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Merton Council

Overview and Scrutiny Commission



Date: 22 January 2020

Time: 7.15 pm

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

AGENDA

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Overview and Scrutiny Commission membership

Councillors:

Peter Southgate (Chair)
Peter McCabe (Vice-Chair)
John Dehaney
Sally Kenny
Paul Kohler
Owen Pritchard
Nick McLean
Edward Gretton
Joan Henry
Natasha Irons

Substitute Members:

David Williams MBE JP
Thomas Barlow
Edward Foley
Ben Butler
David Chung
Simon McGrath

Co-opted Representatives

Emma Lemon, Parent Governor
Representative - Primary Sector
Colin Powell, Church of England diocese

Note on declarations of interest

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

What is Overview and Scrutiny?

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

Scrutiny's work falls into four broad areas:

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

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

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Agenda Item 3

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OVERVIEW AND SCRUTINY COMMISSION

13 NOVEMBER 2019

(7.15 pm - 9.45 pm)

PRESENT: Councillors Peter Southgate (in the Chair), Peter McCabe, John Dehaney, Sally Kenny, Owen Pritchard, Edward Gretton, Natasha Irons, David Williams MBE JP and Simon McGrath

ALSO PRESENT: Councillor Mark Allison (Deputy Leader and Cabinet Member for Finance)

Caroline Holland (Director of Corporate Services), John Dimmer (Head of Policy, Strategy and Partnerships), Mitra DUBET (Future Merton Commissioning Manager) and Julia Regan (Head of Democracy Services)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillor Nick McLean (substituted by Councillor David Williams) and Councillor Paul Kohler (substituted by Councillor Simon McGrath). Apologies were also received from co-opted members Emma Lemon and Colin Powell.

The Chair welcomed three members of the LGA Corporate Peer Review Team who were attending the meeting as observers.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of pecuniary interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

The minutes of the meeting held on 11 September 2019 were agreed as an accurate record.

The Chair reported that there were two matters arising from the minutes:

- The BCU Commander had provided details of the cost of policing the Eastern Electrics festival, estimated at £140,000.
- The Chair of the Stop and Search Monitoring Group, Josh Talbot, has confirmed that he will be able to attend the Commission's meeting on 2 April 2020.

4 BUSINESS PLAN UPDATE 2020-2024 (Agenda Item 4)

Members agreed to take this item and agenda item 5 together.

Caroline Holland, Director of Corporate Services, introduced the report and outlined the current assumptions on inflation, council tax collection and government grants that underpin this updated medium term financial strategy. She explained the approach that was planned to address the Dedicated Schools Grant (DSG) deficit through additional growth to be held to offset the deficit as well as some potential additional funding from the government.

Caroline Holland drew the Commission’s attention to the predicted budget gap in future years and to the first round of savings proposals and two growth proposals that were set out in the report, as well as details of new capital bids within the capital programme. She highlighted the unprecedented level of uncertainty around the local government settlement 2020 and said that assurances had been received from the Ministry of Housing, Communities and Local Government that this would be a priority for the new government.

Medium term financial strategy(MTFS)

Caroline Holland provided additional information in response to questions:

- the DSG deficit is the largest unknown item within the MTFS. It will be dealt with through a combination of New Burdens growth funding, departmental underspending and some additional grant built into future budgets
- identifying funding for the climate change agenda will become an issue from 2021 onwards
- the assumptions on the pay provision for staff have been increased from 1% to 2% in response to government announcements about awards for other groups of public sector staff. 2% is below the increase for other parts of the public sector and the private sector
- the monies transferred from reserves to meet part of the budget gap for 2020/21 have been taken from the Balancing the Budget Reserve, which was built up for this purpose
- the ringfenced income and expenditure from the potential 2% adult social care precept has not been included in the draft MTFS as further work is needed to identify how much of the additional income could be used for existing spending plans within the MTFS and how much will be new spending on adult social care

Corporate Services proposed savings (pages 48-55)

Commission members reviewed each of the proposed savings. Comments made by members and responses from Caroline Holland are set out below:

<p>CS8 – Facilities Management – reduction in the repairs and maintenance budget for corporate buildings</p>	<p>A member noted that the reputational risk was high and asked what the impact would be. Caroline Holland said that this included the experience that visitors to the Civic Centre had of the reception area and toilets on the ground floor as well as</p>
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	a potential impact on staff morale.
CS9 – Facilities management – reduction in frequency of cleaning within the council’s corporate buildings	In response to a question about the impact, Caroline Holland said that the saving was being made partly as a consequence of a reduction in the number of bins in order to encourage staff to increase the level of recycling and reuse.
CS11 – Commercial Services restructure and deletion of post in 2022/23	In response to a question about the impact that this would have on the achievement of agreed corporate procurement savings, Caroline Holland said that it is anticipated that the full £14m will have been delivered before the post is deleted but there is a risk this will not happen. The majority of the large planned procurements will be completed and staff will be trained so will be less reliant on the central team.

In response to a comment on Corporate Services savings collectively, noting the increase in headcount and budget in recent years, Caroline Holland said that the increase was largely due to the transfer in of staff from other boroughs to the shared legal service – South London Legal Partnership

The Chair drew the Commission’s attention to paragraph 2.12.3 – “it is not possible to predict the council’s budget gap going forward with any certainty” and said that it was the first time that such a statement had been made and therefore underlined the difficulty of the situation. Caroline Holland said that the full picture may still not be available by the time the Commission next meets on 22 January 2020 and there may therefore be a need for an additional meeting.

Growth items (page 75)

In response to a question about what sort of emergencies the growth item CSG1 Emergency Planning would assist with, Caroline Holland said that this would include large and smaller scale emergencies such as Bishopford Bridge as well as staff training and compliance with new Londonwide standards that are currently being drawn up in response to lessons from the Grenfell fire.

Capital programme (pages 80 and 84).

In response to questions, Caroline Holland provided clarification on what some of the items were and undertook to find out what “Project General” referred to. ACTION: Director of Corporate Services

Members asked a number of questions about the relationship between the climate emergency and the use of the capital programme to ensure that sustainable solutions were found for heating and lighting of council buildings. Caroline Holland said that

decisions on those capital items had been deferred so that the most energy efficient technology could be deployed but cautioned that the boilers in the Civic Centre were very old and may need to be replaced sooner. She added that a combined heat and power unit had been installed for the IT server using the latest technology.

References from the Scrutiny Panels

The Chair of the Sustainable Communities Overview and Scrutiny Panel, Councillor Natasha Irons, introduced the reference from the Panel, explaining that the Panel had endorsed the proposed saving as long as signage, layout and road markings were checked to ensure that residents would not be unfairly penalised.

The Chair of the Children and Young People Overview and Scrutiny Panel, Councillor Sally Kenny, said that although the Panel had not made a reference, it had expressed concern at the growth on Educational Health and Care Plans (EHCPs) which can be costly and therefore contribute to financial pressures.

The Commission RESOLVED to forward to Cabinet the reference from the Sustainable Communities Overview and Scrutiny Panel.

Reference to Cabinet

The Commission RESOLVED to send the following reference to Cabinet:
“The Overview and Scrutiny Commission notes the difficulties currently faced by the administration in setting a balanced budget and drafting the medium term financial strategy. The Commission therefore asks Cabinet to join the Local Government Association and London Councils in lobbying the government to release additional monies to meet the cost pressures faced by local councils and to provide a multi-year funding settlement rather than continuing with a year by year approach”.

5 BUSINESS PLAN - COMMENTS AND RECOMMENDATIONS FROM THE SCRUTINY PANELS (Agenda Item 5)

See minute for agenda item 4.

6 COMMUNITY PLAN 2020-25 (Agenda Item 6)

John Dimmer, Head of Policy Strategy and Partnerships, introduced the report and undertook to feed back the Commission’s comments on this draft strategy to the Merton Partnership Executive Board. He explained that the plan would be a tool to focus partnership working to increase social capital across the borough and thereby to improve a range of outcomes for residents. The eight priorities in the draft Plan had been chosen by the four thematic partnership groups following extensive consultation with local residents.

Members commented that the links between the different aspects in the draft Plan were not clear and that an explanation of how principles, themes and priorities had been developed should be included. One member requested additional information on what information had been collected that wasn’t in the draft Plan as this would help to inform scrutiny of the document.

ACTION: Head of Policy Strategy and Partnerships to provide the background research to members of the Commission

Members expressed interest in the ward data and said it would be helpful for this to be shared with ward councillors.

Members discussed the extent to which councillors were able to find time to work on increasing social capital in their wards and cautioned against being seen as an alternative to officer provision. It was agreed that some councillors have more time and inclination for this role than others.

John Dimmer and Caroline Holland explained that the intention was to ensure councillors have the opportunity to get involved and don't feel excluded. It was suggested that councillors are embedded and clearly visible in their communities and are a valuable source of local knowledge. Councillor involvement is optional and not an intrinsic part of the delivery of the Community Plan.

Members made a number of suggestions:

- To use the Community Forums to help to develop the direction of the Plan, through presentations or workshops.
- To collate the many examples of community action taken by councillors and use the information to assist with the ward level mapping of social capital.
- To provide information to councillors about things happening in their wards so that they could, with support, assist in making linkages. Councillor Natasha Irons volunteered to discuss this further with John Dimmer.
- To identify scope for using the £5k ward funding and CIL money to support this work
- To ensure there are clear and challenging objectives and targets within the Plan

In summary, the Chair identified three actions **AGREED** by the Commission:

- that ward level data on social capital should be provided to councillors
- that councillors should be invited to provide information/case studies on social capital projects that they are already involved in
- that the sources of social capital should be mapped out for one or two wards as a pilot exercise – Councillor Natasha Irons expressed interest in being involved in this

7 SHARED SERVICES - UPDATED LIST OF SERVICES (Agenda Item 7)

Councillor Ed Gretton welcomed this report which had been provided following a topic suggestion made by the Conservative Group. He said that it was a clear and comprehensive summary and asked whether it would be possible to contextualise it through a list of all council services showing budget information and an assessment of readiness for a shared service approach.

The Commission was reminded that a previous task group review of shared services had found limited scope to apply this delivery model to other services. Members expressed interest in revisiting this and in ensuring that non-executive councillors have an overview of models of provision and how they are working on a service by service basis.

The Commission RESOLVED to delegate this matter to the Financial Monitoring Task group, asking it to review the findings of the shared services task group and consider whether a further task group review was required.

8 ROAD SAFETY AROUND SCHOOLS - CABINET RESPONSE TO TASK GROUP RECOMMENDATIONS (Agenda Item 8)

Mitra Dubet, Commissioning Manager, provided additional information about the STARS travel plans in response to questions from members. She informed the Commission that Transport for London have commissioned an officer to provide assistance to schools to support them in developing STARS travel plans – this would be two days a week over the next 3 years. Members noted that some of the larger schools in the borough did not have a STARS travel plan and suggested that ward councillors could assist in encouraging them to take part. ACTION: Commissioning Manager and ward councillors

The Commission noted that recommendation 7b, to advise schools on how to employ a school crossing patrol (lollipop man/woman), had not been agreed. Members expressed surprise that the role had been difficult to recruit to and wondered if higher pay would provide a solution. Mitra Dubet advised that the key issue was a lack of flexibility on working hours rather than remuneration. A member asked if monies raised from parking fines could be used to fund school crossing patrols. ACTION: Head of Democracy Services to ask Director of Corporate Services for advice on this.

