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Merton Council

Children and Young People

Overview and Scrutiny

Panel



Date: 3 November 2021

Time: 7.15 pm

Venue: Council chamber - Merton Civic Centre, London Road, Morden SM4 5DX

AGENDA

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Children and Young People Overview and Scrutiny Panel membership

Councillors:

Sally Kenny (Chair)
Hayley Ormrod (Vice-Chair)
Stan Anderson
Omar Bush
Nick Draper
Edward Foley
Joan Henry
James Holmes
Russell Makin
Dennis Pearce

Co-opted Representatives

Uzma Ahmad
Mansoor Ahmad, Parent Governor
Representative Secondary and Special
Sectors
Roz Cordner, Education Co-optee.

Substitute Members:

Thomas Barlow
Andrew Howard
Carl Quilliam
Dickie Wilkinson

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. For further advice please speak with the Managing Director, South London Legal Partnership.

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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CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY PANEL 29 SEPTEMBER 2021

(7.15 pm - 9.00 pm)

PRESENT: Councillors Councillor Sally Kenny (in the Chair),
Councillor Hayley Ormrod, Councillor Stan Anderson,
Councillor Omar Bush, Councillor Nick Draper,
Councillor Edward Foley, Councillor Joan Henry,
Councillor Russell Makin, Councillor Dennis Pearce,
Mansoor Ahmad and Roz Cordner

ALSO PRESENT: Councillor Eleanor Stringer, Joint Deputy Leader and Cabinet
Member for Children and Education

Stella Akintan (Scrutiny Officer), Elizabeth Fitzpatrick (Head of
School Improvement), Jane McSherry (Director of Children,
Schools and Families), Karl Mittelstadt (Head of Policy,
Performance and Partnerships), Tom Procter (Head of Contracts
& School Organisation) and Julia Groom

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from Councillor James Holmes.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of pecuniary interests

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

The minutes were agreed as a true and accurate record

4 UPDATE ON COVID 19 IN MERTON - PRESENTATION TO FOLLOW (Agenda Item 4)

The Consultant in Public Health gave an overview of the presentation and reported that:

There was an increase in the rate of infection from 200 to 265 per 100,000 of the population. This has been attributed to the return to school of 5-16 year olds.

There has been a decline in rates amongst 17-24 years down from the high rates over the summer but this could change when students return to college and university in the autumn.

There have been 14 outbreaks in Merton schools and nurseries since 6th September.

In response to questions it was reported that:

The Council have provided support to schools who have had outbreaks.

Currently around 35% of 16-17 year olds have been vaccinated. Measures to improve uptake include; working with Covid champions and young inspectors to promote messages around vaccination

5 SCHOOL PLACES PLANNING STRATEGY (Agenda Item 5)

The Head of Contracts and School Organisation gave an overview of the report.

A panel member asked if schools budgets will be protected as the funding follows the pupil. The Head of Contracts and School Organisation said the council is not generally in a position to protect schools budgets as school funding is determined by a national funding formula. The council can provide advice and some schools may find it beneficial to share resources at the management level.

A panel member asked if decisions about school places can be determined by the council rather than individual schools. The Head of Contracts and School Organisation said the council has statutory powers for Community Schools and to some extent Voluntary Aided schools but not Academies; the preference is always to work in partnership. Enforcement would only be a last resort.

A panel member asked for figures on the cost of the additional schools places and if the council should have found short term accommodation as the need for additional school places was temporary.

The Head of Contracts and School Organisation said that none of the external bodies providing population and pupil projections were of the view that it was temporary at the time of expansions, but we were cautious as soon as there was indication; the expansions completed around 2016 some temporary classrooms were used. The expansion programme was a multi-million pound project and was largely funded by the government.

The Director of Children, Schools and Families said there had always been a pragmatic approach to projection of school places with recognition that the GLA projections are considered to be at the higher end of the scale and therefore the Council has been cautious.

Panel members asked why there has been increase in demand in special educational needs and if there is a strategy to address this. The Director of Children, Schools and Families said there is an increase nationally, the age range for children in receipt of education health and care plans have increased from 5-19 years to 0-25 years. There has been an SEN strategy over a period of time. The approach has been to increase places in special schools as Merton historically had low numbers and support children in mainstream schools wherever possible.

A panel member asked how schools are adapting to change in the school population. The Assistant Director of Education and Early Help said the churn is significant and schools are managing this process, they use the induction process for new children, screening for SEN. Schools are familiar with looking at the data to inform their development plans and how processes might need to be adapted to respond to change in population.

A panel member asked if there will be extra support for schools given the deficit in the dedicated schools grant. The Director of Children, Schools and Families said negotiations will take place with the Department for Education.

A panel member asked about the impact on Head teacher's pay and support available to schools. The Assistant Director of Education and Early Help said discussions are taking place with individual schools and they are encouraged to look at staffing and curriculum models. Head teachers' pay may be affected and this will be discussed with Governing Bodies.

6 DEPARTMENT UPDATE (Agenda Item 6)

The Director of Children, Schools and Families gave an overview of the report.

A panel member asked about the race and equality in schools and what is the nature of the work moving forward. The Assistant Director of Education and Early Help said the challenge is to maintain momentum it maintains a priority for schools. A race identity and leadership programme has been implemented. Panel members asked for more detail on the work taking place in the Forum on race equality.

A panel member asked what will be the biggest challenge the council will face when entering into negotiations with the Department for Education. The Director of Children, Schools and Families said the biggest issues are the Designated Schools Grant deficit, overreliance on the independent sector whilst building up maintained specialist school places and the large numbers of children with an Education Health and Care Plan.

Councillor Hayley Ormrod asked for the minute to record that two years ago the Conservative Group proposed a motion for Whatley Avenue to remain an Education facility which was not passed.

RESOLVED

The Chair congratulated the Department on their successful Youth Justice Inspection.

7 CABINET MEMBER PRIORITIES (Agenda Item 7)

Special Educational Needs linked to the Designated Schools Grant
Pupil Places –The excess number of school places is a London issue. Do not want to close schools and recognise this could pose huge budget issues for individual schools

Focus on vulnerable children – good work on free school meals and work to close attainment gap. There has been an increase in anxiety and depression amongst young people.

A panel member asked about plans for foster carer recruitment. The Interim Assistant Director for Children's Social Care said the recruitment is going well considering the impact of the pandemic. The Mocking-Up Programme has been successful and the picture will improve as the lockdown is lifted.

8 PERFORMANCE MONITORING REPORT (Agenda Item 8)

The Head of Policy Performance and Partnerships gave an overview of the report and highlighted that the assessments are red for circumstantial reasons rather than a problem with the service.

9 WORK PROGRAMME (Agenda Item 9)

The Panel noted the work programme

Children and Young Person's Scrutiny Panel

3rd November 2021

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Dr Dagmar Zeuner, Director of Public Health

Merton Public Health Intelligence

3rd November 2021

Enquiries: gary.forbes@merton.gov.uk



Cases

- 7 day case rates have been highest in younger age groups, in particular 0-15 year olds - **398.3 cases per 100,000** (down from 409.40 previous week) (6th – 12th October).
- Trends in case rates have generally been **increasing in 11-16 year olds** and have been **fairly stable in 0-4 and 19-24 year olds** in Merton since the end of September.

