housing company of £1.91 million. This investment will appear in the Council's accounts but will not appear in the Group Accounts (i.e those for the Council and its two subsidiaries) as it will be eliminated through the consolidation process which will offset the investment by the Council against the share capital in the Housing Company. There will however be an explanatory note added as part of documentation and this will consider the risk involved in such an investment.

3. Security

The activity in Section 2 of this Annex have and will result in:

- i) Short to Medium Term investment of available cash resources in low risk low return investment.
- ii) Financial limits have been set on the Maximum sums currently available to the Housing Company:
 - a. Loan to the Wholly Owned Housing Company up to £13.766 million combined, with

- b. Equity estimated circa £12.41 million (£8.413 Land Equity and £4.0million Working Capital - funding currently under review)

The Authority utilised two externally developed models and a detailed business case to underpin the proposals to assess the financial viability. Legal documentation requires that all assets are returned to Merton at the cessation of the company.

Sensitivity analysis has been undertaken and vulnerability has been identified in respect of the RPI for housing rentals and house prices – these market factors will be monitored closely.

- iii) The £1 investment in CHAS 2013 provides continued secure returns to the authority from this wholly owned organisation.

4. Liquidity

- i) Short to medium term cash investments can be liquidated easily.
- ii) Investments are held in CHAS 2013 Limited and Merantun. It is not currently envisaged that these investments need to be redeemed in the short to medium term. If such a need did arise the following example demonstrates the flexibility available to the council:
- iii) Merantun – the following three approaches are possible:
 - a. Sites could be sold by the company at a profit once planning permission has been obtained
 - b. the business model proposed development of housing on four sites within the first three years, at this juncture housing can be sold at any time to generate receipts through to the Council
 - c. The Housing Company itself could be sold

The authority has a loan with MSJCB and intends to enter into a loan with Merantun, should the Authority need to liquidate these, loans could be sold.

5. Yield

5.1 Expected yield:

- i) Section 5 of the Treasury Management Strategy details the yield expected from short to medium term cash investments
- ii) Detailed financial modelling has been undertaken for Merantun as part of Capital forecasting and the use of specialised models have evaluated the impact on and return to the Authority. The following return is currently anticipated:
 - a. The Loan to Merantun will be made at a rate 6.5+% (*loan amount, timing/flexibility and interest rate are currently under review*)
 - b. The Model Assessed the Internal Rate of Return as 6.39% (*currently under review*)
- iii) Revenue returns from dividends and use of intellectual property from CHAS 213 are built into the Medium Term Financial Strategy.

In assessing whether investment assets retain sufficient value to provide security of investment officers will be mindful of the fair value model in the International Accounting Standard 40: Investment Property.

6. Borrowing in Advance of Need

- 6.1 Section 4.2 of the Treasury Management Strategy details the current and future level of under borrowing by the Authority and sets out the Authority's borrowing strategy linked to this and internal borrowing.
- 6.2 Current indications are that interest rates are likely to rise making it more expensive to borrow. Consideration will be given to the timing of required borrowing to minimise the cost to the Authority and with regard to the current debt portfolio (detailed in Section 4.5 of the Treasury Management Strategy)

7. Risk Assessment

- 7.1 The council recognises that its risk appetite to achieve the corporate priorities identified within its business plan could be described in general as an "informed and cautious" approach. Where significant risk arises, we will take effective control action to reduce these risks to an acceptable level.
- 7.2 It is also recognised that a higher level of risk may need to be accepted, for example, to generate higher returns from loans and investment. To offset this there are areas where the council will maintain a very cautious approach for example in matters of compliance with the law, and public confidence in the council, supporting the overall "informed and cautious" position on risk.
- 7.3 Within its portfolio of risk Merton has:
- i) Short to medium term low return, low risk cash investment
 - ii) Medium to long term investment in CHAS 2013 which is providing sizeable dividends and returns for use of intellectual property, and
 - iii) Medium to long term higher risk investment in a wholly owned housing company. Stress testing has identified the sensitivity around increases in rental income and house prices. The length of time investment is required for also enhances risk, flexibility is available in the timing of site and property disposal, but decisions by the company would be made on a commercial basis.

The greatest risk exposure to the Authority is when the sites are being developed after obtaining planning permission. The enhanced value of the site will not be realisable until the housing units are completed as the greatest value added will be from completed site. Once units are built there is flexibility over those sold and those retained for rental. Rental units present a longer term business model which should provide dividend income. Early marketing and sales coupled with progressing rent guarantees will be used to minimise the risk to the company and the council

8. Capacity, Skills and Culture

The Authority will where appropriate, buy in expertise to progress loan and investment activity. It is also appropriate in some cases to develop expertise internally.

Within the Business model for Merantun it is recognised that the company may set up joint ventures with trusted partners for the development of some larger sites that would require specialist land assembly skills and larger sums of cash to assist with delivering the development if this is deemed to be appropriate and support the business case. It would contract with construction specialists and construction companies for the development of sites – this should minimise the risk exposure during site development. It is not envisaged that this approach will be adopted for the four sites currently being progressed.

Draft Departmental Budget Summaries 2020-21

NB: The financial information in the budget summaries includes the latest available details but may be subject to small changes as figures continue to be reviewed.