The Commission agreed that it was satisfied with Cabinet's initial response and RESOLVED to receive an update report on implementation of the task group's recommendations in six months time.

9 REVIEW OF THE OVERVIEW AND SCRUTINY FUNCTION - ACTION PLAN (Agenda Item 9)

The Commission RESOLVED to consider the action plan once members of the working group had been given an opportunity to review and comment on the proposals first. ACTION: Head of Democracy Services

10 LOCAL DEMOCRACY WEEK JOINT SCRUTINY EXERCISE WITH THE YOUTH PARLIAMENT ON THE CLIMATE EMERGENCY (Agenda Item 10)

Councillor Sally Kenny commented that the joint scrutiny exercise with the Youth Parliament had worked well and that she would like to identify further opportunities for involving young people in the council's decision making processes.

The Commission RESOLVED to forward the report and recommendations for consideration by Cabinet at its meeting on 16 December 2019.

11 FINANCIAL MONITORING TASK GROUP - NOTE OF MEETING HELD ON 29 AUGUST 2019 (Agenda Item 11)

The Commission noted the minutes of the meeting held on 29 August 2019.

12 WORK PROGRAMME (Agenda Item 12)

Members of the Commission made the following comments about the work programme:

- there should be a small number of items at each meeting to allow sufficient time for discussion
- it would be helpful if lengthy appendices could be circulated prior to agenda publication to give members time to digest the information
- the brevity and clarity of officer reports varies considerably and some reports are difficult to read.

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Committee: Overview and Scrutiny Commission

Date: 22 January 2020

Subject: Demographic profile of councillors and senior officers

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Laxmi Attawar, Cabinet Member for Women and Equalities

Contact officer: Julia Regan, Head of Democracy Services Julia.regan@merton.gov.uk

Recommendations:

- A. That the Overview and Scrutiny Commission review the information on the demographic profile of councillors and senior council officers (see Appendix A); take a decision on whether it wishes to undertake further scrutiny of this issue and if so, how.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. Appendix A provides tables setting out the demographic profile of the population of Merton, of councillors and of council staff and senior officers . This information has been provided at the request of the Commission so that it may review the situation and decide whether it wishes to undertake further scrutiny of the under-representation of certain demographic groups amongst councillors and senior managers.

2 BACKGROUND

- 2.1. As part of the topic suggestion campaign earlier this year, the Muslim Women of Merton suggested that the Commission should review the council's approach to involving Muslim women in local democracy. The Muslim Women of Merton (MWM) would like the council to commit to reviewing the representation of Muslim women in local politics and senior leadership across council life following the lines of enquiry that MWM have suggested below:
- 1) How many female, Muslim council employees at team leader/manager grade are there at present and how has this fluctuated over the past 10 years? Is this figure representative of the local population?
 - 2) Will the council commit to collecting ethnicity and faith data of their councillors on an ongoing basis in future?
 - 3) How does the council currently measure engagement with the Muslim community and is it regarded to be adequate?
 - 4) How might the council improve engagement and consultation with the Muslim community on the above issues and how could Muslim organisations assist this process?
- 2.2. In discussing this suggestion at the topic workshop in June, members noted the advice from the council's Equalities and Community Cohesion Officer

that the lack of diversity in local politics and senior leadership at the council also affects the wider BAME community and other protected characteristics.

- 2.3. The Commission, at its meeting on 4 July 2019, therefore agreed to receive a report setting out the demographic profile of councillors, council employees and senior management. The intention was to compare this data with data on the local population and to consider what steps it wished to take in relation to any under-representation, for example recommendations to Cabinet, further report, task group review.
- 2.4. Subsequently, at a meeting of Council on 10 July 2019, the Cabinet Member for Women and Equalities, in response to a question, undertook to collect data on councillors so that she could assess the extent to which councillors are representative of the local population. A questionnaire was then laid round at a meeting of Council on 18 September and then emailed to all councillors to provide further opportunities to complete the form.

3 DATA ANALYSIS

- 3.1. The tables in Appendix A set out the proportion of local residents, staff, managers and councillors grouped by gender, age, ethnicity, disability, religion and sexual orientation. The data sources are listed below each of the tables.
- 3.2. The Commission is asked to note that the data sources differ in methodology and content, therefore providing at best an indication of the differences between the demographic of the resident population, council staff and managers, and councillors. In particular, the council's workforce is drawn from a wide geographical area including and beyond Merton itself. The provision of data by staff, other than age, is optional.
- 3.3. The Commission is also asked to note that the councillor data is based on questionnaire responses from just 39 of the 60 councillors. It may wish to recommend that this data is collected in a more systematic way in future, perhaps as part of the induction process following council elections.
- 3.4. Gender
- 3.5. Table 1 shows that women are over-represented in the council workforce as a whole but under-represented amongst senior managers (defined as the top 5% earners). 63% of councillors are men, both in Merton and nationally.
- 3.6. Age
- 3.7. Table 2 shows that staff and councillors are older than the local population - 50% of staff are aged 50+, as are 59% of councillors, compared to 36% of the local population. Note that the local population figures will include people in full time education, unemployed and retired so comparisons should be drawn with caution.
- 3.8. Ethnicity
- 3.9. Tables 3 and 4 show that the proportion of Black and Minority Ethnic staff is slightly lower than the local population (33% compared to 37%) but substantially lower amongst managers (11%). The sample size of 39 councillors is small so the results should be treated with caution – Merton

has 28% BME councillors compared to 37% of the local population and 4% councillors nationally.

3.10. Disability

3.11. Table 5 shows that the proportion of staff, managers and councillors declaring that they have a long term health problem or disability is lower than that found in the local population. Again the councillor data should be treated with caution due to the small number of respondents. Note also the inclusion of unemployed and retired people in local population figures.

3.12. Religion

3.13. Table 6 sets out the proportion of councillors, council staff and managers from each faith category compared to the local population. The data should be treated with caution due to the relatively high levels of missing data (data provision was optional) which may skew the results.

3.14. Sexual orientation

3.15. Table 7 sets out the declared sexual orientation of Merton councillors compared to councillors nationally. The Merton councillor data should be treated with caution due to the small number of respondents. Data for staff and managers is also shown and should be treated with caution due to potential bias caused by low response rates (data provision was optional).

4 DISCUSSION

4.1. The Commission is asked to discuss the information and decide whether it wishes to undertake further scrutiny and, if so, how. In particular, the Commission may wish to follow up on the under-representation of young people and women amongst councillors and of black and minority ethnic communities amongst senior managers.

4.2. The Commission is asked to note that the selection of candidates to stand as prospective councillors is largely made by the political parties and that the council does not have a role in this. The council may undertake advertising and/or information events to bring the role of councillor to the attention of underrepresented sections within the community.

4.3. The Commission is also asked to note that following a December 2018 meeting of the Joint Consultative Committee With Ethnic Minority organisations where the under-representation of BAME communities amongst senior managers was discussed, there have been the following improvements:

- There has been an improvement on posts graded MGC and above for the year 2018/19. The data covers 11 vacancies for which there were 46 applications. 44% of applicants were BAME, 40% of those shortlisted were BAME and 33% of those appointed were BAME. It should be noted that there were just 8 appointments and with such a small cohort variances of +/- one person can cause large percentage differences.
- It is a council requirement that all panel members and chairs who take part in the recruitment and selection process must have undergone the relevant recruitment and selection training; regularly refreshing their skills

every 2 years. It is the responsibility of the 'chair' of the panel to check that all panel members have attended such training. In the case of member-level appointments (Director and Chief Executive posts) training is provided to all panel members.

- We are currently in the process of designing and procuring a new on line recruitment and selection course which we will ensure addresses how to avoid unconscious bias in the recruitment process. Managers will be required to refresh this training every 2 years.
- At a recent Head of level post within Childrens, Schools and Families the Director found that the black candidate that went through the long listing and short listing stage was not appointable. When providing feedback to the candidate the Director offered the candidate mentoring from her to enable the candidate to be able to progress to a higher level post at some future stage.
- HR are currently exploring with the Corporate Management Team the viability of producing career pathways for existing staff so that they can clearly see what they would need to do and be able to demonstrate in order to progress, along with any training and support that would be available to them. This is a big piece of work which would require appropriate resource.
- HR continue to ensure that when appointing agencies for senior recruitment that we ask them to demonstrate their track record in producing BAME candidates and the number of successful BAME appointments. This is a practice that will continue.

4.4. The following further actions are also being taken:

- The BAME profile amongst senior managers is still below that of the whole workforce. Therefore, actions are being taken to ensure we have good practices in place and that these are adhered to.
- Sample checks will be introduced to ensure all shortlisting and interview panel members have up-to-date recruitment and selection training. This check will be undertaken in all cases for appointments at MGC and above. This training will include awareness of unconscious bias in the recruitment process.
- The Workforce Strategy includes actions to run a diversity and cultural awareness programme including training, with the aim to achieve a more cohesive workforce able to serve our communities better. A training programme is being developed by Human Resources, in addition to actions being developed at departmental level.
- Where external recruiters are used for senior appointments – they are instructed to conduct additional searches and through their channels encourage applications from BAME candidates.
- The Council will seek to introduce diversity in panel representation for senior appointments and this can be done by panel participation or introducing stakeholders' panels.

- The Council is currently reviewing its leadership development offer and will explore adopting cultural competency as an element within the programme.
- HR will continue to remind and encourage staff twice yearly to update their personal equality data on the online system iTrent so that our monitoring can be 100% accurate.

5 ALTERNATIVE OPTIONS

The Commission can choose its preferred approach to any future scrutiny, subject to officer resources being available to support the work.

6 CONSULTATION UNDERTAKEN OR PROPOSED

6.1. Not applicable.

7 TIMETABLE

7.1. Not applicable.

8 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

8.1. There are no property or resource implications at this time.

9 LEGAL AND STATUTORY IMPLICATIONS

9.1. None for the purposes of this report.

10 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

10.1. The data and commentary in this report highlight questions about whether there is an under-representation of certain demographic groups amongst councillors and senior council managers. In particular there appears to be an under-representation of young people and women amongst councillors and of black and minority ethnic communities amongst senior managers.

10.2. The work that has been carried out already by the council and planned further steps outlined in paragraphs 4.3 and 4.4 will assist in addressing the under-representation of black and ethnic communities in the council workforce at senior level.

10.3. The Commission is asked to discuss the report and decide whether it wishes to undertake further scrutiny or to receive further information about the issues raised.