Testing

- Trends in testing have been decreasing in **17-18 year olds (2674.3 per 100,000)** and **19-24 year olds (4210.6 per 100,000)**
Pillar 1 & 2 PCR tests in Merton were completed (week ending 18th October)

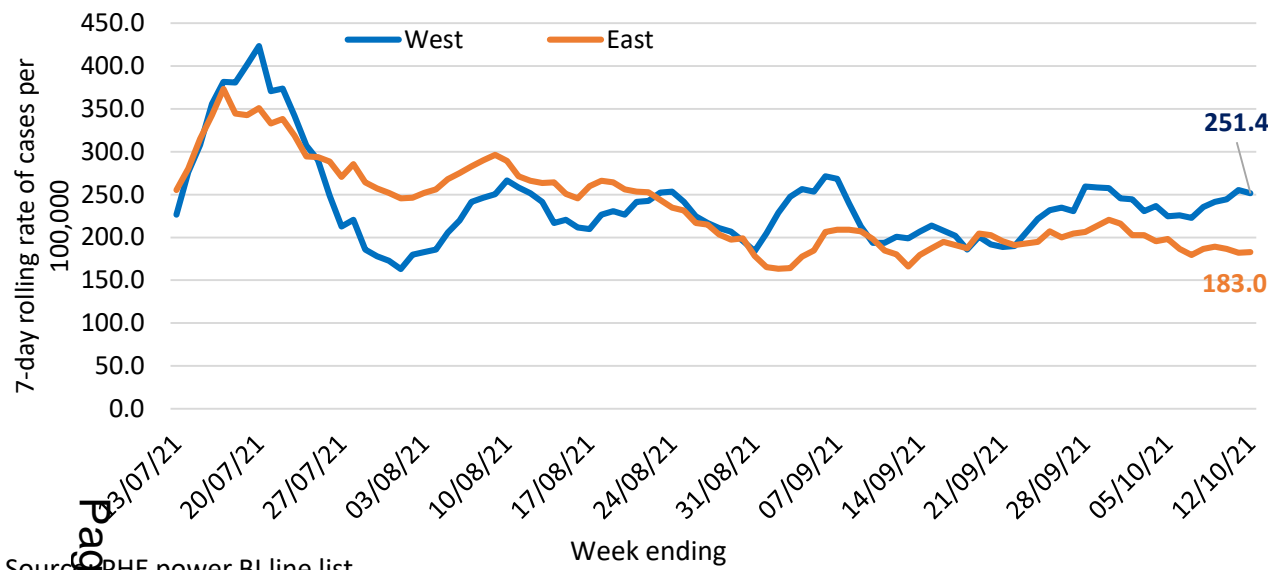
Vaccinations (13th October)

- **2.4% of 10-14 year olds** have been given a vaccine in Merton
- **23.9% of 15-19 year olds** have had 1st and 2nd dose vaccines in Merton (**25% – 1st dose only**)
- **52.9% of 20-24 year olds** have had 1st and 2nd dose vaccines in Merton (**9.5% - 1st dose only**)
- **56.1% of 25-29 year olds** have had 1st and 2nd dose vaccines in Merton (**6.9% - 1st dose only**)

Hospital & Deaths

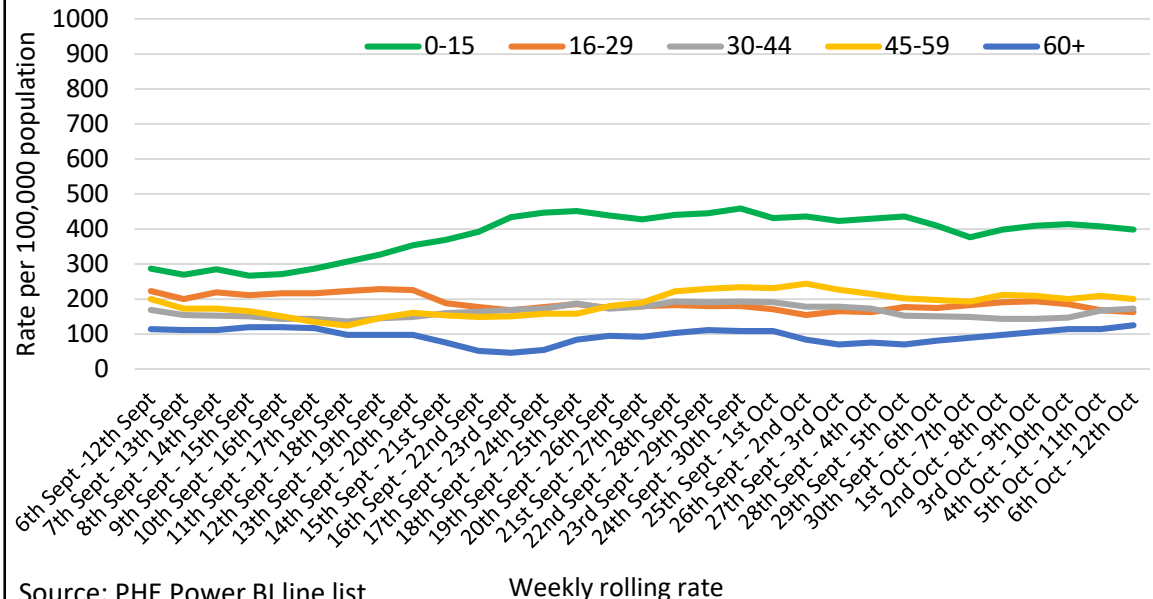
- NHS admissions – COVID Inpatients in SW London were **164** (week ending 6th October) compared to **153** for the previous week
- There has been **1 COVID death** (25th Sept-1st Oct) in Merton and none in the previous week. A total of **500 COVID deaths** in Merton since the start of the pandemic

7-day rolling Pillar 1 and 2 COVID-19 case rates per 100,000 residents in East and West Merton