SUMMARY				
FULL TIME EQUIVALENTS		2019/20	2020/21	
Total FTE Staff		1,815.7	1,844.7	
SERVICE AREA ANALYSIS				
	2019/20		Other	2020/21
	Estimate	Inflation	Variations	Estimate
	£000	£000	£000	£000
Corporate Services	10,930	276	(1,022)	10,184
Education Services				
Children's Services	60,819	577	693	62,089
Environment and Regeneration	15,831	419	(2,710)	13,540
Adult Social Care				
Cultural Services	63,754	1,110	3,453	68,317
Housing General Fund				
Single Status	100	0	0	100
National insurances changes/autoenrolment	254	0	0	254
Pay Award	877	0	1,466	2,343
TOTAL NET SERVICE EXPENDITURE	152,566	2,382	1,879	156,828
<i>Corporate Provisions/Appropriations</i>	<i>(9,302)</i>	<i>0</i>	<i>8,384</i>	<i>(918)</i>
NET EXPENDITURE	143,263	2,382	10,264	155,910
Funded by:				
Revenue Support Grant	0	0	(5,159)	(5,159)
Business Rates	(44,026)	0	6,624	(37,402)
Improved Better Care Fund	(1,054)	0	(3,808)	(4,862)
Social Care Grant	0	0	(4,058)	(4,058)
Brexit Grant	(210)	0	210	0
New Homes Bonus	(2,108)	0	670	(1,438)
Council Tax	(92,028)	0	(4,997)	(97,025)
WPCC Levy	(343)	0	0	(343)
Collection Fund	1,301	0	(2,126)	(825)
PFI Grant	(4,797)	0	0	(4,797)
	(143,265)	0	(12,645)	(155,910)
NET	(1)	2,382	(2,381)	0
NB				
Public Health	0	0	0	0
Other Variations: Contingency/Other				
Major Items: Corporate Provisions	£000	fte		
Corporate borrowing and Investment	659	0.0		
Further provision for revaluisation/RCCO	65	0.0		
Pension Fund and Auto-enrolment	(3,089)	0.0		
Contingency and centrally held provisions	200	0.0		
Change in Grants	11	0.0		
Appropriation to/from Reserves	(5,700)	0.0		
Depreciation and impairment	(422)	0.0		
Service Mitigation Fund - Appropriation to Reserve	0	0.0		
Change in levies	0	0.0		
Overheads - Charge to non-general fund	(77)	0.0		
Transport - Additional provision	142	0.0		
Brexit costs	(500)	0.0		
Apprenticeship Levy	0	0.0		
Balance Sheet Management CT & HB	0	0.0		
CHAS - IP/Dividend	(556)	0.0		
Local Election	0	0.0		
Provision against DSG Deficit	16,014	0.0		
Social Care Grant - balance not earmarked	1,686	0.0		
Loss of HB Admin. Grant	(49)	0.0		
TOTAL	8,384	0		

SUMMARY - SUBJECTIVE ANALYSIS

FULL TIME EQUIVALENTS

Total FTE Staff

2019/20	2020/21
1,815.7	1,844.7

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	91,868	398	3,520	95,785
Premises	8,617	156	(825)	7,947
Transport	8,184	106	610	8,900
Supplies and Services	190,304	777	8,868	199,949
Third Party Payments	90,240	951	(2,820)	88,370
Transfer Payments	104,411	1	(29,608)	74,804
Support Services	30,302	0	(0)	30,302
Depreciation and Impairment Losses	22,903	0	448	23,351
GROSS EXPENDITURE	546,828	2,389	(19,808)	529,409
Income				
Government Grants	(272,146)	(7)	27,667	(244,485)
Other Reimbursements and Contributions	(27,537)	0	(1,133)	(28,670)
Customer and Client Receipts	(64,456)	0	(4,718)	(69,174)
Interest	(3,516)	0	(0)	(3,516)
Recharges	(27,316)	0	0	(27,316)
Reserves	711	0	(130)	581
GROSS INCOME	(394,261)	(7)	21,687	(372,580)
NET EXPENDITURE	152,568	2,382	1,879	156,828
Corporate Provisions	(9,302)	0	8,384	(918)
NET EXPENDITURE	143,264	2,382	10,265	155,910
Funded by:				
Revenue Support Grant	0	0	(5,159)	(5,159)
Business Rates	(44,026)	0	6,624	(37,402)
Improved Better Care Fund	(1,054)	0	(3,808)	(4,862)
Social Care Grant	0	0	(4,058)	(4,058)
New Homes Bonus	(2,108)	0	670	(1,438)
Council Tax	(92,028)	0	(4,997)	(97,025)
WPCC Levy	(343)	0	0	(343)
Collection Fund	1,301	0	(2,126)	(825)
Brexit Grant	(210)	0	210	0
PFI Grant	(4,797)	0	0	(4,797)
	(143,265)	0	(12,645)	(155,910)
NET	0	2,382	(2,382)	0

Other Variations: Contingency/Other

Major Items: Corporate Provisions	£000	fte
Corporate borrowing and Investment	659	0.0
Further provision for revaluation/RCCO	65	0.0
Pension Fund and Auto-enrolment	(3,089)	0.0
Contingency and centrally held provisions	200	0.0
Change in Grants	11	0.0
Appropriation to/from Reserves	(5,700)	0.0
Depreciation and impairment	(422)	0.0
Service Mitigation Fund - Appropriation to Reserve	0	0.0
Change in levies	0	0.0
Overheads - Charge to non-general fund	(77)	0.0
Transport - Additional provision	142	0.0
Brexit costs	(500)	0.0
Apprenticeship Levy	0	0.0
Balance Sheet Management CT & HB	0	0.0
CHAS - IP/Dividend	(556)	0.0
Local Election	0	0.0
Provision against DSG Deficit	16,014	0.0
Social Care Grant - balance not earmarked	1,686	0.0
Loss of HB Admin. Grant	(49)	0.0
TOTAL	8,384	0

CORPORATE ITEMS ANALYSIS				
	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Cost of Borrowing including Minimum Revenue Provision	10,481	0	708	11,189
Further provision for revaluisation/RCCO	517	0	65	582
Pension Fund	3,089	0	(3,089)	0
Adjustment re Income re P3/P4	200	0	200	400
Overheads - Charge to non-general fund	102	0	(77)	25
Provision for excess inflation	450	0	0	450
Bad Debt Provision	500	0	0	500
Redundancy/Pension Strain	1,000	0	0	1,000
Transport - Additional provision	(128)	0	142	14
Contingency	1,500	0	0	1,500
Apprenticeship Levy	450	0	0	450
Brexit costs	500	0	(500)	0
Loss of HB Admin. Grant	83	0	(49)	34
Change in Corporate Specific and Special Grants	208	0	11	219
LPFA - Provision for deficit contribution	86	0	0	86
Cyber Security	92	0	0	92
Local Election	0	0	0	0
Provision against DSG Deficit	0	0	16,014	16,014
Social Care Grant - balance not earmarked	0	0	1,686	1,686
Levies:-				
Lee Valley	178		0	178
London Pensions Fund	258		0	258
Environment Agency	171		0	171
WPCC	343		0	343
GROSS EXPENDITURE	20,078	0	15,111	35,190
Income				
Investment Income	(664)		(49)	(713)
Depreciation & Impairment	(22,903)		(422)	(23,351)
Appropriations to/from reserves (excluding Public Health)	(4,186)		(5,700)	(9,886)
Balance Sheet Management CT & HB	(220)		0	(220)
CHAS - IP/Dividend	(1,407)		(556)	(1,963)
GROSS INCOME	(29,381)	0	(6,727)	(36,133)
NET EXPENDITURE	(9,302)	0	8,384	(944)



2020/2021 ESTIMATES

CORPORATE SERVICES

DEPARTMENT

DRAFT

SUMMARY: CORPORATE SERVICES DEPARTMENT

FULL TIME EQUIVALENTS (FTE)