11 CRIME AND DISORDER IMPLICATIONS

11.1. None for the purposes of this report.

12 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

None for the purpose of this report.

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

Appendix A – demographic data

14 BACKGROUND PAPERS

14.1. None

Appendix A – Demographic data

Table 1 - Gender

	Merton Population	Council Staff	Council Managers	Merton councillors	National councillors
Male	49.3%	32.5%	52.9%	63%	63.3%
Female	50.7%	67.5%	47.1%	37%	35.7%
No data					1%

Data Sources

Population – GLA population data for Merton, 2019

Staff – HR data for all Merton Council employees, September 2019

Managers – HR data for the top 5% earners in Merton Council workforce, September 2019

Merton councillors - data taken from all 60 councillors on council website

National councillors – Local Government Association national census of councillors, 2018

Table 2 - Age

	Merton Population	Council Staff	Council Managers	Merton councillors	National councillors
16-24	12.3%**	3.5%	NA	0%	0.6%
25-49	51.5%	46.2%	NA	38%	20.5%
50+	36.2%	50.3%	NA	59%	78.9%
No data				3%	

Data Sources

As Table 1, except for:

Merton councillors - data provided by 39 councillors via questionnaire

** data relates to residents aged 15-24

Note – 11.7% of Merton councillor respondents were aged 70+

Table 3 - Ethnicity

	Merton Population	Merton councillors	National councillors
White	63.2%	69.2%	95.8%
Mixed/multiple	5.3%	5.1%	0.9%
Asian/Asian British	20.2%	12.8%	2.1%
Black/Black British	9.4%	7.7%	0.9%
Other ethnic group	1.9%	2.6%	0.3%
No data		2.6%	

Data Sources

Population – GLA population data for Merton, 2019

Merton councillors - data provided by 39 councillors via questionnaire

National councillors – Local Government Association national census of councillors, 2018

Table 4 – Summary of ethnicity data

	Merton Population	Council Staff	Council Managers	Merton councillors
White	63.2%	55.4%	70.9%	69.2%
BME	36.8%	33.1%	11.4%	28.2%
No data		11.5%	17.7%	2.6%

Data Sources

Population – GLA population data for Merton, 2019

Staff – HR data for all Merton Council employees, September 2019

Managers – HR data for the top 5% earners in Merton Council workforce, September 2019

Merton councillors - data provided by 39 councillors via questionnaire

Table 5 - Disability

	Merton Population	Council Staff	Council Managers	Merton councillors	National councillors
Disabled	12.6%	5.3%	4.6%	2.6%	16.1%
Not disabled				92.3%	
No data		15.0%	25.3%	5.1%	

Data Sources

Population – 2011 census data – long term health problem or disability, all ages

Staff – HR data for all Merton Council employees, September 2019

Managers – HR data for the top 5% earners in Merton Council workforce, September 2019

Merton councillors - data provided by 39 councillors via questionnaire

National councillors – Local Government Association national census of councillors, 2018

Table 6 - Religion

	Merton Population	Council Staff	Council managers	Merton councillors
Buddhist	0.9%	3.3%	0%	0%
Christian	56.1%	58.6%	55.6%	41.0%
Hindu	6.1%	2.6%	2.2%	2.6%
Jewish	0.4%	0.2%	0%	0%
Muslim	8.1%	6.3%	2.2%	7.7%
Sikh	0.2%	0.8%	2.2%	0%
Other religion	0.4%	3.3%	2.2%	5.1%
No religion	20.6%	33.3%	35.6%	33.3%
No data		44.2%	47.0%	10.3%

Data Sources

Population – 2011 census data

Staff – HR data for all Merton Council employees - % for each category based on respondents only, 44.2% staff and 47% managers did not provide data

Merton councillors - data provided by 39 councillors via questionnaire

Table 7 - Sexual orientation

	Merton councillors	National councillors	Council staff	Council managers
Heterosexual/straight	79.5%	88.3%	96.4%	88.0%
Gay or lesbian	7.7%	4.2%	2.1%	12.0%
Bisexual	0	1.7%	0.6%	0%
Other	0	0.2%	0.2%	0%
Prefer not to say	12.8%	5.6%	36.3%	41.1%

Data Sources

Merton councillors - data provided by 39 councillors via questionnaire

National councillors – Local Government Association national census of councillors, 2018

Staff – HR data for all Merton Council employees - % for each category based on respondents only, 36.3% staff and 41.1% managers did not provide data

Committee: Overview and Scrutiny Commission

Date: 22 January 2020

Wards: All

Subject: Call-in of the feasibility and costs of a council tax voluntary scheme

Lead officer: Caroline Holland, Director of Corporate Services

Lead member : Councillor Mark Allison, Deputy leader and Cabinet Member for Finance

Contact officer: David Keppler, Head of Revenues and Benefits

Recommendations:

- A. That the Overview and Scrutiny Commission consider the information provided in response to the call-in request and decide whether to:
- Refer the decision back to Cabinet for reconsideration; or
 - Determine that the matter is contrary to the policy and/or budget framework and refer the matter to Full Council; or
 - Decide not to refer the matter back to Cabinet, in which case the decision shall take effect immediately.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report provides a response to the points raised in the call-in request relating to the decision taken by Cabinet on 11 November 2019

2 DETAILS

- 2.1. The call-in requests and documents provided in response to this are appended to this report.

3 ALTERNATIVE OPTIONS

- 3.1. The Council's constitution requires the Commission to select one of the options listed in recommendation A.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. None for the purposes of this covering report.

5 TIMETABLE

- 5.1. None for the purposes of this covering report.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. None for the purposes of this covering report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Council's constitution requires the Commission to select one of the options listed in recommendation A.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purposes of this covering report.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purposes of this covering report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purposes of this covering report.

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

- Appendix A: report received by Cabinet, 11 November 2019
- Appendix B: call-in request form
- Appendix C: officers' response to the call-in

12 BACKGROUND PAPERS

12.1. None for the purposes of this covering report.

Committee: Cabinet**Date: 11 November 2019**

Wards: Selection of Wards

Subject: Feasibility and Costs of a Council Tax Voluntary Scheme

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Mark Allison

Contact officer: David Keppler

Recommendations:

-
1. For Cabinet to decide not to progress with consultation with band H council tax residents to establish if a council tax voluntary scheme should be implemented.
 2. For Cabinet to agree that any benefits to introducing the scheme would not outweigh the likely financial losses of implementation, as concluded in 2.23.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report provides details regarding Westminster Council's voluntary community contribution scheme and highlights the information and issues Cabinet would need to consider if a similar scheme was to be consulted and implemented.

2 DETAILS

- 2.1. In March 2018 Westminster council launched its voluntary community contribution scheme – a way for residents in higher value properties who choose to, make a payment in addition to their council tax.
- 2.2. In order to assess the feasibility of the scheme a consultation exercise was undertaken in November and December 2017 with the 15,600 residents living in band H council tax properties. The consultation tested support for the scheme and invited views as to where any money raised should be spent.
- 2.3. Approximately 1,000 (6.4%) responses were received and there was a 50:50 split for and against the scheme. In March 2018 residents in band H properties were sent letters requesting voluntary payments and a second phase of letters sent in November 18.
- 2.4. The band H charge for Westminster residents in 2018/19 was £1421.00
- 2.5. As at January 2019 contributions were received from 540 individuals amounting £595,000 (including £75,000 gift aid element).
- 2.6. Of the 15,600 band H properties contributions were made from 540 which equates to 3.46%.

- 2.7. Excluding the gift aid element of £75,000, £520,000 was received from 540 individuals which equates to an average contribution of £962.96, less than the band H charge. The breakdown of contributions were as follows:
- % of contributions
- Up to £1,000 – 77%
- Between £1,000 and £1,600 – 19%
- Between £1,600 and £2,600 – 3%
- Over £2,600 – 1%
- 2.8. In Merton there are 1,751 band H properties as at 1 October 2019 at a charge of £3,096.66. Of these 49 properties are empty of which 14 have been empty for over two years and from April 2019 the owners are paying a 100% premium on the council tax charge, prior to April 2019 it was a 50% premium. See Appendix 1 for breakdown of band H properties by Ward.
- 2.9. If the same percentage results were applied to Merton based on 1,702 occupied band H properties we could receive 59 contributions (1,702 x 3.46%) and using the average contribution Westminster received this could equate to £56,817 (59 x £963). However, it is not possible to assume that a similar scheme in Merton would generate this amount, as the average total received by Westminster was £2384 (£1421 Band H contribution plus £963 contribution), and this is less than received from a Band H council taxpayer in Merton.
- 2.10. The band H charge for Merton residents in 2019/20 is £3,096.66 (£3,156.46 for those paying the Wimbledon and Putney Common Conservators levy). This is already more than double the Westminster band H charge.
- 2.11. Based on the % of contributions in Westminster (2.7 above) approximately 96% of residents contributed an overall figure of less than Merton's band H charge (£1,421.00 band H charge plus up to £1,600 voluntary contribution).
- 2.12. Out of Westminster's 540 residents that made a voluntary contribution only 21 (540 x 4%) paid more than Merton's band H charge, and three quarters contributed less than an additional £1,000. Using the same ratio, Merton would receive contributions from only 2 residents (59 x 4%). With an expected additional contribution of less than £1,000 from each of those contributors, the income in Merton would be considerably less than the cost of introducing or running a scheme if the same pattern of payments applies as in Westminster.
- 2.13. To make the scheme worthwhile considerably more Merton residents would need to be prepared to pay more overall in council tax and voluntary contribution than made by Westminster's residents.
- 2.14. Looking at Westminster's action plan for implementation the following would need to be considered/actioned:

- Formal Cabinet decision to enable the project to proceed

<ul style="list-style-type: none"> • Implement a project team – including staff from Revenues and Benefits, Communications, Finance, IT, Policy
<ul style="list-style-type: none"> • Establish a implementation timeframe
<ul style="list-style-type: none"> • Research and implementation of the rules and regulations regarding Gift Aid
<ul style="list-style-type: none"> • Establish if a Charitable Trust needs to be set up – or if there is anything suitable already in place
<ul style="list-style-type: none"> • Identify how the contributions would be spent
<ul style="list-style-type: none"> • Identify a suitable payment method within existing bank account or if a new account is required.
<ul style="list-style-type: none"> • Establish a communication plan – to include the initial letter to residents and press releases
<ul style="list-style-type: none"> • Developing a database to record consultation responses, contact, payments and Gift Aid
<ul style="list-style-type: none"> • Developing and implementing payment methods for the contributions
<ul style="list-style-type: none"> • Handling of local and national press enquires and other communications
<ul style="list-style-type: none"> • Reconciliation of payments
<ul style="list-style-type: none"> • Production of thank you letters and following up with contributors

- 2.15. Any voluntary scheme cannot be administered alongside the collection of council tax, council's cannot simply add a voluntary contribution figure to the council tax bill or ask residents to make an additional charge with their council tax. There is specific legislation for the administration and collection of council tax that adding a voluntary contribution to, would not be lawful. There would be complexities around allocation of monthly payments, recovering unpaid council tax, issuing possible refunds, apportioning bills when residents move or circumstances change.
- 2.16. Inviting voluntary contributions at the same time and along with new council tax bills would make sense but due to the billing arrangements at Merton this would be challenging. The main problem is that council tax bills are produced by payment method order. Firstly all bills for residents that pay by direct debit are produced and printed and then all bills for non direct debit payers. The bills are not produced in council tax band order.
- 2.17. In addition over 15% of new council tax bills are issued electronically rather than a paper bill and production and delivery of these is separate and again they are not produced in council tax band order.
- 2.18. If we wished to issue voluntary payment letter and payment details with the council tax bill was a key deliverable then testing would need to be undertaken to see if it was achievable.
- 2.19. An easier solution would be a separate mailshot to all band H properties.