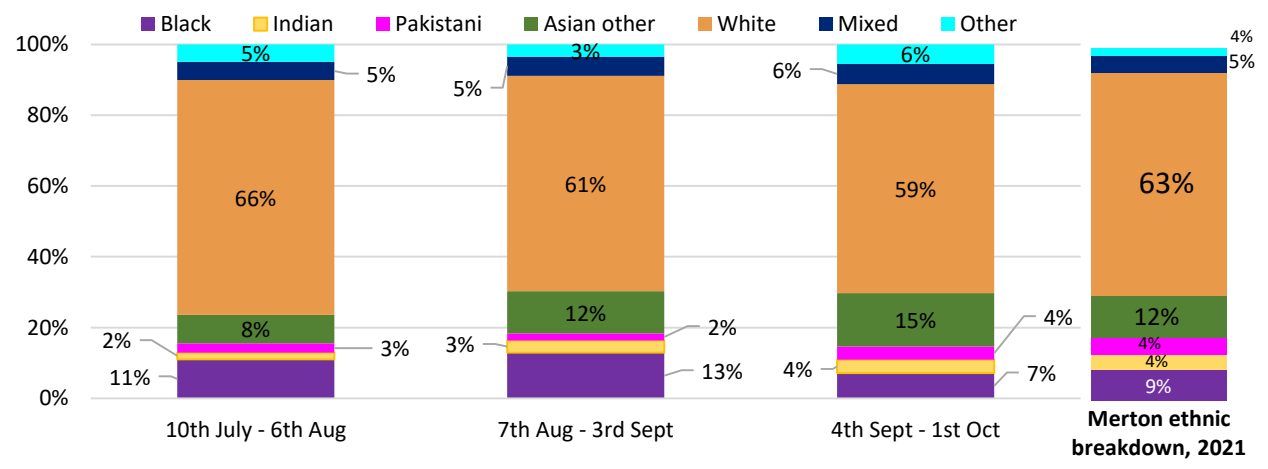
Source: PHE power BI line list

7 day rolling rate Pillar 2 case rates in Merton residents by age groups



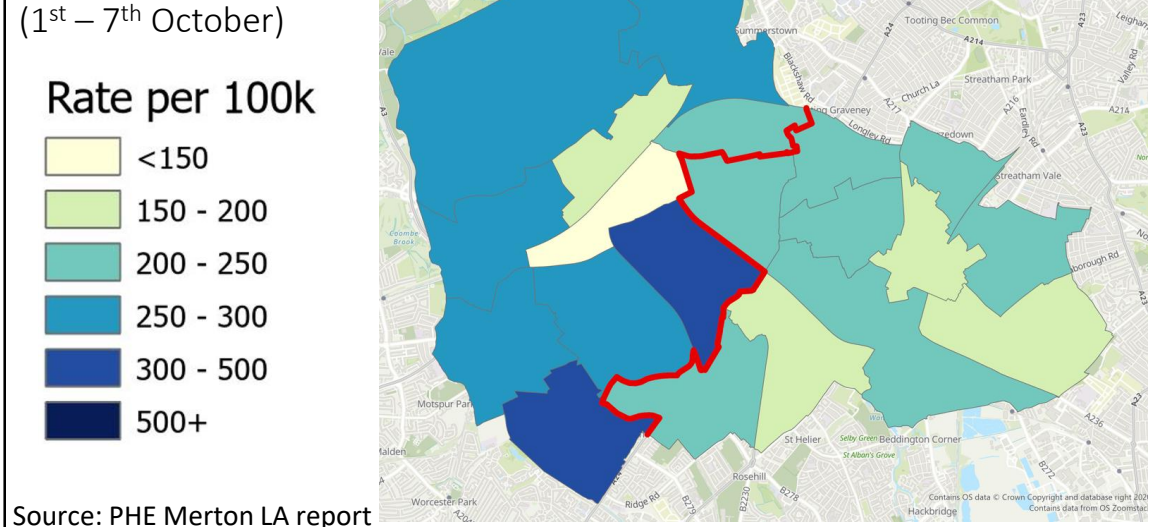
Source: PHE Power BI line list

Pillar 2 COVID-19 cases in Merton residents - by ethnicity compared to Merton ethnic profile over 4 week periods* (10th July – 1st October)



Source: PHE Power BI and GLA populations

Pillar 1 and 2 COVID-19 cases in Merton residents by ward over one week (1st – 7th October)



Source: PHE Merton LA report

Key Messages

- In recent weeks rates have been increasing in 11-16 year olds
- The highest rates can be seen in 11-16 year olds compared to other CYP age groups

Case rates per 100,000 population in CYP specific age groups in Merton residents (numbers in brackets)

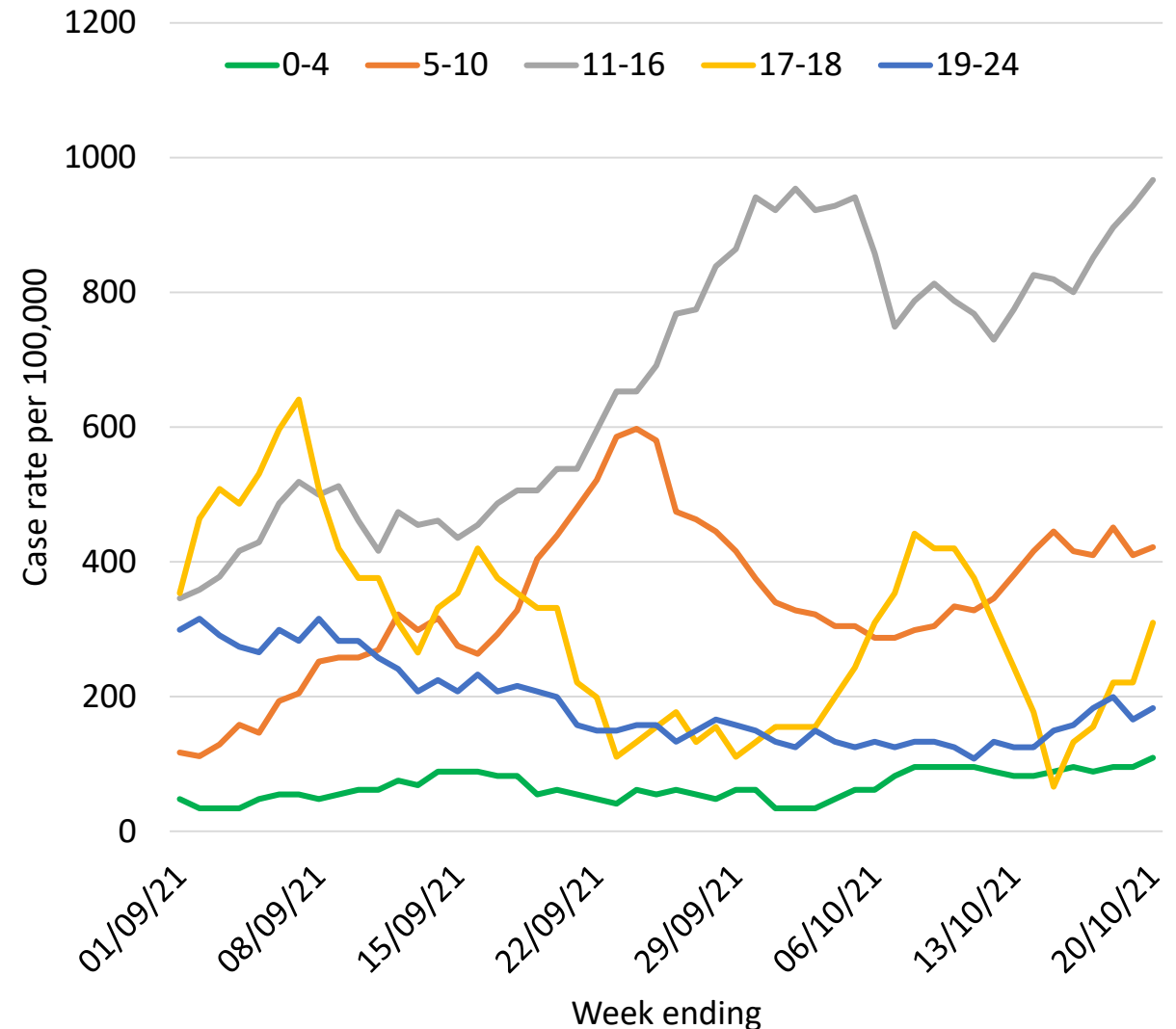
Week ending	0-4 yrs	5-10 yrs	11-16 yrs	17-18 yrs	19-24 yrs	25-29 yrs
16/10/2021*	95.6 (14)	415.8 (71)	800.3 (125)	132.6 (**)	157.8 (19)	149.1 (24)
9/10/2021	95.6 (14)	304.6 (52)	813.1 (127)	419.9 (19)	132.9 (16)	149.1 (24)
2/10/2021	34.1 (**)	328.0 (56)	953.9 (149)	154.7 (**)	124.6 (15)	111.8 (18)

Please note * case rate data by age breakdown has a time lag compared to overall to all age case rate