Number of Permanent Staff

Number of Fixed term contracts

Total FTE

2019/20	2020/21
469.4	477.7
24.1	27.6
493.5	505.3

SERVICE AREA ANALYSIS

	CHANGE BETWEEN YEARS			2020/21 Estimate £000
	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	
Customers, Policy and Improvement	1,056	35	288	1,380
Infrastructure & Transactions	521	106	(132)	494
Corporate Governance	567	31	(284)	314
Resources	2,482	52	(289)	2,246
HR	40	11	98	149
Corporate Items	6,264	40	(703)	5,601
TOTAL EXPENDITURE	10,930	276	(1,022)	10,184
Contingency / Other	0	0	0	0
Capital Financing Adjustment	0	0	0	0
Levies	0	0	0	0
NET EXPENDITURE	10,930	276	(1,022)	10,184

SUMMARY: CORPORATE SERVICES DEPARTMENT

FULL TIME EQUIVALENTS (FTE)

Number of Permanent Staff

Number of Fixed term contracts

Total FTE

2019/20	2020/21
469.4	477.7
24.1	27.6
493.5	505.3

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	24,597	26	1,615	26,238
Premises	2,383	55	(387)	2,050
Transport	198	3	3	204
Supplies and Services	11,670	172	(287)	11,555
Third Party Payments	1,323	20	179	1,522
Transfer Payments	93,946	0	(29,700)	64,246
Support Services	10,348	0	0	10,348
Depreciation and Impairment Losses	2,347	0	91	2,437
GROSS EXPENDITURE	146,812	276	(28,487)	118,601
Income				
Government Grants	(96,303)	0	29,249	(67,054)
Other Reimbursements and Contributions	(1,482)	0	(441)	(1,923)
Customer and Client Receipts	(13,373)	0	(1,212)	(14,585)
Interest	0	0	0	0
Recharges	(25,436)	0	0	(25,436)
Reserves	711	0	(130)	581
GROSS INCOME	(135,883)	0	27,465	(108,417)
NET EXPENDITURE	10,930	276	(1,022)	10,184

Customers, Policy and Improvement

The Customers, Policy and Improvement Division consists of: Merton Link (including the Cash Office, Translation Services and Contact Centre), Registrars, Corporate Communications, Policy and Strategy, Web Team and Consultation & Community Engagement

FULL TIME EQUIVALENTS (FTE)

Number of Permanent Staff

Number of Fixed term contracts

Total FTE

2019/20	2020/21
46.6	51.4
2.0	4.0
48.6	55.4

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	2,139	0	198	2,337
Premises	117	2	(1)	117
Transport	3	0	(2)	1
Supplies and Services	1,989	30	(24)	1,995
Third Party Payments	242	4	(12)	233
Transfer Payments	0		0	0
Support Services	609		0	609
Depreciation and Impairment Losses	0		0	0
GROSS EXPENDITURE	5,098	35	159	5,293
Income				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(3)	0	0	(3)
Customer and Client Receipts	(967)	0	(15)	(982)
Interest	0	0	0	0
Recharges	(3,126)	0	0	(3,126)
Reserves	54	0	144	198
GROSS INCOME	(4,042)	0	129	(3,913)
NET EXPENDITURE	1,056	35	288	1,380

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(85)	(1.0)
Transfer between departments	0	
Technical adjustments	229	6.9
Depreciation adjustments	0	
Overheads adjustments	0	
Use of reserves	144	1.0
TOTAL	288	6.9

INFRASTRUCTURE & TRANSACTIONS

The Infrastructure & Transactions Division consists of Facilities Management, Procurement, IT Service Delivery, Business Systems, Post & Print Room and Transactional services.

FULL TIME EQUIVALENTS (FTE)
Number of Permanent Staff
Number of Fixed term contracts
Total FTE

2019/20	2020/21
116.2	111.1
5.5	7.0
121.7	118.1

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	5,438	0	94	5,531
Premises	2,211	52	(353)	1,910
Transport	25	0	(3)	23
Supplies and Services	3,443	52	349	3,843
Third Party Payments	100	1	0	101
Transfer Payments	10		0	10
Support Services	1,333		0	1,333
Depreciation and Impairment Losses	2,347		91	2,437
GROSS EXPENDITURE	14,905	106	177	15,189
Income				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(81)	0	45	(36)
Customer and Client Receipts	(2,608)	0	31	(2,577)
Interest	0	0	0	0
Recharges	(12,283)	0	0	(12,283)
Reserves	586	0	(385)	201
GROSS INCOME	(14,385)	0	(310)	(14,695)
NET EXPENDITURE	521	106	(132)	494

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(540)	(4.6)
Growth	430	1.0
Transfer between departments	146	
Technical adjustments	126	0.5
Depreciation adjustments	91	
Overheads adjustments	0	
Use of reserves	(385)	(0.5)
TOTAL	(132)	(3.6)

CORPORATE GOVERNANCE

The Corporate Governance Division consists of Internal Audit, Investigations, Democracy Services, Electoral Services, Information Governance and SLLp (South London Legal Partnership)

FULL TIME EQUIVALENTS (FTE)

Number of Permanent Staff

Number of Fixed term contracts

Total FTE

	2019/20	2020/21
Number of Permanent Staff	133.5	144.5
Number of Fixed term contracts	6.6	3.6
Total FTE	140.1	148.1

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	7,679	1	989	8,669
Premises	5	0	(0)	5
Transport	36	1	12	48
Supplies and Services	1,617	24	(33)	1,608
Third Party Payments	396	6	0	402
Transfer Payments	0	0	0	0
Support Services	601	0	0	601
Depreciation and Impairment Losses	0	0	0	0
GROSS EXPENDITURE	10,334	31	968	11,333
Income				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(130)	0	0	(130)
Customer and Client Receipts	(7,171)	0	(1,252)	(8,423)
Interest	0	0	0	0
Recharges	(2,466)	0	0	(2,466)
Reserves	0	0	0	0
GROSS INCOME	(9,767)	0	(1,252)	(11,019)
NET EXPENDITURE	567	31	(284)	314

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(104)	(1.0)
Transfer between departments	6	
Technical adjustments	(186)	9.0
Depreciation adjustments	0	
Overheads adjustments	0	
Use of reserves	0	
TOTAL	(284)	8.0

RESOURCES

The Resources Division consists of Business Planning, Accountancy, Insurance, Treasury, Local Taxation, Bailiffs, Benefits Administration and Support team.