- 2.20. If the scheme was progressed we would need to look at the most beneficial way of establishing the scheme and receiving payments. To take advantage of gift aid we would need to identify if a charitable trust would be required or alternative arrangements to maximise income and clearly target resources. An alternative option to a Charitable Trust is through the Merton Giving Scheme – see Appendix 2
- 2.21. We would need to identify a cost effective way of receiving payments along with reconciliation measures. This may be similar to how payments are currently received for the Mayors Charitable Trust.
- 2.22. A communication plan would need to be devised to commence with the consultation process and to include identifying projects to spend the income.
- 2.23. Based on the findings and comparisons from the Westminster's scheme, which includes the relatively low number of band H properties in Merton, the lower band H charge in Westminster and the value of the contributions made to Westminster, at this stage it is unlikely that a voluntary scheme implemented in Merton would generate the level of contributions that would make the scheme cost effective or worthwhile. This position can be reviewed if other London borough's, with a similar Band D to Merton, implement voluntary schemes in the future.

3 ALTERNATIVE OPTIONS

- 3.1. None for the purpose of this report

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. If it is agreed to progress with the project an initial consultation would be undertaken with all residents in the 1,751 band H properties to establish how much agreement there would be if there was any desire to implement the scheme.

5 TIMETABLE

- 5.1. Achieving an implementation date of April 2020 would be challenging but to achieve this initial consultation with residents would need to be completed by the end of December 19. An estimated timeframe is detailed below

Action	Timeframe
Cabinet decision to commence consultation	11 November 2019
Initial Consultation	1 December 2019 to 28 December 2019
Investigate banking arrangements	December 2019
Investigate trust	December 2019
Cabinet decision to commence scheme	13 January 2019
Testing of mailshot and method for communication payment requests	January 2020

Communicate decision with residents	January 2020
Set up bank account and trust if applicable	January 2020
Write to all band H properties with invites for contribution and payment method details	March 2020
Report to cabinet with results	May 2020
Decision on projects to invest	May 2020
Follow up letter to residents requesting payments	June 2020
Communicate scheme results	July 2020

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. The estimated cost of implementation would be £10,150 as broken down below:

Action	Estimated Cost
Initial consultation	£1,750 plus staff time (2 days £400)
Communicating decision	£1,750 plus staff time (2 days £400)
Payment facility	Staff time (2 days £400)
Setting up Trust	Staff time (1 day £200)
Communications plan	Staff time (2 days £400)
Testing of mailshot and method for communication payment requests	Staff time (2 days £400)
Letters inviting contributions	£1,750 plus staff time (1 day £200)
Develop database for recording payments	Staff time (2 days £400)
Reconciliation of payments	Staff time (2 days £400)
Follow up letter requesting payments	£1,500 plus staff time (1 day £200)

The cost of each mail shot is based on £1.00 per property which covers, postage, envelopes and printing costs. We could look for some sponsorship for the envelopes which could reduce this cost.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. There is no legal implication for the voluntary scheme

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purpose of this report

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purpose of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purpose of this report

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

- Appendix 1 – Map showing breakdown by ward of band H properties
- Appendix 2 – Alternative Option to Charitable Trust

12 BACKGROUND PAPERS

12.1.

Merton Council - call-in request form**1. Decision to be called in: (required)**

Item 7 on the agenda, Cabinet 11 November 2019

Feasibility and Costs of a Council Tax Voluntary Scheme

1. That consultation will not be progressed with band H council tax residents to establish if a council tax voluntary scheme should be implemented.
2. That any benefits to introducing the scheme would not outweigh the likely financial losses of implementation, as concluded in paragraph 2.23 of the Cabinet report.

2. Which of the principles of decision making in Article 13 of the constitution has not been applied? (required)

Required by part 4E Section 16(c)(a)(ii) of the constitution - tick all that apply:

(a) proportionality (i.e. the action must be proportionate to the desired outcome);	
(b) due consultation and the taking of professional advice from officers;	
(c) respect for human rights and equalities;	
(d) a presumption in favour of openness;	X
(e) clarity of aims and desired outcomes;	
(f) consideration and evaluation of alternatives;	X
(g) irrelevant matters must be ignored.	

3. Desired outcome

Part 4E Section 16(f) of the constitution- select one:

(a) The Panel/Commission to refer the decision back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns.	X
(b) To refer the matter to full Council where the Commission/Panel determines that the decision is contrary to the Policy and/or Budget Framework	
(c) The Panel/Commission to decide not to refer the matter back to the decision making person or body *	
* If you select (c) please explain the purpose of calling in the decision.	

4. Evidence which demonstrates the alleged breach(es) indicated in 2 above (required)

Required by part 4E Section 16(c)(a)(ii) of the constitution:

At full Council in April 2019 a motion was passed calling on the Cabinet to look at ways in which a charitable fund, based on the models used by some other Councils, could be established to help mitigate some of the cuts in national education funding.

We feel that the Cabinet's decision to not progress a consultation on this, on grounds that any benefits of the scheme would be outweighed by the financial costs of implementation, breaches two of the principles of decision-making required by the constitution.

Consideration and evaluation of alternatives; the presumption of openness

Cabinet spent circa 4 minutes on this agenda item.

The motion to full Council stated that the models used by other councils should be examined.

The report presented to cabinet simply looked at one local authority (Westminster), rather than looking at wider possibilities and options, with no reference to any other local authority's current or proposed model. There was no direct discussion at Cabinet of the evidence base relied on in the report.

In addition, neither the report nor the Cabinet meeting considered:

- Potential local authority models for the charity set up, nor proposed models nor evidence that other authorities setting up a voluntary council tax schemes have investigated;
- Potential ways to increase the amount of predicted donations to make the scheme more cost effective. The main potential difficulty highlighted in the report is that Westminster request donations from 15,600 Band H properties, whereas Merton only has 1751 such properties. Neither the report nor Cabinet considered that other categories of Council taxpayers could be written to (eg what would the impact of also writing to Band G property owners be) to overcome this difficulty.
- That the report measures only first year potential income against first year costs. First year costs would likely be higher, and once the charity was established, additional fundraising methods would be possible (eg it could be a Mayoral charity, educational grants could be applied for).
- That raising £40-60K in the first year compared to £10K costs does not obviously justify the decision that "any benefits to introducing the scheme would not outweigh the likely financial losses of implementation" (emphasis added).
- The impact on the costs of the proposal of using the Merton Giving Scheme mentioned in para 2.20/Appendix 2.

We note that in an answer to a question from a councillor on such a scheme at the April full Council, the Cabinet member for Finance said "We also would not want a

fund to pay for important or strategic services that should be paid for as a matter of course out of council budgets”.

In the absence of the consideration of alternatives in the report, or full discussion of the issue or alternatives at Cabinet, it allows a perception to arise that the decision was predetermined, and therefore has not been taken in an open and transparent manner.

In this climate of the continuing local authority funding crisis, there is a need for Merton to be innovative and creative in developing solutions on behalf of residents. It is disappointing that this opportunity, which was backed with cross-party support, has not been seized upon to the benefit of local children.

5. Documents requested

6. Witnesses requested

Relevant officers from local authorities that have developed, or are developing, such schemes, so that their approach and evidence base can be looked at (or indeed, the establishing of local authority charitable trusts generally)

7. Signed (not required if sent by email):

Councillor Anthony Fairclough

Councillor Simon McGrath

Councillor Carl Quilliam

Councillor Eloise Bailey

8. Notes – see part 4E section 16 of the constitution

Call-ins must be supported by at least three members of the Council.

The call in form and supporting requests must be received by 12 Noon on the third working day following the publication of the decision.

The form and/or supporting requests must be sent:

- **EITHER** by email from a Councillor’s email account (no signature required) to democratic.services@merton.gov.uk
- **OR** as a signed paper copy to the Head of Democracy Services, 7th floor, Civic Centre, London Road, Morden SM4 5DX.

For further information or advice contact the Head of Democracy Services on 020 8545 3864

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Appendix C – Officer Response

Introduction

The report to Cabinet on 11 November 2019 was researched and written in response to a motion passed at Council in April 2019:

“ This Council calls on Cabinet to look at ways in which a charitable fund could be established to manage revenue coming from an additional voluntary council tax from Band H properties, based on the models used by some other Councils. These monies could be used to establish a charitable fund, to help support the council and partnership’s ambition of bridging the gap in the borough, to help mitigate some of the cuts in national education funding since 2010, subject to consultation.”

The report to Cabinet presented all the information that was available at the time, which was from the sole authority, Westminster Council that had implemented a voluntary contribution scheme.

The Head of Revenues and Benefits has subsequently attended a workshop held by Westminster Council (presentation slides in Appendix D) and was therefore able to gather further information about the Westminster scheme and to make contact with other authorities who were also considering such a scheme. Information collected from these authorities is set out below.

This officer response also contains details of Merton council tax band data to assist with estimates of the cost and potential revenue if a scheme were to be set up locally.

Other council schemes

There had been a press release issued by the Royal Borough of Kensington and Chelsea in February 2019 detailing that consultation was going to commence consultation to residents of band H properties to see if they wanted to pay more.

<https://www.rbkc.gov.uk/press-release/new-voluntary-contribution-%E2%80%93-consultation-be-launched>

Although the Royal Borough of Kensington and Chelsea were contacted officers failed to establish if, when and how they were implementing a scheme.

On the 1 November the Head of Revenues and Benefits attended a meeting at Westminster council to review and discuss their voluntary scheme which included an update on their progress, lessons learnt and also an update from council’s who are considering implementing a voluntary scheme. The lead officer from Westminster stated that four council’s had indicated that they were likely to progress with either implementation or consultation. The council’s highlighted were Royal Borough of Kensington and Chelsea, Lambeth, Richmond and Islington.

At this meeting Westminster clarified that in year one £400,000 was received in the first wave (March 2018) and £200,000 from the letters sent in November 2018. In year two £280,000 has been received and they are expecting a “significant boost” in the autumn as details of expenditure is revealed to residents.