** Small numbers suppressed

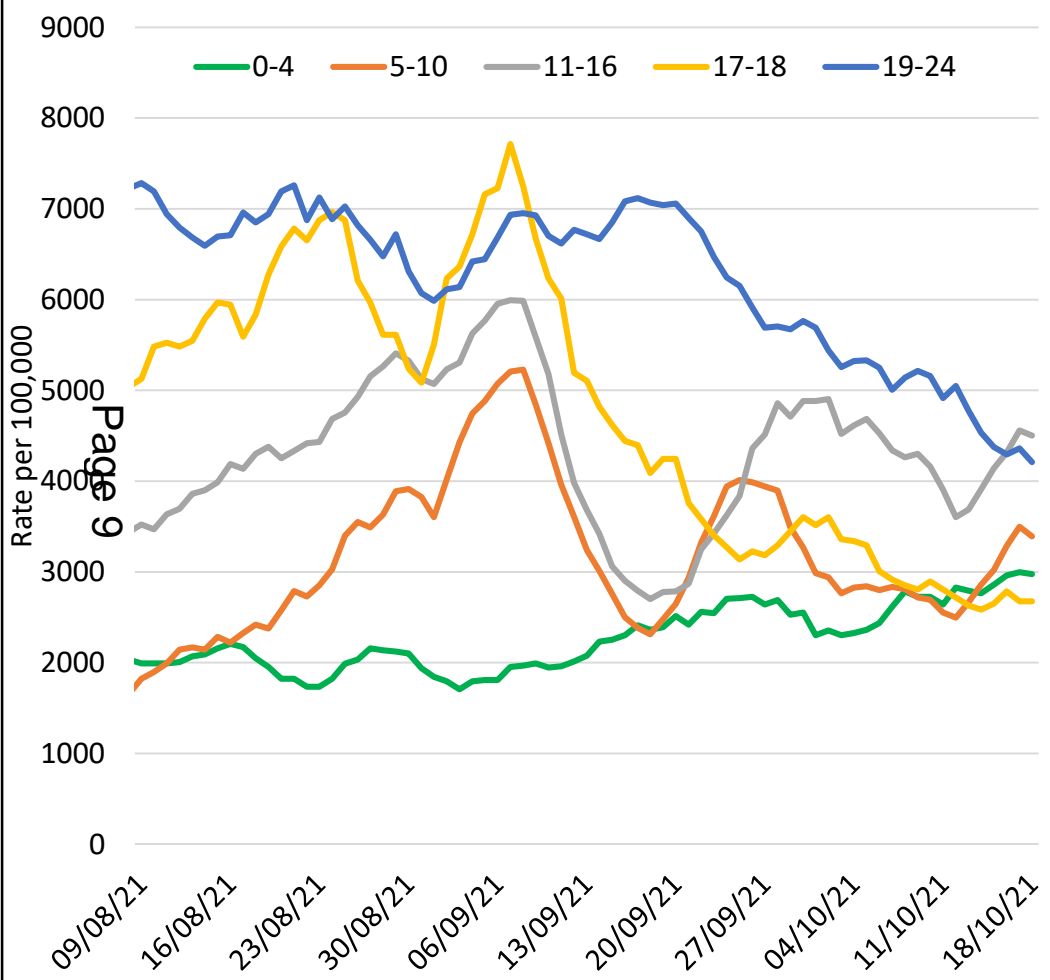
Source: PHE power BI tool and GLA 2018 populations

7 day rolling Pillar 2 case rates per 100,000 in CYP Merton residents



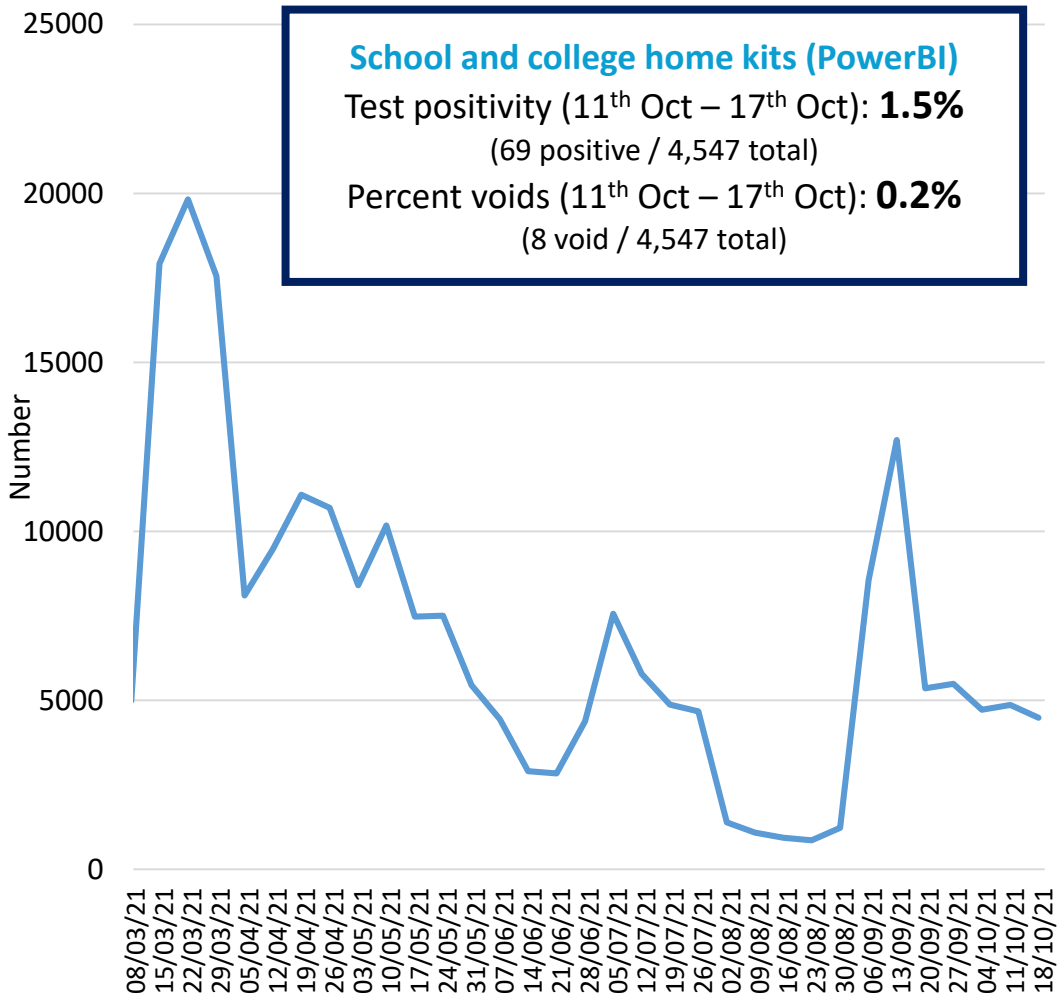
Source: PHE Power BI line list

7-day rolling Pillar 1 and 2 COVID-19 testing rates (PCR) per 100,000 in CYP Merton residents