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of Fixed term contracts
Total FTE

2019/20	2020/21
140.5	137.8
6.0	8.0
146.5	145.8

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	6,647	0	(62)	6,585
Premises	2	0	0	2
Transport	132	2	(6)	127
Supplies and Services	3,051	46	(210)	2,887
Third Party Payments	284	4	191	479
Transfer Payments	0		0	0
Support Services	1,961		0	1,961
Depreciation and Impairment Losses	0		0	0
GROSS EXPENDITURE	12,076	52	(88)	12,041
Income				
Government Grants	(1,099)	0	49	(1,050)
Other Reimbursements and Contributions	(1,189)	0	(246)	(1,435)
Customer and Client Receipts	(2,067)	0	(4)	(2,071)
Interest	0	0	0	0
Recharges	(5,270)	0	0	(5,270)
Reserves	30	0	0	30
GROSS INCOME	(9,594)	0	(201)	(9,796)
NET EXPENDITURE	2,482	52	(289)	2,246

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(401)	(3.1)
Transfer between departments	47	
Technical adjustments	65	2.4
Depreciation adjustments	0	
Overhead adjustments	0	
Use of Reserves	0	
TOTAL	(289)	(0.7)

HR

The HR division consists of: Strategic HR, Business Partnerships, Corporate Learning & Development, Diversity, iTrent Client team, Recruitment & Resourcing, Central Operations Team. The function also interfaces with Staff Side.

FULL TIME EQUIVALENTS (FTE)
Number of Permanent Staff
Number of Fixed term contracts
Total FTE

2019/20	2020/21
32.5	32.8
4.0	5.0
36.5	37.8

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	1,948	3	8	1,959
Premises	49	1	(34)	16
Transport	2	0	2	4
Supplies and Services	196	3	(19)	181
Third Party Payments	303	5	0	307
Transfer Payments	0		0	0
Support Services	432		0	432
Depreciation and Impairment Losses	0		0	0
GROSS EXPENDITURE	2,930	11	(42)	2,899
Income				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(79)	0	0	(79)
Customer and Client Receipts	(560)	0	28	(531)
Interest	0	0	0	0
Recharges	(2,292)	0	0	(2,292)
Reserves	40	0	112	152
GROSS INCOME	(2,890)	0	140	(2,751)
NET EXPENDITURE	40	11	98	149

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(57)	-1.8
Transfer between departments	0	
Technical adjustments	43	1.0
Depreciation adjustments	0	
Overheads adjustments	0	
Use of reserves	112	2.0
TOTAL	98	1.2

CORPORATE ITEMS

Corporate Management is composed of Housing Benefit subsidy payments and entitlements, Agency contract, Democratic Representation & Management, Coroners Court and Severance payments.

FULL TIME EQUIVALENTS(FTE) Number of Permanent Staff

2019/20	2020/21
0	0

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees*	747	23	388	1,157
Premises	0		0	0
Transport	0		0	0
Supplies and Services	1,374	17	(350)	1,041
Third Party Payments	0		0	0
Transfer Payments	93,936		(29,700)	64,236
Support Services	5,411		0	5,411
Depreciation and Impairment Losses	0		0	0
GROSS EXPENDITURE	101,468	40	(29,663)	71,846
Income				
Government Grants	(95,204)	0	29,200	(66,004)
Other Reimbursements and Contributions	0	0	(240)	(240)
Customer and Client Receipts	0	0	0	0
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(95,204)	0	28,960	(66,244)
NET EXPENDITURE	6,264	40	(703)	5,601

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(735)	
Transfer between departments	1	
Technical adjustments	31	
Overheads adjustments	0	
TOTAL	(703)	0.0

* The employee budgets shown here relate to employee redundancy payments. There are no FTE's in Corporate Items



2020/2021 ESTIMATES

CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

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CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

This Page contains the Budget for the whole Children, Schools and Families Department including funding provided directly to Merton's Schools

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of DSG Staff
Number of Fixed term contracts
Total FTE

	2019/20	2020/21
Number of Permanent Staff	422.2	400.1
Number of DSG Staff	78.1	77.8
Number of Fixed term contracts	11.0	11.0
Total FTE	511.3	488.9

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000	2020/21 DSG Estimate £000	2020/21 LA Estimate £000
Expenditure						
Employees	28,678	47	(747)	27,979	4,853	23,126
Premises	1,790	30	(146)	1,673	88	1,586
Transport	4,864	73	847	5,784	67	5,717
Supplies and Services	159,623	246	2,097	161,966	137,264	24,705
Third Party Payments	24,510	188	261	24,961	12,951	12,009
Transfer Payments	0	0	0	0	0	0
Support Services	5,111	0	0	5,111	233	4,877
Depreciation and Impairment Losses	10,022	0	(451)	9,570	0	9,570
GROSS EXPENDITURE	234,598	584	1,861	237,044	155,456	81,590
Income						
Government Grants	(163,818)	(7)	(914)	(164,740)	(153,422)	(11,317)
Other Reimbursements and Contributions	(7,103)	0	(88)	(7,191)	(1,616)	(5,578)
Customer and Client Receipts	(2,812)	0	(166)	(2,979)	(395)	(2,584)
Interest	0	0	0	0	0	0
Recharges	(46)	0	0	(46)	0	(46)
Reserves	0	0	0	0	0	0
GROSS INCOME	(173,779)	(7)	(1,168)	(174,956)	(155,433)	(19,525)
NET EXPENDITURE	60,819	577	693	62,088	23	62,065

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(2,969)	(27.0)
Overhead adjustments		
Depreciation adjustments	(451)	
Technical adjustments	(39)	
Transfer between departments	(54)	
Growth	3,847	
Use of Reserves adjustment	359	
TOTAL	693	(27)

SUMMARY: CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

SERVICE AREA ANALYSIS	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000	2020/21 DSG Estimate £000	2020/21 LA Estimate £000
Senior Management	1,337	13	(80)	1,269	0	1,269
Childrens Social Care	23,355	167	156	23,678	43	23,634
Education	32,765	154	255	33,175	18,110	15,066
Schools	(8,518)	25	(474)	(8,967)	(18,130)	9,163
Other Childrens, Schools and Families	11,880	218	836	12,933	0	12,933
TOTAL NET EXPENDITURE	60,819	577	693	62,088	23	62,065

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CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

Senior Management

This budget contains provision for the Senior Management of Children, Schools and Families Department.