The Head of Revenues and Benefits at Westminster was asked to attend Overview and Scrutiny but was unable to due to other work commitments. However, attached to this report is the presentation document used by Westminster at the meeting above. If there are any specific questions Westminster have indicated they will answer via email.

Enquiries have been made with council’s who have been looking at a voluntary scheme and the findings are detailed below.

Kensington and Chelsea

Early in 2019, Kensington and Chelsea Council carried out a consultation exercise with Band H households to determine whether they would be interested in making an additional contribution on top of their Council Tax to support local priorities.

The consultation survey was sent to 15,500 Band H households (22,750 Council Tax payers). A total of 1,172 responses were received. Overall support for the scheme was very strong, with 67% of people supporting the scheme, 61% saying they would contribute and of these 80% saying they would support the priority in Year 1 of investing the money to support opportunities to access and employment.

The Council has made it clear that this will be a voluntary scheme and that only those residents who said they would be willing to contribute will be contacted.

The Council is in the process of setting up a new charity that will be registered with the Charity Commission and will operate as a separate entity to the Council. The charity will directly to the charity and the Board of Trustees will be responsible for making funding decisions.

The contributions will not fund services that the Council should otherwise be providing. The funding will be aligned but will aim not to duplicate funding from other sources (including the Council, voluntary sector)

It is anticipated that the charity will be registered with the Charity Commission by the end of 2019. The charity will then be in a position to contact all individuals who expressed an interest in the scheme and invite them to make a voluntary contribution.

The band H charge for 2019/20 is £2,381.10. It is not clear when the scheme will commence

Richmond Upon Thames

Richmond Council are in the process of setting up a voluntary community contributions scheme whereby council tax payers in 12,700 Band G and 3,300 H properties will be asked to make additional financial contributions towards non-statutory services identified as priorities by the Council. The intention is to provide assistance to vulnerable groups in the borough.

The Council has established a charitable trust to administer the scheme independently of the council and are now in the process of registering with the Charity Commission to obtain charitable status.

Letters will be sent out by the charitable trust at a different time of year to the council tax letters to make it clear that this is an independent scheme. The suggested level of donations will range from £50 to £250, though residents will be able to choose any amount. The decision on use of funds will be made by the Board of Trustees.

The band H charge is £3,607.44 (band G is £3,006.20). It is not clear when the scheme will commence

Islington

In June 2018 the Leader of Islington Council announced his intention to draw up plans for a voluntary supplement aimed at band H homes. Money raised would be used to support the Fairer Islington Fund, a charitable body, and to provide early intervention and prevention services to local people.

Contact was made with the lead officer in December 2019 who reported that they were exploring this and would be able to provide further information in a few months.

Calderdale

Calderdale Council have assessed a range of alternative options for funding services, including crowdfunding, philanthropy and voluntary council tax contributions for higher council tax properties.

In July 2019, Calderdale's Cabinet agreed to develop a council lottery scheme and to receive a more detailed report on crowdfunding or philanthropic funding for specific projects or services. Cabinet agreed to not proceed with voluntary council tax contributions as there are only 43 Band H properties in Calderdale.

Merton council tax data

The report only looked at band H properties based on Westminster's scheme. Council tax properties are banded between A and H based on the property value at 1991. As at 1 October 2019 the split of Merton properties by band is detailed below along with the number of empty properties and number of properties with council tax support in payment:

Band	Number	Empty properties charged the levy (empty for over two years)	Properties with council tax support in payment	Council Tax Charge (excluding the Wimbledon Commons precept)
Band A	1,120	6	352	£1,032.22
Band B	8,474	37	2,217	£1,204.26
Band C	23,299	45	4,034	£1,376.30
Band D	27,843	38	3,217	£1,548.33
Band E	13,209	16	728	£1,892.40
Band F	5,571	5	142	£2,236.48
Band G	4,045	10	40	£2,580.55
Band H	1,751	14	1	£3,096.66
Total	85,312	171	10,681	

As detailed in the report, 77% of Westminster's residents who made a voluntary contribution paid £2,421.00 or less (band H charge £1,421.00 plus the voluntary contribution). This overall contribution was less than Merton residents paying the band G charge.

Examples of estimated contributions

Any voluntary scheme could be extended to additional banded properties. It would be difficult to estimate potential contributions from residents in band G properties as there is nothing to compare with.

a) Band H only same percentage of contributions as Westminster

As detailed in the original report (2.9), if the same percentage of contributors was applied to Merton for residents in band H properties we would receive 59 payments and assuming the

same average contribution (£963) then £56,817 could be received

b) Band H only contributions of more than Merton band H charge

As detailed in (2.12) only 21 of Westminster's 540 contributors paid more than Merton's band H charge. Using this percentage Merton would only receive 2 contributions.

c) Band G and H same percentage of contributions as Westminster

If the scheme was extended to band G and H properties in Merton there would be 5,772 possible contributors (Band G and H charge less those paying the empty property levy). If the same percentage of payers in Westminster was applied (3.46%) then 200 contributions could be received. Again assuming the same average contribution (£963) then £192,600 could be received.

Future year's income

Based on information provided by Westminster there was a reduction of income in year two. In year one £400,000 was received in the first wave and only £280,000 in year two, a reduction of 30%.

Applying a similar reduction to examples a) and c) above year two income could be:

Example a) - £56,817 in year one and £39,772 in year two.

Example c) - £192,600 in year one and £134,820 in year two.

Costs of the scheme

The original report estimates year one costs at £10,150, although this would increase if we wrote to residents in band G properties – the cost would increase by approximately £4,000 per mailshot and there could be three mailshots and in some cases four increasing the cost by approximately £16,000 in year one. In future years the initial consultation costs and some of the staffing costs would reduce.

Estimated costs for years one and two

Example a) year one £10,150 and year two £4,000

Example c) year one £26,000 and year two £12,000

An alternative method to sending mailshots would be to use My Merton to undertake consultation or promote the scheme.

In Westminster the cost of administering the scheme is being met within existing budgets and Richmond council have also stated that the cost would be met through existing budgets.

Delivery vehicle

If a voluntary scheme was implemented then a suitable vehicle for administering, awarding funds and monitoring spend would need to be agreed and implemented. The original report suggested a Charitable Trust but as an alternative method provided details on using Merton Giving scheme.

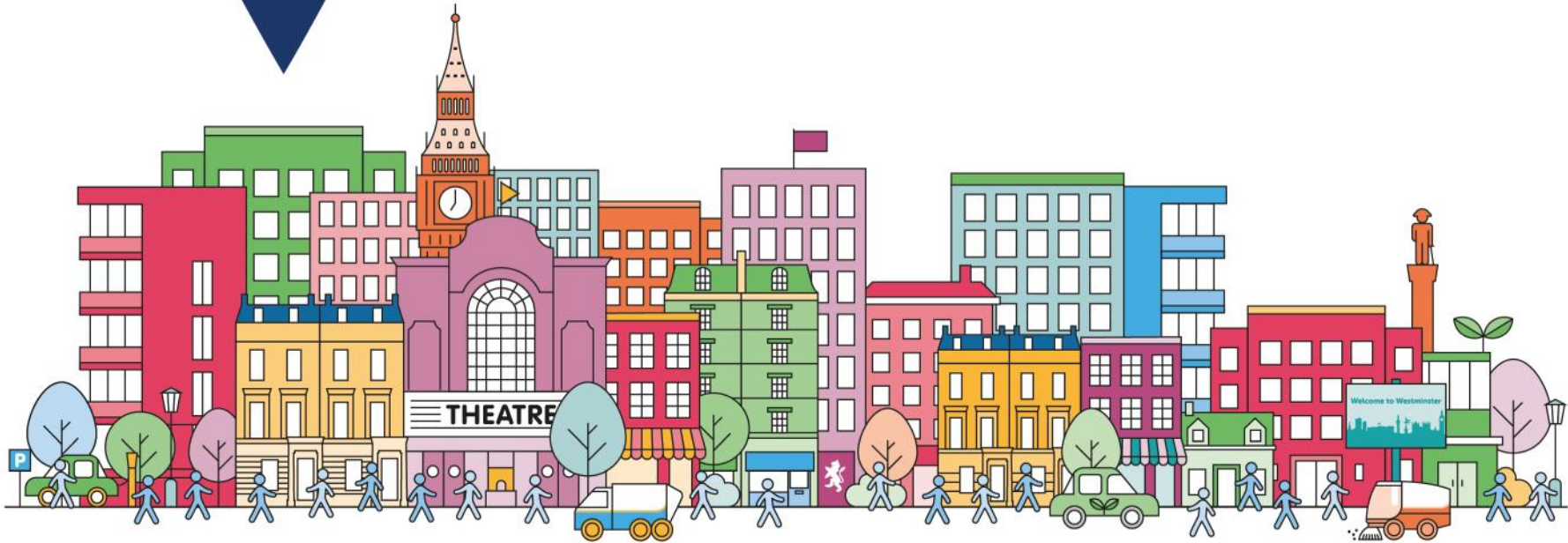
Richmond, following advice from the South London Legal Partnership, opted to set up a Charitable Trust.

Advice should be taken from the South London Legal Partnership for the most suitable and cost effective method for Merton.



Westminster Community Contribution

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In March 2018, Westminster City Council launched its voluntary Community Contribution scheme – a way for residents in higher value properties who choose to, make a payment in addition to their Council Tax payments to support local projects.

*“This scheme had it cynics, but the number of contributions we have had are proof that **an innovative** idea like this one can make a difference” (Leader of the City Council / The Guardian - May 2018)*

“I congratulate Westminster Council for inviting wealthier tax payers to top up a voluntary community contribution for local services. I fully endorse their imaginative initiative. May all of us who are willing to do this be given the facility to do so. Thank you, Thank you! – You are fantabulous!” The Archbishop of York, Dr John Sentamu.



The scheme has delivered:

- the first significant proposal that has been put in to practice to address the inadequacies and unfairness of the current national Council Tax Banding system.
- a clear statement to our residents that we understand the inequalities of the current scheme and are doing something about it.
- significant funding to provide additional services to help our most vulnerable residents
- evidence that can be used to inform and influence future government policy direction
- demonstrated to local government what can be achieved and is now being followed by other local authorities
- insight into the priorities and behaviours of different segments of resident groups



In order to deliver the scheme, the Council has had to show:

- Innovation
- Political courage / risk taking
- Delivery of complex cross-cutting work over a very short implementation period
- Tenacity in delivering a high profile political agenda through collaboration and innovative solutions



Westminster Context

The City of Westminster includes a wide diversity of domestic property, including some of the most expensive real estate in the world. At the same time Westminster is also home to some of the most deprived and diverse communities in the country.

Whilst Westminster is proud to have the lowest Council Tax in the country, the current national banding scheme means that residents in multi-million properties only pay twice the current Band D Council Tax (which is lower than Band D charges in a number of other boroughs). This is considered unfair for many of our residents, and the Council therefore sought to identify a financial solution that would enable us to deliver additional services to the most vulnerable members of our community without exerting an extra financial burden on the majority of residents.