Source: PHE Power BI tool

Weekly number of school and college LFD tests completed by Merton residents



Source: PHE PowerBI

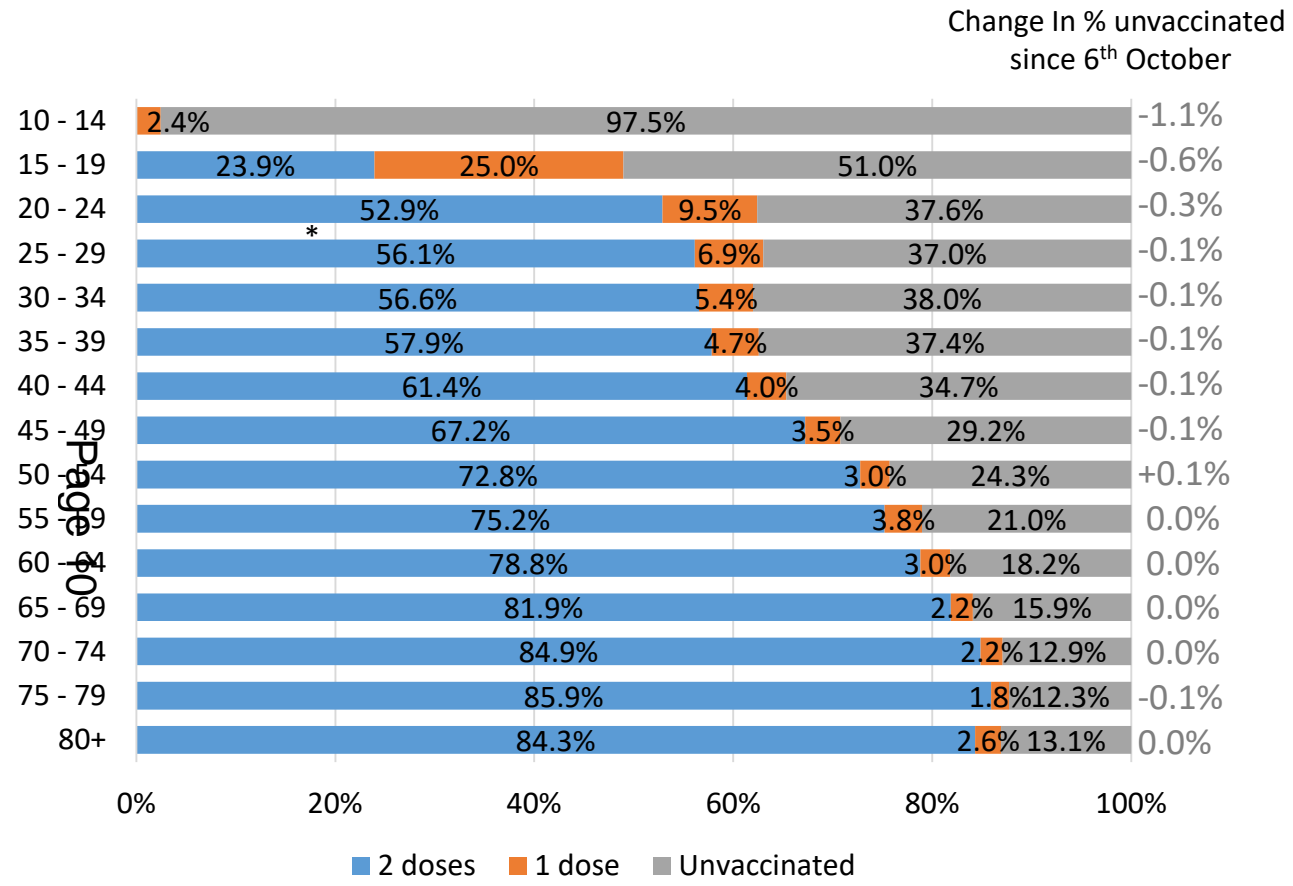
*Please note: PowerBI

- PowerBI latest week figures may be incomplete as figures are retrospectively updated.

PHE Regional Dashboard:

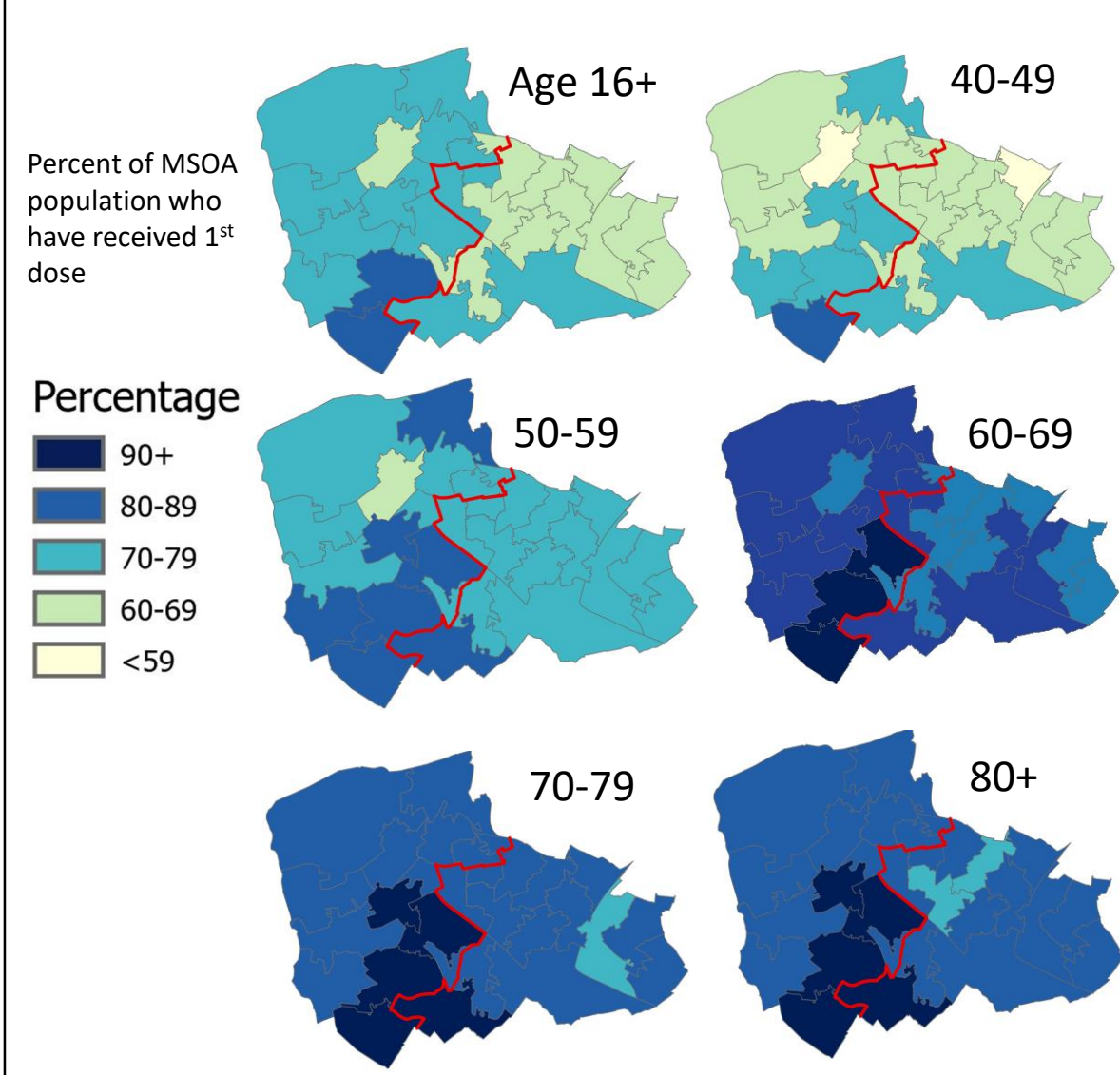
- Figures are for tests completed at home and on site by Merton residents.
- Figures since 12th April may be incomplete due to coding issues.
- Data since 28th April is an estimate as data is rounded to nearest multiple of 5, with sites recording under 7 tests suppressed.
- Data for week ending 17th October is incomplete due to reporting delay.