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of DSG Staff
Number of Fixed term contracts
Total FTE

2019/20	2020/21
3.0	3.0
0.0	0.0
0.0	0.0
3.0	3.0

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000	2020/21 DSG Estimate £000	2020/21 LA Estimate £000
Expenditure						
Employees	555	2	(36)	521	0	521
Premises	0	0	0	0	0	0
Transport	3	0	1	3	0	3
Supplies and Services	713	11	(46)	679	0	679
Third Party Payments	10	0	0	10	0	10
Transfer Payments	0	0	0	0	0	0
Support Services	56	0	0	56	0	56
Depreciation and Impairment Losses	0	0	0	0	0	0
GROSS EXPENDITURE	1,337	13	(80)	1,269	0	1,269
Income						
Government Grants	0	0	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0	0	0
Customer and Client Receipts	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
GROSS INCOME	0	0	0	0	0	0
NET EXPENDITURE	1,337	13	(80)	1,269	0	1,269

Other Variations are analysed as follows:

Major Items	£000	fte
Overhead adjustments	0	
Transfer between departments	0	
Savings	0	0.0
Technical adjustments	0	
TOTAL	0	0.0

CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

Children's Social Care

This budget contains the funding for central social work; family and adolescent service; Mash and child protection; permanency, placements and looked after children; as well as safeguarding, standards and training.

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of DSG Staff
Number of Fixed term contracts
Total FTE

	2018/19	2019/20
Number of Permanent Staff	207.3	200.4
Number of DSG Staff	2.0	2.0
Number of Fixed term contracts	11.0	11.0
Total FTE	220.3	213.4

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000	2020/21 DSG Estimate £000	2020/21 LA Estimate £000
Expenditure						
Employees	11,424	1	(544)	10,882	38	10,844
Premises	60	1	(1)	60	0	60
Transport	235	4	3	240	1	239
Supplies and Services	681	11	(32)	659	1	658
Third Party Payments	9,650	150	317	10,119	0	10,118
Transfer Payments	0	0	0	0	0	0
Support Services	2,594	0	0	2,594	3	2,591
Depreciation and Impairment Losses	0	0	0	0	0	0
GROSS EXPENDITURE	24,644	167	(257)	24,554	43	24,510
Income						
Government Grants	(1,086)	0	534	(552)	0	(552)
Other Reimbursements and Contributions	(203)	0	0	(203)	0	(203)
Customer and Client Receipts	0	0	(121)	(121)	0	(121)
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	(0)	0	0	0
GROSS INCOME	(1,289)	0	413	(876)	0	(876)
NET EXPENDITURE	23,355	167	156	23,678	43	23,634

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(1,180)	
Growth	1,556	
Transfer between departments	0	
Overhead adjustments	0	
Depreciation adjustments	0	
Use of Reserves adjustment	0	
Technical adjustments	(221)	
TOTAL	155	0.0

CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

Education

To page contains the budgets for school improvement; early years and children's centres; education inclusion; as well as special educational needs and disability integrated service.

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of DSG Staff
Number of Fixed term contracts
Total FTE

2018/19	2019/20
208.4	200.4
76.7	75.1
0.0	0.0
285.1	275.5

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000	2020/21 DSG Estimate £000	2020/21 LA Estimate £000
Expenditure						
Employees	12,619	1	(34)	12,586	3,900	8,687
Premises	1,094	19	(145)	968	21	947
Transport	4,620	69	845	5,534	66	5,469
Supplies and Services	3,617	44	150	3,812	1,798	2,015
Third Party Payments	13,629	21	(314)	13,336	12,794	541
Transfer Payments	0	0	0	0	0	0
Support Services	2,236	0	0	2,238	230	2,007
Depreciation and Impairment Losses	457	0	(50)	407	0	407
GROSS EXPENDITURE	38,272	154	452	38,881	18,809	20,073
Income						
Government Grants	(604)		(64)	(669)	0	(669)
Other Reimbursements and Contributions	(2,169)	0	(87)	(2,257)	(304)	(1,953)
Customer and Client Receipts	(2,734)	0	(46)	(2,780)	(395)	(2,385)
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
GROSS INCOME	(5,507)	0	(197)	(5,706)	(699)	(5,007)
NET EXPENDITURE	32,765	154	255	33,175	18,110	15,066

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(849)	0.0
Growth	1,256	
Overhead adjustments	22	
Transfer between departments	15	
Use of Reserves adjustment	201	
Depreciation adjustments	(50)	
Technical adjustments	(338)	
TOTAL	257	0.0

CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

Schools

This budget covers schools funding as well as some centrally retained DSG money to support the schools function.

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of DSG Staff
Number of Fixed term contracts
Total FTE

2018/19	2019/20
0.0	0.0
0.0	1.0
0.0	0.0
0.0	1.0

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000	2020/21 DSG Estimate £000	2020/21 LA Estimate £000
Expenditure						
Employees	920	0	(4)	916	916	0
Premises	67	1	(1)	67	67	0
Transport	0	0	0	0	0	0
Supplies and Services	143,737	24	1,316	145,077	135,464	9,615
Third Party Payments	156	0	0	156	156	0
Transfer Payments	0	0	0	0	0	0
Support Services	0	0	0	0	0	0
Depreciation and Impairment Losses	9,564	0	(401)	9,163	0	9,163
GROSS EXPENDITURE	154,444	25	910	155,379	136,603	18,778
Income						
Government Grants	(161,653)	0	(1,384)	(163,037)	(153,424)	(9,615)
Other Reimbursements and Contributions	(1,309)	0	0	(1,309)	(1,309)	0
Customer and Client Receipts	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
GROSS INCOME	(162,962)	0	(1,384)	(164,346)	(154,733)	(9,615)
NET EXPENDITURE	(8,518)	25	(474)	(8,967)	(18,130)	9,163

Other Variations are analysed as follows:

Major Items	£000	fte
Depreciation adjustments	(401)	
Use of Reserves adjustment	0	
Technical adjustments	(73)	
TOTAL	(474)	0.0

CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

Other Children Schools and Families Budgets

This budget covers asylum seeker costs, past and present pension and redundancy costs, ESG income and PFI unitary charges.