Initial Lobbying

The City Council initially sought the traditional method of delivering change through lobbying central government. The Council produced its own proposal that in outline proposed the revaluation of all Band H properties by the Valuation Office into:

- Band H
- Band I (Prime properties - for example those value at £5M+)
- Band J (Super Prime properties- for example those value at £10M+)

The proposal would have allowed local authorities to set the relevant ratios for Band I & J properties (Band H to remain at the existing double Band D ratio). The proposal was reviewed and considered workable by DCLG officials, but unfortunately did not receive the political support necessary for a change to the relevant primary legislation



Not to be deterred!

The Council was determined to persevere and developed the concept of a voluntary contribution from residents predominantly living in Band H properties. The scheme was subsequently named the **Westminster Community Contribution**.

In order to assess the feasibility of the scheme, a consultation exercise was undertaken over a four week period (November to December 2017), with the borough's 15,600 Council Tax Band H residents. The consultation asked about support for the scheme, as well as for preferences as to where any money raised should be spent.



Consultation Outcome

- The consultation, (in the form of a post out), produced a very high response rate for a local government consultation exercise, with around 1,000 residents responding. The consultation responses were approximately split 50:50 for and against the scheme, but there was a net positive favourable response from people with properties self-valued at over £5m, which increased to over 55% with people in properties worth over £10m
- Main negative feedback was that overburden of tax on wealthy, fear that the scheme would compete with charities and that people would not take part if it were voluntary
- Residents were asked what they would spend the money on - there are were two groups
- the larger group wanted spend on the most vulnerable in the community (older people, youth and rough sleepers were all namechecked)
- a sizeable minority were interested in money being returned to the areas that donated in the form of cleaner streets, more security, more local services
 - The money to be spent in a transparent and project based way so that impacts of the scheme would be tangible
 - The scheme to allow for Gift-Aid



Gift Aid

As a direct result of the resident feedback, it was identified that the additional income from the proposed scheme could be enhanced through incorporating the option for donations to be subject to Gift Aid (25p is added to every £1 donated).

Therefore, the Council decided to utilise an existing charitable organisation, the City of Westminster Charitable Trust. The Trustees, in line with resident views gained from the consultation, determined that any Community Contributions received would be used for the following three additional services for the borough's vulnerable residents:

- Helping young people – investing in youth clubs
- Extra support for people who find themselves sleeping on Westminster's streets
- Helping to tackle isolation and loneliness –not just amongst the elderly but across all age groups, including young people



Implementation

The consultation response analysis concluded formally on 15th December. After the analysis of the results was completed and reviewed, there were only 8 weeks until the Council Tax mailing in March when the requests for contributions would be made.

A small project team was formed, including officers from Revenue Services, Policy and Communications and IT, supported by our Revenue Services and external printing & mailing contractors. Resourcing for the project was found within the council budget.



The project

The project team met daily to review progress as the project evolved. The table below illustrates the timelines and high level milestones for the project:

High Level Milestones	Key Dates
Consultation	08/11/2017– 15/12/2017
Communications (press release, media statements) on Consultation results	07/02/2018 - onwards
Development of website/payment portal/reporting database	15/02/2018 – 15/03/2018
Consultation Outcome letters sent to Band H residents	12/02/2018
Band H 'Ask' Letters sent along with Council Tax letter	16/03/2018
System 'Go live'	16/03/2018
Payment Reporting	16/03/2018 - ongoing
Despatch of 1 st Phase of Thank You letters	16/04/2018 – on going
Despatch of second round of requests for people who had not contributed	21/11/2018
Despatch of letters for the second year of Community Contribution letters	17/03/2019



The following is a list of the key issues/actions that had to be addressed:

- A formal Council decision via Cabinet Member report to enable the scheme to proceed
- Research and implementation of the rules and regulations regarding Gift Aid
- Re-establishing the City of Westminster Charitable Trust, which was in the process of being wound down
- Setting up a new Trust bank account, with an online banking function
- Producing a consultation response letter to all Band H residents (different formats of the letter were sent depending on whether the resident had indicated their support for the scheme, were not in favour of the scheme or had not replied to the consultation)
- Developing a database to record consultation responses, contact, payments and Gift Aid
- Updating the Council and Trust's websites
- Forging relationships with academia to help create robust nudge RCTs



-
- Developing and implementing payment methods for the Community Contribution, including:
 - BACS payments
 - Standing order
 - Cheque payments
 - On-line payment facility
 - MOTO payments (Over the phone)
 - Charitable vouchers
 - Drafting and designing letters requesting a Community Contribution to accompany the Council Tax bills for Band H residents. A separate letter was sent to Band A to G properties advising about the Council's Community Contribution scheme. The personalised letters required a significant change to our annual billing print sets, which in turn required considerable effort and assistance from our external printers and additional testing
 - Handling a consistent stream of national press enquires
 - Reconciliation of payments
 - Production of thank you letters and following up with contributors



Second Wave of letters / Behavioural Insights

On 22nd November a second wave of letters were despatched to households who had not yet contributed

These letters were designed with help from Kings College in the form of 6 different variants which were designed to appeal to different aspects of people's willingness to contribute – e.g. making it appear that peers were commonly contributing, neighbourhood pride and risks of not being able to raise more money

Letter gave only limited information on plans for money thus far

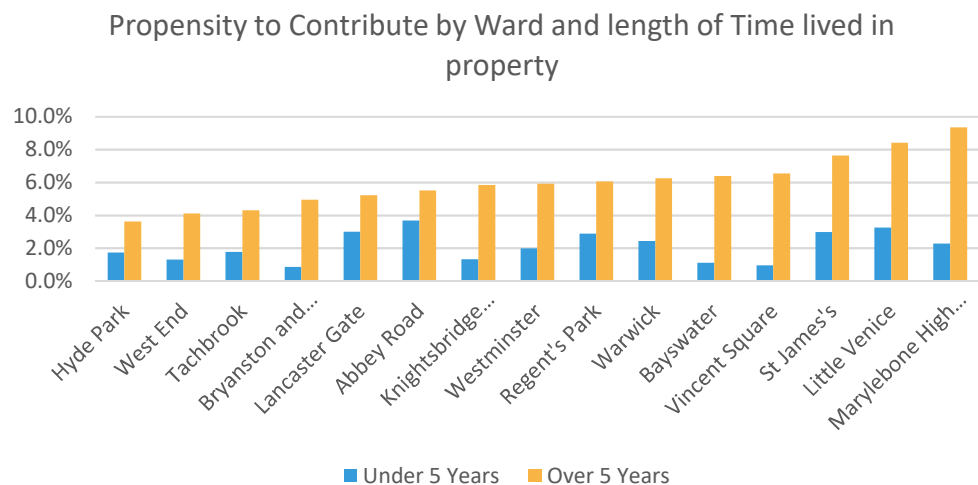
The results of donations and the impacts of different nudge approaches have been analysed



The value of analysis and insight

Analysis of donor profiles has been invaluable in understanding not only messaging to residents for Community Contributions but also for more general communication activities. We have learnt that –

- The process of engagement drives up contributions even for people against the scheme.
- Long term residents understand the issues that the Council face, but we have much more work to do to win over more recent arrivals
- Households in properties that are company owned have barely engaged at all



Response in Consultation	% of total in consultation	Made a contribution
For	3.1%	36.55%
Conditional	0.1%	28.57%
Against	3.8%	5.35%
No Response	91.9%	3.06%

- There was surprisingly little relationship between the areas where the visible issues that the Council are seeking to address are most prominent and donors
- Single person households were actually more responsive to consultation and generous in donating
- Using a commercial segmentation tool (ACORN) and the rate of donation, we were able to test payment preference assumptions and feed into customer experience workstreams



Behavioural Insights

The letter treatments are based around three concepts that donations

- Helps an area to “gain” or stops an area from “losing” and
- Are more likely to be made if people feel their peers are donating
- Are more likely to be made if it an element of competition – “be the best is introduced”

The response rates are shown below in brackets

		Competition	Norms
Gain	Letter 1 (1.13)	Letter 3 (1.16)	Letter 5 (0.78)
Loss	Letter 2 (1.19)	Letter 4 (1.19)	Letter 6 (1.02)

King’s College colleagues noted that ‘loss’ treatment does better than its equivalent ‘gain’ treatment (as expected)

The Competition treatment does better than the others (which is interesting) and Norms is worse than others. In fact the only thing that we can reject at 95 % confidence level is that Norms contributed anything above what gain and loss letter delivered.

The outcomes from this research gives us valuable insights in how to approach residents around donation in the future



Financial Outcome

As at 9th August 2019 Community Contribution payments have been made from around **800 individuals** amounting to (including the Gift Aid element) **£890k** to spend on additional services for our most vulnerable residents. The deployment of Gift Aid has enhanced the amount raised by £90k and has been taken up by around half of all of residents thus far.

In Year 1 Around £400k was raised from the first wave and just over £200k from the letters sent in November. In Year 2 a further £280k has been raised, with a significant boost expected in the Autumn as more details on expenditure is revealed to residents.

Majority of payments have been made by cheque despite more instant payment options available via the on-line portal



Other Conclusions

- Westminster's Band H households profile probably quite unique, but some interim findings re contributors
- People who pay by company accounts or have exemptions are not contributing
- People who pay a single person discount are more likely to contribute
- People who engaged with the consultation, even if they were against the scheme are more likely to contribute
- ACORN (customer segmentation) tools suggest that contributors are split between households who are not digitally engaged – they pay by cheque, like letters etc and those who are very digitally savvy
- We've not been fully able to understand yet but suspect that non-full time occupation, use of property as short-term lets, and being a "new" resident all reduce propensity to pay.



The Future

- A decision will be undertaken later in the financial year in relation to plans for 2019/20
- Lack of Direct Debits mean that we are again needing to ask people to opt-in to payments
- Media around scheme has been largely positive, and awareness should help alleviate uncertainties in 2018
- Potential to expand requests to other Bands – could raise more money but breaks the purity of original concept



Conclusion

A scheme which is delivering significant outcomes:

- a clear statement to our residents that we understand the inequalities of the current scheme and are doing something about it, delivering on the Council's commitment within its City for All agenda
- significant funding to provide additional services to help our most vulnerable residents
- evidence that can be used to inform and influence future government policy direction



Committee: Overview and Scrutiny Commission

Date: 22 January 2020

Wards: All

Subject: Impact of Universal Credit on Merton Residents

Lead officer: Caroline Holland, Director of Corporate Services

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

Contact officer: David Keppler, Head of Revenues and Benefits

Recommendations:

-
1. For the Overview and Scrutiny Commission to discuss and comment on the report and advise of any further information required
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To provide Overview and Scrutiny Commission with an update on the roll out of Universal Credit in Merton, numbers of claimants, enquiries dealt with by the CAB and the potential number of residents affected by Universal Credit.