Vaccine uptake by age band among Merton residents (as of 13th October 2021)



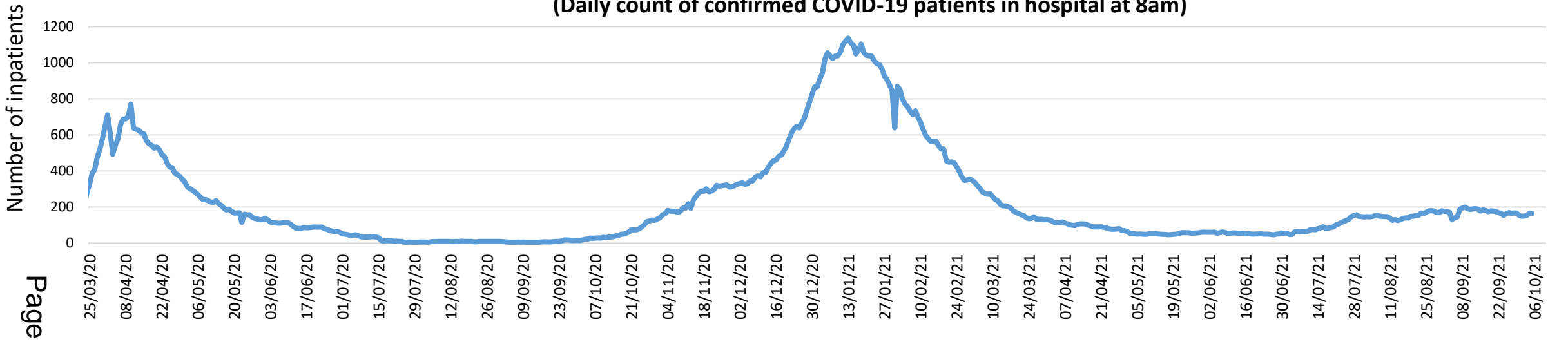
Data using NIMS population as denominator
Source: PHE power BI

Percentage of Merton residents by age group and MSOA that have received 1st dose of Covid-19 vaccination (as of 3rd October)

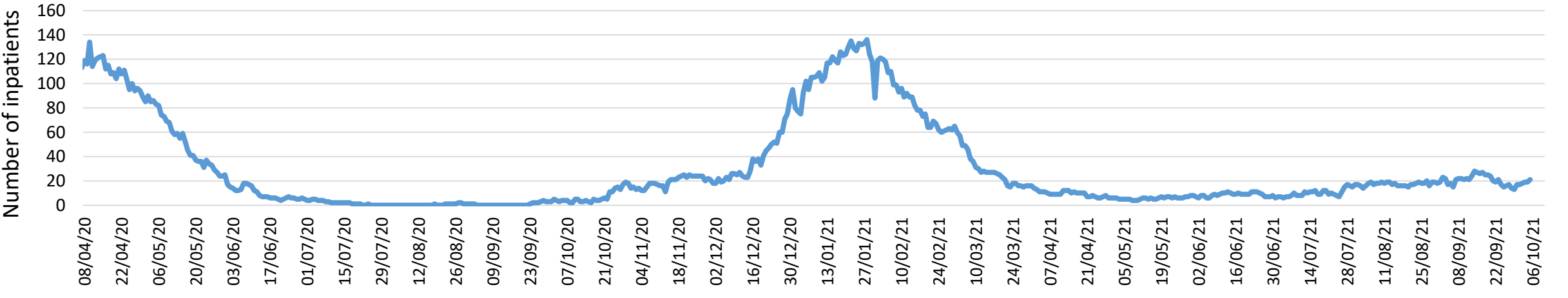


Source: NHS COVID-19 vaccinations weekly report 7th October

Confirmed COVID-19 inpatients in Southwest London NHS trust hospitals (Daily count of confirmed COVID-19 patients in hospital at 8am)



Confirmed COVID-19 inpatients in mechanical ventilator beds in Southwest London NHS trusts

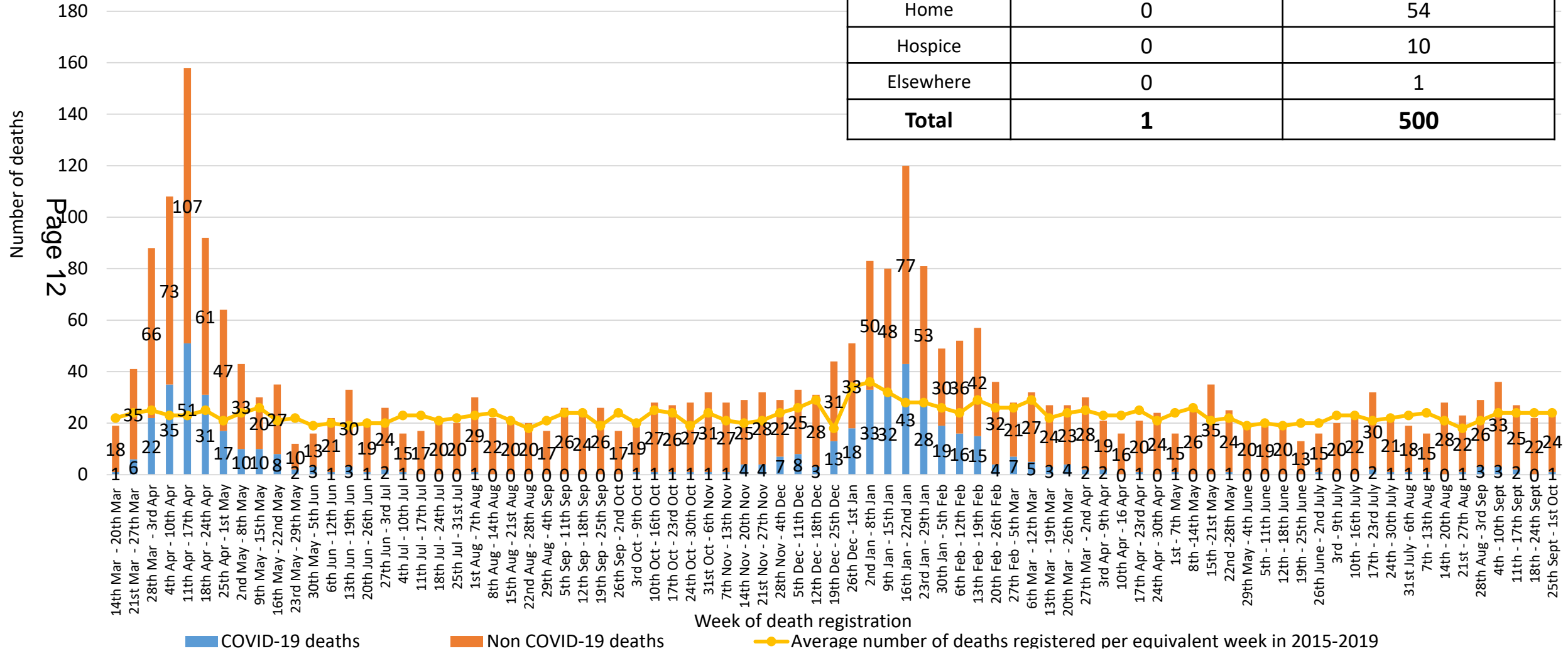


Number of deaths of Merton Residents by week of registration

3rd November 2021

Source: ONS

Reporting frequency: Weekly



Key changes for schools for Autumn term:

- No requirement for bubbles; face coverings are no longer required.
- No requirement to undertake routine contact tracing by schools –this will be undertaken by NHS Test and Trace. Individuals are not required to self-isolate if they live in the same household as someone with COVID-19 or are a close contact of someone with COVID-19 - if they are age under 18 and 6 months or have received both doses of their COVID vaccination.
- Schools will continue to implement Infection Prevention and Control measures like ventilation, enhanced cleaning and handwashing measures.
- All Secondary pupils and staff are advised to test twice weekly, including, during the half term.