FULL TIME EQUIVALENTS

Number of Permanent Staff
Number of DSG Staff
Number of Fixed term contracts
Total FTE

2018/19	2019/20
17.7	18.5
0.0	0.0
0.0	0.0
17.7	18.5

SUBJECTIVE ANALYSIS OF ESTIMATES

	2018/19 Estimate £000	Inflation £000	Other Variations £000	2019/20 Estimate £000	2019/20 DSG Estimate £000	2019/20 LA Estimate £000
Expenditure						
Employees	3,160	43	(130)	3,074	0	3,074
Premises	569	9	0	578	0	578
Transport	7	0	0	7	0	7
Supplies and Services	10,876	157	706	11,739	0	11,739
Third Party Payments	1,065	16	260	1,341	0	1,341
Transfer Payments	0	0	0	0	0	0
Support Services	223	0	0	221	0	222
Depreciation and Impairment Losses	0	0	0	0	0	0
GROSS EXPENDITURE	15,900	225	836	16,960	0	16,961
Income						
Government Grants	(474)	(7)	0	(481)	0	(482)
Other Reimbursements and Contributions	(3,422)	0	0	(3,422)	0	(3,422)
Customer and Client Receipts	(78)	0	0	(78)	0	(78)
Interest	0	0	0	0	0	0
Recharges	(46)	0	0	(46)	0	(46)
Reserves	0	0	0	0	0	0
GROSS INCOME	(4,020)	(7)	0	(4,027)	0	(4,028)
NET EXPENDITURE	11,880	218	836	12,933	0	12,933

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(790)	0.0
Transfer between departments	0	
Growth	960	
Use of Reserves adjustment	368	
Technical adjustments	298	
TOTAL	836	0.0



2020/2021 ESTIMATES

ENVIRONMENT AND REGENERATION DEPARTMENT

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SUMMARY: ENVIRONMENT & REGENERATION

FULL TIME EQUIVALENTS (FTE)

Permanent Staff

Fixed Term Contract

Total FTE

2019/20	2020/21
365	367
8	14
373	381

SERVICE AREA ANALYSIS

CHANGE BETWEEN YEARS			
2019/2020 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
16,313	315	135	16,763
(10,188)	26	(2,540)	(12,702)
9,707	70	(339)	9,438
0	8	34	43
15,831	419	(2,710)	13,540

ENVIRONMENT AND REGENERATION DEPARTMENT

Departmental Summary

FULL TIME EQUIVALENTS (FTE)

Permanent Staff

Fixed Term Contract

Total FTE

2019/20	2020/21
365	367
8	14
373	381

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/2020 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	18,116	10	878	19,003
Premises	3,539	42	(352)	3,229
Transport	1,727	7	(208)	1,526
Supplies and Services	12,937	300	6,830	20,067
Third Party Payments	9,887	61	(6,782)	3,166
Transfer Payments	0	0	0	0
Support Services	7,000	0	0	7,000
Depreciation and Impairment Losses	9,892	0	681	10,572
GROSS EXPENDITURE	63,098	419	1,047	64,564
Income				
Government Grants	(144)	0	136	(8)
Other Reimbursements and Contributions	(6,792)	0	(638)	(7,430)
Customer and Client Receipts	(38,495)	0	(3,255)	(41,750)
Recharges	(1,834)	0	0	(1,834)
Reserves	0	0	0	0
GROSS INCOME	(47,265)	0	(3,757)	(51,022)
NET EXPENDITURE	15,831	419	(2,710)	13,541

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(3,240)	2.0
Growth	0	0.0
Depreciation adjustments	681	0.0
Overheads adjustments	0	0.0
Transfer between departments	(53)	0.0
Technical adjustments	52	0.0
Use of Reserves adjustments	(150)	0.0
TOTAL*	(2,710)	2

* Any difference due to roundings.

ENVIRONMENT AND REGENERATION DEPARTMENT

Public Space, Contracting, and Commissioning*: Greenspaces, Leisure & Culture, Transport Services, and Waste Management and Operations.

* Previously the Street Scene and Waste division

FULL TIME EQUIVALENTS (FTE)

Permanent Staff

Fixed Term Contract

Total FTE

2019/20	2020/21
73	73
1	1
75	74

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/2020 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	3,442	0	140	3,582
Premises	1,399	16	(224)	1,191
Transport	1,446	3	(196)	1,253
Supplies and Services	9,133	245	6,509	15,887
Third Party Payments	9,114	51	(6,674)	2,491
Transfer Payments	0	0	0	0
Support Services	1,631	0	0	1,631
Depreciation and Impairment Losses	1,687	0	562	2,249
GROSS EXPENDITURE	27,852	315	117	28,284
Income				
Government Grants	(7)	0	0	(7)
Other Reimbursements and Contributions	(1,110)	0	27	(1,083)
Customer and Client Receipts	(10,422)	0	(9)	(10,431)
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(11,539)	0	18	(11,521)
NET EXPENDITURE	16,313	315	135	16,763

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(330)	
Growth	0	
Depreciation adjustments	562	
Overheads adjustments	0	
Transfer between departments	(53)	
Technical adjustments	106	
Use of reserves adjustments	(150)	
TOTAL*	135	0.0

* Any difference due to roundings.

ENVIRONMENT AND REGENERATION DEPARTMENT

Public Protection: Regulatory Services Partnership, Parking Control, Safer Merton.

FULL TIME EQUIVALENTS (FTE)

Permanent Staff
Fixed Term Contract
Total FTE

2019/20	2020/21
198	197
4	12
202	208

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/2020 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	9,171	0	564	9,735
Premises	750	7	12	769
Transport	175	3	(2)	176
Supplies and Services	798	12	185	995
Third Party Payments	336	5	(21)	320
Transfer Payments	0	0	0	0
Support Services	2,877	0	0	2,877
Depreciation and Impairment Losses	336	0	74	410
GROSS EXPENDITURE	14,442	26	813	15,281
Income				
Government Grants	(136)	0	136	(0)
Other Reimbursements and Contributions	(4,779)	0	(644)	(5,423)
Customer and Client Receipts	(19,715)	0	(2,845)	(22,560)
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(24,630)	0	(3,353)	(27,983)
NET EXPENDITURE	(10,188)	26	(2,540)	(12,702)

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(2,610)	2.0
Depreciation adjustments	74	
Overheads adjustments	0	
Transfer between departments	0	
Technical adjustments	(4)	
Use of Reserves adjustments	0	
TOTAL*	(2,540)	2

* Any difference due to roundings.

ENVIRONMENT AND REGENERATION DEPARTMENT

Sustainable Communities*: Traffic and Highway Services, Development Control, Building Control, Physical Regeneration, Spatial Planning and Policy, Regeneration Partnerships, Property Management, Transport Planning & Safety Education.

* Greenspaces and Leisure & Development transferred to Public Space, Contracting & Commissioning.