2 DETAILS

- 2.1. Universal Credit is a Department of Work and Pension (DWP) administered benefit. The local authority do not administer this benefit and are reliant on the DWP and local Job Centres for information and statistics relating to the benefit.
- 2.2. The implementation of Universal Credit was always planned to be a phased and controlled roll out that only affected new claims to the benefits that were replaced by Universal Credit. The initial phase was for single claimants only, then families and households and then at a later stage the transfer of all other claimants that had not transitioned to Universal Credit.
- 2.3. Universal Credit is only for working age claimants and pensioners are not affected by the change.
- 2.4. Universal Credit has to be claimed on line and every claimant requires an on line account.
- 2.5. Initially Universal Credit was to be paid direct to the claimant including the rent element of Universal Credit. Early pilots saw increase in rent arrears and alternative measures were put in place so that the rent element could be paid direct to the landlord.
- 2.6. Universal Credit was implemented across Merton for single claimants only in January 2016. These claimants had no rent liability and were classified as the simplest types of claims to move on to Universal Credit.
- 2.7. In November 2015 Sutton Council commenced a pilot with the Sutton Job Centre for Universal Credit full service which was for families and household with children and included the rent element which meant that these

claimants would cease claiming assistance for their rent from housing benefit.

- 2.8. This pilot was rolled out slowly with selected post codes only and a very small number of claims and with daily communication between the council, Job Centre and DWP.
- 2.9. In February 2016 the pilot was extended to all post codes covered by the Sutton Job Centre. Without anyone from the Job Centre or DWP advising the council this pilot affected all Merton residents living in SM4.
- 2.10. In effect all residents in SM4 making a new claim had to claim Universal Credit from February 2016 and could no longer claim housing benefit for assistance with their rent.
- 2.11. Initially there was a lot of confusion for Merton residents who thought that they had a choice whether to claim Universal Credit or housing benefit and we had many residents tell us that they did not want to claim Universal Credit.
- 2.12. We saw examples of where claimants had to wait 9 to 10 weeks for their Universal Credit to be paid.
- 2.13. Universal Credit was not paid for the first week of the claim, so in effect the claimant would not receive any help with their rent for the first week whereas under the housing benefit regulations assistance with the rent is paid from the following Monday from when the claim was made or in the first week of a new tenancy the Monday of that week.
- 2.14. This rule was changed and from 13 February 2018 Universal Credit has been payable from day one of the claim rectifying the issue of claimants not being paid for the first week of a claim. This change also results in the average payment being made after 5 weeks reduced from 6 weeks
- 2.15. Arrangements for emergency payments were also changed, where claimants could apply and receive an emergency payment within three days and in some instances on the same day. Emergency payments have to be repaid from on-going entitlement to Universal Credit. Claimants have up to 12 months to repay.
- 2.16. The council were required to put in place a Universal Credit Support Framework to help and assist residents claim Universal Credit, maintain their on line account and help with budgetary management.
- 2.17. A multi-agency approach was adopted for this framework with support being provided to residents by individual council support workers, the council's welfare benefits team, Libraries staff and the CAB.
- 2.18. Access to computers and assistance with on line applications was available at Merton Libraries
- 2.19. The CAB provided a budgetary advice service on a referral basis.
- 2.20. From April 2019 the DWP removed this responsibility from all council's and entered into an arrangement with CAB offices to deliver this.
- 2.21. Individual council officers and the welfare benefits team help residents with claiming Universal Credit and maintaining their claims.

- 2.22. The council can pay Discretionary Housing Payments to claimants in receipt of Universal Credit. These payments help claimants who have financial difficulties such as they are affected by the benefit cap, the under occupation charge (bedroom tax). To qualify the claimant has to be in receipt of Universal Credit.
- 2.23. For the period 1 April 2019 to 23 October 2019 £107,000 has been paid to residents in receipt of Universal Credit. These payments are to help where they are affected by the benefit cap, under occupation rules or other financial difficulties through welfare reform. We have already committed to paying an additional £86,000 and deal with applications on a weekly basis.
- 2.24. From 1 April 2018 every claimant in receipt of housing benefit who moves onto Universal Credit will be entitled to have their rent paid for two weeks during the wait for their first payment; that payment is always non recoverable (even if the claimant is later not entitled to Universal Credit).
- 2.25. On 6 December 2017 Mitcham Job Centre went live with full service and claims for families and households and includes support with their rent.
- 2.26. Throughout the summer of 2018 the remainder of Job Centres that cover Merton addresses went live with Universal Credit and by October 2018 all post codes in Merton had been converted to Universal Credit.
- 2.27. The information below has been provided as an update from the Job Centre as at the 5 September 2019:

- An update on the number of Merton residents in receipt of UC

5,245 claiming UC (does not include SM4 which has 1,953 looked after by Sutton) So published data is in excess of 7,000 claims.

- Approximately how many new claims you receive every week or month

260 – 270 per month. Not all of these applications will proceed to become live claims, but the majority do.

- Any issues we should be aware of for Merton residents regarding UC or claiming UC

We are currently warning claimants against scammers who are telling people they can get a “free loan” from UC by claiming an advance. They persuade citizens to hand over personal details and then fraudulently claim in their name and land them with the debt. We have a media campaign warning people not to hand over their details and are working with CAB and others to warn people against this.

- Any update on the continued roll out and migration of HB claimants to UC

As planned, the testing of moving legacy claimants to Universal Credit will take place in Harrogate and begin in July 2019. The goal of the pilot is to learn as much as possible and to increase numbers as slowly and gradually as necessary. Testing the system and our processes will allow us to make sure we can provide the best possible service to those claimants who will

need to move to Universal Credit from their legacy claim as planned, by the end of 2023.

- Anything else you think would be useful

We are working in close partnership with Citizens Advice to deliver Help to Claim – a service to support customers from making a claim to Universal Credit to their first payment. We are very proud of the success of supporting our younger customers and we deliver our “Youth Obligation” to 18-21’s which involves a series of interventions targeting at ensuring they engage in employment, training, apprenticeships or traineeships.

- 2.28. The CAB have seen a substantial increase in the volume of Merton residents making contact to seek help with Universal Credit. For the period October 2018 to September 2019 they had 2,484 enquiries (see appendix 1) the data shows an increase in enquiries in recent months.
- 2.29. The CAB are finding that clients that do not use or have access to computers are those who struggle most with putting in an online Universal Credit claim. Fairly often the CAB are helping clients to set up email accounts as part of the process. In addition, clients often struggle to get all their paperwork together, particularly for housing costs. Couple claims also tend to take longer.
- 2.30. In April 2018, Trussell Trust (Foodbank) released their end of year figures stating that as a whole the Trust had seen an increase demand for their services of 19% on the previous year. Wimbledon saw a local increase of 40% on the previous year. They issued a total of 2411 food parcels feeding a total of 5899 people for 3 days.
- 2.31. Out of 2411 vouchers 1271 stated that a big part of their financial crisis is being on a low income, 358 stated that part of their financial crisis was caused by benefit changes while 342 stated benefit delays. Verbally many of their clients stated universal credit as being a big problem where changes to their benefits were almost certainly followed by benefit delays as well as reductions in benefit entitlement creating budgeting problems which then led to increased debt. Many of the clients that reported homelessness (80 officially) stated verbally that universal credits were partly responsible for their homelessness. Parents have reported that reductions in universal credits has caused significant anxiety and distress many of whom report that they had have had referrals done to mental health/social services.
- 2.32. The Housing Needs service has commented on the above as follows: - although 80 clients have told them that in part universal credit contributed to their homelessness and this may be correct, but it could only be confirmed by looking at each case individually and understanding the events that took place that lead up to a homelessness episode.
- 2.33. The Housing Needs service also confirmed that the end of Assured Short hold Tenancies continue to be the biggest cause of homelessness in London and in Merton and that generally and these occur for a range of reasons including:
Landlord want to sell the property

Landlord wants to re occupy the dwelling

Rent arrears/ anti-social behaviour

Restrictions to benefit rates such as the Benefit cap and the landlord can easily find tenants who can pay a market level rent

- 2.34. Merton residents that make a new claim of DWP benefit or have significant change of circumstances will be assessed for Universal Credit, so the numbers will continue to increase.
- 2.35. At some stage the DWP will then transfer the remainder of residents in receipt of a DWP benefit over to Universal Credit. The latest information is that this will commence in 2021 and conclude in 2023. There is no indication yet where Merton residents will be transferred.
- 2.36. As at 30 September 2019 there are 8,662 Merton residents or households in receipt of housing benefit. The number in receipt of housing benefit as at December 2017 (when Mitcham Job Centre went live) was 11,335. A reduction of 23.6%. Of these 5,895 are of working age and could potentially transfer to Universal Credit.
- 2.37. However, there are some types of circumstances for working age claimants where they will not be transferred to Universal Credit for help with the rent but they will continue to claim housing benefit. These types of claims are:
- Where the property is classified as supportive exempt accommodation, this is where the claimant receives counselling and support from the landlord or from an external provider arranged by the landlord
 - Where the claimant has more than two children in the household, these claims were initially assessed for Universal Credit but from April 2017 they had to claim housing benefit. However, this is changing from 1 February 2019 and claims will in future be for Universal Credit.
 - Claimants in temporary accommodation will have to claim their housing costs through housing benefit.
- 2.38. Due to these three exceptions it is not possible to give an accurate estimate of how many Merton residents or households will eventually transfer to Universal Credit.

3 ALTERNATIVE OPTIONS

- 3.1. None for the purpose of this report

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. None for the purpose of this report

5 TIMETABLE

- 5.1. The timeframe for the transfer of all remaining cases from housing benefit to Universal Credit is unknown but the DWP have indicated it will take place between 2021 and 2023.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. None for the purpose of this report

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. None for the purpose of this report

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purpose of this report

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purpose of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purpose of this report

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

- Appendix 1 – Breakdown of CAB enquiries relating to Universal Credit

12 BACKGROUND PAPERS

12.1.



Merton & Lambeth

Citizens Advice Merton and Lambeth Universal Credit in Merton

As illustrated in the table below, in the past 12 months CA Merton and Lambeth have seen a dramatic increase in Merton clients seeking UC support.

Financial Year	2018-2019						2019-2020*						Grand Total
Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Total
UC Issues	122	123	76	121	165	143	195	283	232	357	319	350	2,484

*Help To Claim service commenced in April 2019

In the 12-month period, Universal Credit issues were:

Issue type relating to Universal Credit	Number of issues Oct 2018-Sept 2019
Initial Claim	1,034
Standard element	305
Housing element	338
Disability element	109
Limited capability for work elements	106
Child elements	137
Childcare costs	38
Carer elements	40
Calculation of income and capital	18
Calculation of income, earnings and capital	32
Conditionality and commitment (including sanctions)	29
Universal Support	10
Deductions	54
Not recorded/not applicable	234
Total	2,484

The national Help To Claim Universal Support programme funds a dedicated team at CA Merton and Lambeth to support individuals in the early stages of Universal Credit claim, from application through to first payment. Our team provides support and advice five days a week through: Telephone, Webchat, Drop In sessions at our Mitcham office, Outreach at Mitcham Job Centre Plus and pre-booked appointments at Mitcham and Morden offices. In addition to service delivery, our Head of Advice Services, is a member of the national Help To Claim Advisory Panel.