Outbreaks

- There has been an increase in outbreaks in schools. As of 20th October, there were active 14 outbreaks and 3 situations under investigation in schools. Public health Merton, CSF and Public Health England have been working with schools to support outbreak management during twice weekly Outbreak management meetings. GIS mapping is used to identify trends and patterns between different CYP settings and update schools during outbreak meetings.
- PH Merton CYP COVID Team work closely with schools with active outbreaks to implement green, amber and red measures as per LCRC guidance to prevent, reduce and control the spread of infections.

Vaccination

- In addition to the existing CEV eligible cohort, vaccinations for the healthy 12–15-year-old are now being offered to pupils in schools by the School Immunisation team.
- As of 20th October, **8 schools** had hosted vaccination sessions. All Merton schools are booked to have sessions by 19 November. Webinar for parents of this cohort was organised on 7th October to encourage consent for school immunisations; however, more work is needed to increase the consent and uptake in schools.
- A supplementary offer for 12–15-year-olds is available via community vaccination clinics over half term (Centre court, Nelson, Wilson),

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Committee: Children and Young People Overview and Scrutiny Panel

Date: 3 November 2021

Wards: ALL

Subject: Draft Business Plan 2022-26

Lead officer: Caroline Holland, Director of Corporate Resources

Lead member: Councillor Sally Kenny, Chair of the Children and Young People Overview and Scrutiny Panel

Contact officer: Stella Akintan: stella.akintan@merton.gov.uk, 020 8545 3390

Recommendations:

A. The Panel are asked comment on and discuss the draft Business Plan

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

The Director of Corporate Services will provide a verbal update on the latest budget position and discuss any savings in relation to the remit of this Panel. The Draft Business Plan is attached for information.

2 ALTERNATIVE OPTIONS

The Children and Young and People Overview and Scrutiny Panel can select topics for scrutiny review and for other scrutiny work as it sees fit, taking into account views and suggestions from officers, partner organisations and the public.

3 CONSULTATION UNDERTAKEN OR PROPOSED

3.1. The Panel will be consulted at the meeting

4 TIMETABLE

4.1. None relating to this covering report

5 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

5.1. None relating to this covering report

6 LEGAL AND STATUTORY IMPLICATIONS

6.1. None relating to this covering report. Scrutiny work involves consideration of the legal and statutory implications of the topic being scrutinised.

7 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

7.1. It is a fundamental aim of the scrutiny process to ensure that there is full and equal access to the democratic process through public involvement and engaging with local partners in scrutiny reviews. Furthermore, the outcomes of reviews are intended to benefit all sections of the local community.

8 CRIME AND DISORDER IMPLICATIONS

8.1. None relating to this covering report. Scrutiny work involves consideration of the crime and disorder implications of the topic being scrutinised.

9 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

9.1. None relating to this covering report

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

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11 BACKGROUND PAPERS

11.1.

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Merton Council

Cabinet

11 October 2021

Supplementary Agenda 2

4 Business Plan

1 - 30

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Cabinet

Date: 11 October 2021

Subject: Draft Business Plan 2022-26

Lead officer: Caroline Holland – Director of Corporate Services

Lead member: Councillor Tobin Byers - Cabinet Member for Finance

Contact Officer: Roger Kershaw

Urgent report:

Reason for urgency: The chairman has approved the submission of this report as a matter of urgency as it provides the latest available information on the Business Plan and Budget 2022/23 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2022-2026. It is important that this consideration is not delayed in order that the Council can work towards a balanced budget at its meeting on 2 March 2022 and set a Council Tax as appropriate for 2022/23.

Recommendations:

1. That Cabinet notes the approach to rolling forward the MTFS for 2022-26.
 - 2 That Cabinet confirm the latest position with regards to savings already in the MTFS
 - 3 That Cabinet agrees the approach to setting a balanced budget using the unmet balance of last year's savings targets as the basis for the setting of targets for 2022-26.
 - 4 That Cabinet agrees the proposed savings targets.
 - 5 That Cabinet agrees the timetable for the Business Plan 2022-26 including the revenue budget 2022/23, the MTFS 2022-26 and the Capital Programme for 2022-26.
 - 6 That Cabinet note the process for the Service Plan 2022-26 and the progress made so far.
-

1. Purpose of report and executive summary

- 1.1 This report presents an initial review of the Medium Term Financial Strategy and updates it for development as part of the business planning process for 2022/23.
- 1.2 The report sets out the approach towards setting a balanced budget for 2022-2026 and a draft timetable for the business planning process for 2022/23. It also proposes initial targets to be met from savings and income over the four year period of the MTFS.

- 1.3 There is an update on the current information relating to the timetable for the Government's Spending Review 2021, and the Government's proposed changes to Business Rates and the Fair Funding Review which have been deferred from previous years.
- 1.4 Given the current high level of uncertainty over a range of factors that have the potential to impact significantly on the MTFS there is a sensitivity analysis of a number of issues including the potential impact across the MTFS period of factors affected by the coronavirus pandemic, and the increasing level of DSG deficit .
- 1.5 Finally, there is an assessment of the potential impact in 2022/23 and possibly beyond, of the coronavirus pandemic which first impacted at the end of the 2019/20 financial year and is still impacting throughout the current financial year.

Details

2. Medium Term Financial Strategy 2022-26

2.1 Background

Council on 3 March 2021 agreed the Budget 2021/22 and MTFS 2021-25. Whilst a balanced budget was set for 2021/22 there was a gap remaining in future years which needs to be addressed, as shown in the following table:-

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
MTFS gap (cumulative)	3,892	11,476	14,344	17,664

- 2.2 The initial phase of the business planning process is to re-price the MTFS and roll it forward for an additional year. Development of the MTFS in recent budget processes allowed for various scenarios on a range of key variables to be modelled and it is intended to do the same this year and where feasible, to improve the approach to modelling.

Given the scale of the COVID-19 effect, the potential knock-on impact over the MTFS period 2022-26 has been modelled and is included in this analysis.

2.3 Review of Assumptions

The pay and price calculations have been reviewed using the approved budget for 2021/22 as the starting point.

2.3.1 Pay

For 2021/22 the final pay award has not been agreed but provision of 1.5% was included in the MTFS in light of the Chancellor of the Exchequer's announcement in the Spending Review 2020 that as part of the response to the economic impacts of the COVID-19 pandemic, public sector pay will be

“paused” for 2021/22. For the remaining years of the MTFS (2022/23 onwards), pay provision of 1.5% was also included.

In February 2021, unions submitted a pay claim of 10% plus other requirements but on 14 May 2021 the National Employers made a pay offer of 1.5% to the NJC unions. Unions formally rejected the 1.5% offer and requested urgent talks with the employer’s negotiators.

On 27 July 2021, the National Employers made a “final offer” as follows:

- With effect from 1 April 2021, an increase of 2.75 per cent on NJC pay point 1
- With effect from 1 April 2021, an increase of 1.75 per cent on all NJC pay points 2 and above
- Completion of the outstanding work of the joint Term-Time Only review group

The employers also considered non-pay elements of union proposals and hope joint discussions can begin on the basis of the following:-

- A national minimum agreement on homeworking policies for all councils

In response the unions UNISON, GMB and Unite are urging local government employers to rethink their revised pay offer of a 1.75% pay rise (with 2.75% for those on the bottom pay point) for 2021/22 by “awarding an increase that will properly and fairly reward council and school support staff”.

With 1.5% provided for a pay award in 2021/22, if unions accept the 1.75% offer it will require additional budget of c.£0.225m in 2021/22 and future years. (a 1% increase costs c.£0.9m per year).