FULL TIME EQUIVALENTS (FTE)

Permanent Staff
Fixed Term Contract
Total FTE

2019/20	2020/21
85	89
3	1
88	90

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/2020 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	4,750	5	164	4,919
Premises	1,389	19	(140)	1,268
Transport	97	1	(10)	89
Supplies and Services	2,796	40	111	2,947
Third Party Payments	435	5	(87)	353
Transfer Payments	0	0	0	0
Support Services	2,380	0	0	2,380
Depreciation and Impairment Losses	7,869	0	45	7,914
GROSS EXPENDITURE	19,716	70	83	19,869
Income				
Government Grants	(1)	0	0	(1)
Other Reimbursements and Contributions	(903)	0	(21)	(924)
Customer and Client Receipts	(8,358)	0	(401)	(8,759)
Recharges	(747)	0	0	(747)
Reserves	(0)	0	0	(0)
GROSS INCOME	(10,009)	0	(422)	(10,431)
NET EXPENDITURE	9,707	70	(339)	9,438

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(300)	
Growth	0	
Depreciation adjustments	45	
Overheads adjustments	0	
Transfer between departments	0	
Technical adjustments	(84)	
Use of Reserves adjustments		
TOTAL*	(339)	0.0

* Any difference due to roundings.

ENVIRONMENT AND REGENERATION DEPARTMENT

Senior Management and Support: The Department's senior management and secretarial support, and Business Performance.

FULL TIME EQUIVALENTS (FTE)

Permanent Staff
Fixed Term Contract
Total FTE

2019/20	2020/21
8	8
0	0
8	8

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/2020 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	753	5	10	768
Premises	1	0		1
Transport	9	0	(0)	9
Supplies and Services	210	3	25	238
Third Party Payments	2	0	0	2
Transfer Payments	0	0	0	0
Support Services	112	0	0	112
Depreciation and Impairment Losses	0	0	0	0
GROSS EXPENDITURE	1,087	8	34	1,130
Income				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	0	0	0	0
Recharges	(1,087)	0	0	(1,087)
Reserves	0	0	0	0
GROSS INCOME	(1,087)	0	0	(1,087)
NET EXPENDITURE	0	8	34	43

Other variations are analysed as follows:

Major Items	£000	fte
Savings	0	
Overheads adjustments	0	
Technical adjustments	34	
Use of Reserves adjustments		
TOTAL*	34	0.0

* Any difference due to roundings.



2020/21 ESTIMATES

COMMUNITY AND HOUSING DEPARTMENT

DRAFT

SUMMARY: COMMUNITY AND HOUSING

	2019/20	2020/21
Number of FTE Staff	419.67	451.37
Number of FTE TUPE staff	11.41	11.41
Number of Fixed Term contract	6.60	6.60
Total FTE	437.68	469.38

SERVICE AREA ANALYSIS

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Adult Social Care	58,657	961	1,971	61,589
Libraries and Heritage	2,855	84	85	3,025
Merton Adult Education	23	3	(0)	26
Housing General Fund	2,219	61	1,397	3,677
Public Health	0	0	(0)	(0)
NET EXPENDITURE	63,754	1,110	3,453	68,317

COMMUNITY AND HOUSING DEPARTMENT Total

The department includes Adult Social Care, Housing, Libraries, Public Health and Merton Adult Learning.

FULL TIME EQUIVALENTS

Number of FTE Staff
Number of FTE TUPE staff
Number of Fixed Term contract
Total FTE

2019/20	2020/21
419.67	451.37
11.41	11.41
6.60	6.60
437.68	469.38

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	19,245	315	308	19,868
Premises	905	30	60	995
Transport	1,394	23	(32)	1,385
Supplies and Services	6,074	59	228	6,361
Third Party Payments	54,519	682	3,522	58,723
Transfer Payments	10,465	1	92	10,558
Support Services	7,843	0	(0)	7,843
Depreciation and Impairment Losses	643	0	128	771
GROSS EXPENDITURE	101,088	1,110	4,306	106,504
Income				
Government Grants	(11,881)	0	(803)	(12,684)
Other Reimbursements and Contributions	(12,160)	0	35	(12,126)
Customer and Client Receipts	(9,776)	0	(85)	(9,861)
Interest	(3,516)	0	(0)	(3,516)
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(37,334)	0	(853)	(38,187)
NET EXPENDITURE	63,755	1,110	3,453	68,317

Other Variations are analysed as follows:

Major Items	£000	fte
Salary	302	1.00
Savings	(2,460)	
Growth	5,766	
Overheads adjustments	0	
Depreciation & NNDR adjustments	159	
Inflation	0	
Rebasing of Income	241	
Technical adjustments	302	
Transfers between departments	(78)	
Grants	(774)	
Other	(5)	
Use of Reserves Adjustment	0	
TOTAL	3,453	1.00

COMMUNITY AND HOUSING DEPARTMENT Adult Social Care

Adult Social Care is divided into three areas:- 1) Access & Assessment includes the following services:- older people, mental health, learning & physical disability, concessionary, reablement, equipment and safeguarding services. 2) Commissioning which includes:- Contracts, brokerage and voluntary organisation. 3) Direct Provision which includes all in-house provisions.

FULL TIME EQUIVALENTS

	2019/20	2020/21
Number of FTE Staff	344.28	371.05
Number of FTE TUPE staff	11.41	11.41
Number of Fixed Term Contract	2.00	2.00
Total FTE	357.69	384.46

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	15,600	257	123	15,980
Premises	351	9	56	416
Transport	1,358	23	(31)	1,349
Supplies and Services	2,914	43	3	2,960
Third Party Payments	44,331	630	2,226	47,186
Transfer Payments	9,894	1	92	9,987
Support Services	6,681	0	0	6,681
Depreciation and Impairment Losses	158	0	(19)	139
GROSS EXPENDITURE	81,287	961	2,449	84,697
Income				
Government Grants	(282)	0	(326)	(607)
Other Reimbursements and Contributions	(9,746)	0	(52)	(9,799)
Customer and Client Receipts	(9,085)	0	(100)	(9,185)
Recharges	(3,516)	0	(0)	(3,516)
Reserves	0	0	0	0
GROSS INCOME	(22,630)	0	(478)	(23,108)
NET EXPENDITURE	58,657	961	1,971	61,589

Other Variations are analysed as follows:

Major Items	£000	fte
Salaries	123	
Savings	(2,460)	
Growth	5,766	
Overheads adjustments	0	
Depreciation & NNDR adjustments	11	
Inflation	0	
Rebasing of Income	0	
Technical adjustments	274	
Transfers between departments/Service	(1,365)	
Grants	(378)	
Use of Reserves Adjustment	0	
TOTAL	1,971	0.00

COMMUNITY AND HOUSING DEPARTMENT
Merton Adult Learning

This a commissioned service via South Thames College, RHACC, GSS and May Project Gardens. The service continues to provide popular courses whilst expanding provision for families and enhancing offer in maths,english and employability courses.