The Help To Claim service is currently a one year programme (to end-March 2020).

Breakdown of Initial Claim

Issue type	Number of issues (Oct 2018-Sept 2019)
Eligibility	347
Eligibility/entitlement	156
Calculation	33
Incorrect calculation	5
ESA two week run on	1
Access to cb JSA/ESA	16
Settled status	3
Restarting a claim	7
Uploading evidence	2
Understanding UC payments	14
Support to use assertive technology	57
Telephone claim	11
DWP Home visits	1
Appointee	1
Better-off calculation	14
Poor administration	2
Benefit cap	2
Client would be the same or better off under UC	1
Change of circumstance	10
Mandatory reconsideration	29
Access to internet/digital literacy	7
Managed migration	1
Appeals	17
EU access to benefits	18
Evidence & verification	9
Backdating	9
Gov.uk Verify	3
Gateway for Severe Disability Premium	2
HB run on	2
Habitual residence and right to reside	37
Initial wait for payment	8
Non-EU access to benefits	5
Natural migration	1



Merton & Lambeth

Not recorded/not applicable	51
Advance payment	84
Cohabitation	2
Deductions	3
Transitional protection	1
Other	62
Total	1,034

If you require further information, please contact Karen Brunger, Head of Advice Services, CA Merton and Lambeth on karen.brunger@caml.org.uk.
21 October 2019

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Overview and Scrutiny Commission Work Programme 2019/20



This table sets out the Overview and Scrutiny Commission's Work Programme for 2019/20 that was agreed by the Commission at its meeting on 4 July 2019.

This work programme will be considered at every meeting of the Commission to enable it to respond to issues of concern and incorporate reviews or to comment upon pre-decision items ahead of their consideration by Cabinet/Council.

The work programme table shows items on a meeting by meeting basis, identifying the issue under review, the nature of the scrutiny (pre decision, policy development, issue specific, performance monitoring, partnership related) and the intended outcomes. The last page provides information on items on the Council's Forward Plan that relate to the portfolio of the Overview and Scrutiny Commission so that these can be added to the work programme should the Commission wish to.

The Overview and Scrutiny Commission has specific responsibilities regarding budget and financial performance scrutiny and performance monitoring which it has delegated to the financial monitoring task group – agendas and minutes are published on the Council's website.

Scrutiny Support

For further information on the work programme of the Overview and Scrutiny Commission please contact: -
Julia Regan, Head of Democracy Services, 0208 545 3864, Julia.regan@merton.gov.uk

Meeting date – 4 July 2019

Scrutiny category	Item/Issue	How	Lead Member/ Lead Officer	Intended Outcomes
Holding the executive to account	Leader and Chief Executive – vision, key priorities & challenges for 2019/20	Presentation	Leader of the Council Ged Curran, Chief Executive	Context for Commission’s work programme
	Merton Partnership annual report	Report	Chief Executive John Dimmer, Head of Policy, Strategy & Partnerships	Context for Commission’s work programme
	Discussion of questions for BCU Borough Commander			To agree approach to questioning for the next meeting
Scrutiny reviews	Analysis of Members’ annual scrutiny survey 2019	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services	Discuss findings and agree action plan for 2019/20
	Report of the road safety around schools scrutiny task group	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services	To agree report for submission to Cabinet
	Overview and Scrutiny Commission work programme 2017/18	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services	To agree work programme and task group reviews

Meeting date – 11 September 2019

Scrutiny category	Item/Issue	How	Lead Member/ Lead Officer	Intended Outcomes
Scrutiny of crime and disorder	Borough Commander – crime and policing in Merton	Report and in-depth discussion	Borough Commander	To hold Borough Commander to account on crime and disorder
	Safer Merton Update	Report	Neil Thurlow, Community Safety Manager	Progress report to focus on ASB, knife crime & street drinking
Holding the executive to account	Annual Residents Survey	Report/presentation	Kris Witherington, Consultation & Community Engagement Manager	To discuss results relating to Safer and Stronger strategic themes and corporate capacity
Scrutiny reviews	Review of the overview and scrutiny function	Report of review carried out by Centre for Public Scrutiny	Cllr Peter Southgate Julia Regan, Head of Democracy Services	To discuss review results and agree action plan
	Financial monitoring task group	Minutes of meeting on 17 July and 29 August 2019	Cllr Stephen Crowe, chair of task group Julia Regan	To note minutes of meetings

Meeting date – 13 November 2019

Scrutiny category	Item/Issue	How	Lead Member/ Lead Officer	Intended Outcomes
Holding the executive to account	Draft Sustainable Communities Plan	Report and discussion	John Dimmer, Head of Policy, Strategy and Partnerships	Opportunity for pre-decision scrutiny.
	Shared services – updated list of services	Report	Sophie Ellis, Assistant Director of Business Improvement	To assess whether there is a need for further scrutiny
	Universal Credit	Position statement	Caroline Holland, Director of Corporate Services	To discuss and comment on the report
Budget scrutiny	Business Plan 2020/24 - information pertaining to round one of budget scrutiny	Report	Cllr Mark Allison Caroline Holland, Director of Corporate Services	To send comments to Cabinet budget meeting 9 December
Scrutiny reviews	Local Democracy Week – joint scrutiny with the youth parliament on the climate emergency	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services	To receive report and agree next steps
	Road safety around schools task group	Cabinet response and action plan	Chris Lee, Director of Environment and Regeneration	To receive Cabinet response and action plan
	Review of the overview and scrutiny function – action plan	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services	To consider the action plan

Meeting date – 22 January 2020

Scrutiny category	Item/Issue	How	Lead Officer	Member/Lead	Intended Outcomes
Holding the executive to account	Call in of Cabinet decision on 11 November on the feasibility and costs of a council tax voluntary scheme	Report and witnesses	Cllr Mark Allison, Cabinet Member for Finance Caroline Holland, Director of Corporate Services		To determine whether to refer issue back to Cabinet for reconsideration
	Universal Credit	Position statement	David Keppler, Head of Revenues and Benefits		To discuss and comment on the report
	Demographic profile of councillors and senior officers	Report and witnesses	Caroline Holland, Director of Corporate Services		To review and consider next steps

Meeting date – 12 February 2020 – additional meeting for round 2 of budget scrutiny

Scrutiny category	Item/Issue	How	Lead Officer	Member/Lead	Intended Outcomes
Budget scrutiny	Business Plan 2020/24 – update with latest information from Cabinet 27 January	Report – common pack for Panels and Commission	Cllr Mark Allison, Cabinet Member for Finance Caroline Holland, Director of Corporate Services		To report to Cabinet on budget scrutiny round 2
	Scrutiny of the Business Plan 2020-2024: comments and recommendations from the overview and scrutiny panels	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services		To report to Cabinet on budget scrutiny round 2
Scrutiny reviews	Review of the overview and scrutiny function – action plan	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services		Review of the overview and scrutiny function – action plan
	Cabinet response to youth parliament joint scrutiny on the climate emergency	Report	Chris Lee, Director of Environment and Regeneration		To receive Cabinet’s initial response to the recommendations plus a draft action plan
	Financial monitoring task group	Minutes of meeting on 14 January 2020	Cllr Stephen Crowe, chair of task group Julia Regan		To note minutes of meeting

Meeting date – 18 March 2020

Scrutiny category	Item/Issue	How	Lead Member/Lead Officer	Intended Outcomes
Holding the executive to account	Veolia contract – street cleaning	Report	Chris Lee, Director of Environment and Regeneration	Case study approach to contract management
	Access to services through the council's website	Report	Sophie Ellis, AD, Business Improvement	Update on accessibility issues
Scrutiny of crime and disorder	Restorative justice	Report	Neil Thurlow, Safer Merton Roberta Evans, YOT MOPAC/RJ service provider	Discussion with providers and stakeholders
	Modern day slavery	Report	Dawn Jolley/Neil Thurlow	
Scrutiny reviews	Financial monitoring task group	Minutes of meeting	Chair of task group Julia Regan	To note minutes of meeting held on 24.02.20
	Commercialisation, revenue generation and income maximisation	Report of scrutiny task group	Chair of task group Julia Regan, Head of Democracy Services	To agree report for submission to Cabinet (on 23 March or in June)
Scrutiny of crime and disorder	Identify questions for the Borough Commander	Discussion	Cllr Peter Southgate Julia Regan, Head of Democracy Services	Plan line of questioning for meeting on 2 April

Meeting date – 2 April 2020

Scrutiny category	Item/Issue	How	Lead Officer	Member/Lead	Intended Outcomes
Scrutiny of crime and disorder	Borough Commander – crime and policing in Merton	Report and in-depth discussion	Borough Commander		To hold Borough Commander to account on crime and disorder
	Safer Merton Update	Report	Neil Thurlow, Community Safety Manager		Progress report to focus on domestic violence
Holding the executive to account	Equality and Community Cohesion Strategy 2017-20	Action plan	Evereth Willis, Equality and Community Cohesion Officer		To comment on progress made with action plan
Performance management	Overview and Scrutiny Annual Report	Report	Cllr Peter Southgate Julia Regan		To approve and forward to Council
	Member Survey Results (if available)	Report	Cllr Peter Southgate Julia Regan		To discuss results and agree action plan
	Planning the Commission's 2020/21 work programme	Report	Cllr Peter Southgate Julia Regan, Head of Democracy Services		To review 2019/20 and agree priorities for 2020/21
Scrutiny review	Road safety around schools –update on Cabinet action plan	Report	Chris Lee, Director Environment and Regeneration		To comment on progress made with action plan

Forward plan items relating to the remit of the Overview and Scrutiny Commission

Award of Multi-Function Device Tender

This is to agree the award of the new Multi Function Device (MFD) tender. Report expected to contain some exempt information.

Decision due: 24 Feb 2020 by Cabinet

Adoption of the Co-Operative Party Charter on Modern Day Slavery

To adopt the Charter as called for by Council in November 2018

Decision due: 27 Jan 2020 by Cabinet

Contract Award - Risk and Resilience Service 2020

Report for award of contract – report expected to contain some exempt information.

Decision due: 27 Jan 2020 by Cabinet

Print Managed Service Contract

To enter into a re-procured Print Managed Service contract for the supply and maintenance of corporate multi-function devices (photocopiers/printers/scanners) including replacement high volume Print room equipment. Report expected to contain some exempt information.

Decision due: 23 Mar 2020 by Cabinet

Item to note relating to remit of Children and Young People Overview and Scrutiny Panel

DSG Recovery Plan

The Council's 'Recovery Plan', submitted to the DfE in respect of the current overspend in the high needs block of the DSG (Dedicated Schools Grant)

Decision due: 27 Jan 2020 by Cabinet

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