FULL TIME EQUIVALENTS

	2019/20	2020/21
Number of FTE Staff	3.75	3.75
Number of FTE TUPE staff	0.00	0.00
Number of Fixed Term contract	0.00	0.00
Total FTE	3.75	3.75

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	193	3	8	204
Premises	17	0	0	17
Transport	0	0	0	0
Supplies and Services	21	0	0	21
Third Party Payments	1,108	0	42	1,151
Transfer Payments	0	0	0	0
Support Services	31	0	0	31
Depreciation and Impairment Losses	0	0	(0)	0
GROSS EXPENDITURE	1,370	3	50	1,423
Income				
Government Grants	(1,347)	0	(50)	(1,397)
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	0	0	0	0
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(1,347)	0	(50)	(1,397)
NET EXPENDITURE	23	3	(0)	26

Other Variations are analysed as follows:

Major Items	£000	fte
Salary	0	
Savings	0	
Growth	0	
Overheads adjustments	0	
Depreciation adjustments	0	
Inflation	0	
Rebasing of Income	0	
Technical adjustments-Traning & Contracts	50	
Transfers between departments	0	
Grants	(50)	
Use of Reserves Adjustment	0	
TOTAL	(0)	0.00

COMMUNITY AND HOUSING DEPARTMENT
Public Health

Public Health services comprise of • Mandatory Services : Sexual health, NHS health checks, National Child Measurement Programme, Commissioning Support to CCG and the council, Health Protection Oversight and Health Intelligence including JSNA. • Universal Services : Smoking Cessation, Drugs and Alcohol, Obesity and Health Visiting Services, Improving Health and Wellbeing.

FULL TIME EQUIVALENTS

	2019/20	2020/21
Number of FTE Staff	15.46	15.46
Number of FTE TUPE staff	0.00	0.00
Number of Fixed Term Contracts	2.60	2.60
Total FTE	18.06	18.06

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	1,173	0	110	1,284
Premises	3	0	(0)	2
Transport	2	0	(0)	2
Supplies and Services	2,376	0	275	2,652
Third Party Payments	6,694	0	(34)	6,660
Transfer Payments	0	0	0	0
Support Services	148	0	0	148
Depreciation and Impairment Losses	0	0	0	0
GROSS EXPENDITURE	10,396	0	351	10,747
Income				
Government Grants	(10,175)	0	(346)	(10,521)
Other Reimbursements and Contributions	(221)	0	(5)	(227)
Customer and Client Receipts	0	0	0	0
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(10,396)	0	(351)	(10,747)
NET EXPENDITURE	0	0	(0)	(0)

Other Variations are analysed as follows:

Major Items	£000	fte
Salary-Pension & uplifts	110	
Savings	0	
Growth	0	
Overheads adjustments	0	
Depreciation adjustments	0	
Inflation	0	
Contracts	241	
Technical adjustments	0	
Transfers between departments	0	
Grants Reduction	(346)	
Other Income	(5)	
Use of Reserves Adjustment	0	
TOTAL	0	0.00

COMMUNITY AND HOUSING DEPARTMENT
Library & Heritage Services

This service is provided through three main town centre libraries, Mitcham, Morden, Wimbledon and four neighbourhood libraries, Colliers Wood, Pollards Hill, Raynes Park and West Barnes. There are also additional services available for home visits and there is a Heritage Service located at Morden Library. The Service has also ventured into securing small grants from various organisations

FULL TIME EQUIVALENTS

	2019/20	2020/21
Number of FTE Staff	29.65	30.88
Number of FTE TUPE staff	0.00	0.00
Number of Fixed Term Contract	0.00	0.00
Total FTE	29.65	30.88

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	1,065	34	(1)	1,098
Premises	494	20	4	519
Transport	4	0	(0)	4
Supplies and Services	571	13	(28)	556
Third Party Payments	18	17	(0)	35
Transfer Payments	0	0	0	0
Support Services	669	0	0	669
Depreciation and Impairment Losses	485	0	85	570
GROSS EXPENDITURE	3,307	84	59	3,451
Income				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(96)	0	11	(85)
Customer and Client Receipts	(356)	0	15	(341)
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(452)	0	26	(426)
NET EXPENDITURE	2,855	84	85	3,025

Other Variations are analysed as follows:

Major Items	£000	fte
Salary	0	
Savings	0	
Growth	0	
Overheads adjustments	0	
Depreciation adjustments	85	
Inflation	0	
Rebasing of Income	0	
Technical adjustments	0	
Transfers between departments	0	
Grants Reduction	0	
Use of Reserves Adjustment	0	
TOTAL	85	0.00

COMMUNITY AND HOUSING DEPARTMENT
Housing General Fund

This service provides a statutory housing functions which includes prevention ,relief of homelessness, enforcement of regulations for the private rented sector and the provision of mandatory grant assistance for improvements and adaptations

FULL TIME EQUIVALENTS

	2019/20	2020/21
Number of FTE Staff	26.53	30.23
Number of FTE TUPE staff	0.00	0.00
Number of Fixed Term Contract	2.00	2.00
Total FTE	28.53	32.23

SUBJECTIVE ANALYSIS OF ESTIMATES

	2019/20 Original Estimate £000	Inflation £000	Other Variations £000	2020/21 Estimate £000
Expenditure				
Employees	1,213	22	69	1,304
Premises	40	1	(0)	41
Transport	30	0	(0)	30
Supplies and Services	192	3	(23)	172
Third Party Payments	2,368	36	1,288	3,691
Transfer Payments	571	0	0	571
Support Services	315	0	(0)	315
Depreciation and Impairment Losses	0	0	63	63
GROSS EXPENDITURE	4,728	61	1,397	6,185
Income				
Government Grants	(77)	0	(82)	(159)
Other Reimbursements and Contributions	(2,097)	0	82	(2,015)
Customer and Client Receipts	(335)	0	0	(335)
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
GROSS INCOME	(2,508)	0	(0)	(2,508)
NET EXPENDITURE	2,219	61	1,397	3,677

Other Variations are analysed as follows:

Major Items	£000	fte
Salary-Transfer of post from ASC	69	1.00
Savings	0	
Growth	0	
Overheads adjustments	0	
Depreciation- New	63	
Inflation	0	
Rebasing of Income	0	
Technical adjustments	(22)	
Transfers between services- HRS	1,287	
Grants	0	
Use of Reserves Adjustment	0	
TOTAL	1,397	1.00

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
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