The impact of a 1.75% pay award in 2021/22 on the MTFS 2022-26 (assuming pay awards of 2% p.a.) are estimated to be:-

(Cumulative)	2022/23	2023/24	2024/25	2025/26
Pay inflation (£000)	230	234	239	244

Pending final agreement of the final pay award for 2021/22, the estimated inflation provision has been revised using the 2021/22 employees budgets. The provision for the pay award is held corporately until the award is finalised and allocations to service departments will then be made. Given the pay pause for 2021/22 and increasing level of inflation it may be difficult to sustain pay inflation of only 1.5% in 2022/23 and 2% may be more realistic albeit still challenging

Provision for Pay Inflation:

(Cumulative £000)	2022/23	2023/24	2024/25	2025/26
Pay inflation (%)	1.5%	1.5%	1.5%	1.5%
MTFS 2021-25 (Council 3/3/21)	1,360	2,720	4,080	5,440
Pay inflation (%)	2.0%	2.0%	2.0%	2.0%
MTFS 2022-26 (Latest)	1,920	3,840	5,760	7,680
Change (cumulative £000)	560	1,120	1,680	2,240

Further details on any progress towards agreeing a pay award for 2021/22, and the impact on the MTFS, will be reported during the Business Planning process as more information becomes available.

2.3.2 Prices

The current assumptions regarding price inflation incorporated into the MTFS are

- 1.5% in each year of the MTFS

The MTFS agreed by Council on 3 March 2021 includes the following provision for price inflation

Provision for Prices Inflation:

	2022/23	2023/24	2024/25	2025/26
Price inflation in MTFS (%)	1.5%	1.5%	1.5%	1.5%
Original MTFS 2021-25 (cumulative £000)	2,109	4,217	6,326	8,434

This has been reviewed using the approved budget for 2021/22 and the latest estimate based on 1.5% price inflation is:-

(Cumulative)	2022/23	2023/24	2024/25	2025/26
Price inflation (%)	1.5%	1.5%	1.5%	1.5%
Revised Estimate (cumulative £000)	2,139	4,278	6,417	8,556

Net change in Pay and Price inflation provision:

The overall change in inflation provision since Council in March 2021 is

(Cumulative) (£000)	2022/23	2023/24	2024/25	2025/26
Latest Inflation estimate	4,259	8,352	12,416	16,480
Original MTFS 2021-25 (Council March 2021)	3,469	6,937	10,406	13,874
Change	790	1,415	2,010	2,606

Current inflation

The Consumer Prices Index (CPI) rose by 3.2% in the 12 months to August 2021, up from 2.0% in July: the increase of 1.2 percentage points is the largest ever recorded increase in the CPI National Statistic 12-month inflation rate series, which began in January 1997; this is likely to be a temporary change. On a monthly basis, CPI increased 0.7% in August 2021, compared with a fall of 0.4% in August 2020.

The largest upward contribution to change is a base effect, because, in part, of discounted restaurant and café prices in August 2020 resulting from the government's Eat Out to Help Out scheme and, to a lesser extent, reductions in Value Added Tax (VAT) across the same sector

The largest upward contribution to the August 2021 CPIH 12-month inflation rate came from transport with further large upward contributions from restaurants and hotels, housing and household services, and recreation and culture. Restaurants and hotels, recreation and culture, and food and non-alcoholic beverages made the largest upward contributions to the change in the CPIH 12-month inflation rate between July and August 2021.

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.0% in the 12 months to August 2021, up from 2.1% in the 12 months to July. The RPI rate for August 2021 was 4.8%, which is up from 3.8% in July 2021.

Inflation has been increasing in recent months and is expected to rise to around 4% in the near term, although the Bank of England expect this to drop back to the Government's 2% target after that. It is not proposed to change the provision of 1.5% in the MTFs for price inflation but this will be kept under review going forward during the Business Planning process.

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. Previously at a special meeting on 19 March 2020, the Monetary Policy Committee (MPC) unanimously voted to cut interest rates from 0.25% to 0.1% and to increase holdings of UK government and corporate bonds by £200bn in response to the COVID-19 crisis.

At its meeting ending on 22 September 2021, the Committee judged that the existing stance of monetary policy remained appropriate. The MPC voted unanimously to maintain Bank Rate at 0.1%. The Committee voted unanimously for the Bank of England to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £20 billion. The Committee voted by a majority of 7-2 for the Bank of England to continue with its existing programme of UK government bond purchases, financed by the issuance of central bank reserves, maintaining the target for the stock of these government bond purchases at £875 billion and so the total target stock of asset purchases at £895 billion. The next MPC decision on the Bank Base Rate will be published on 4 November 2021.

The MPC state that “since the August MPC meeting, the pace of recovery of global activity has showed signs of slowing. Against a backdrop of robust goods demand and continuing supply constraints, global inflationary pressures have remained strong and there are some signs that cost pressures may prove more persistent. Some financial market indicators of inflation expectations have risen somewhat, including in the United Kingdom....Uncertainty around the outlook for the labour market has therefore increased. Key questions include how the economy will adjust to the closure of the furlough scheme at the end of September; the extent, impact and duration of any change in unemployment; as well as the degree and persistence of any difficulties in matching available jobs with workers. The Committee will review these, along with other, developments as part of its forthcoming forecast round ahead of the November Monetary Policy Report, which will also include its periodic assessment of the supply side of the economy.”

In terms of the outlook for inflation the MPC say that CPI inflation is expected to rise further temporarily, to slightly above 4% in 2021 Q4, slightly higher than the projection in the August Report. Around half of the near-term projected above-target inflation is expected to be accounted for by elevated energy price inflation. The projected contribution of energy prices from October 2021 reflects a base effect as well as Ofgem’s most recent announced increases in the standard variable tariff caps on retail gas and electricity prices. Spot and forward wholesale gas prices have risen materially since the publication of the August Report, against a backdrop of strong demand and some supply disruption. The MPC say that this “could represent a significant upside risk to the MPC’s inflation projection from April 2022, when Ofgem next updated its retail energy price caps based on the relevant forward contracts, and meant that CPI inflation would remain slightly above 4% into 2022 Q2, all else equal. Core goods inflation was expected to remain above pre-pandemic averages, accounting for most of the remainder of the projected above-target inflation. In contrast to much of the pandemic period, services inflation was expected to rise slightly, to rates close to pre-Covid averages, which in part reflected a continued recovery of activity in consumer-facing services, as well as the tapered rise in VAT on hospitality, holiday accommodation and attractions from October. Most indicators of cost pressures had remained elevated.”

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

Table: Forecasts for the UK Economy

Source: HM Treasury - Forecasts for the UK Economy (September 2021)			
	Lowest %	Highest %	Average %
2021 (Quarter 4)			
CPI	2.1	4.3	3.2
RPI	3.0	5.9	4.6
LFS Unemployment Rate	4.5	5.8	5.3
2022 (Quarter 4)	Lowest %	Highest %	Average %
CPI	1.3	5.1	2.2
RPI	1.8	6.0	3.2
LFS Unemployment Rate	4.2	6.0	4.8

Note the wide range between highest and lowest forecasts which reflects the volatility and uncertainty arising from COVID-19 and the difficulty of forecasting how the situation will evolve. Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2021 to 2025 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (August 2021)					
	2021	2022	2023	2024	2025
	%	%	%	%	%
CPI	2.2	2.8	2.2	2.1	2.0
RPI	3.2	4.1	3.5	3.2	3.0
LFS Unemployment Rate	5.0	5.0	4.5	4.3	4.2

2.3.3 Provision for Excess Inflation:

There is also a corporate provision of £0.250m per year which is held to assist services that may experience price increases greatly in excess of the 1.5% inflation allowance provided when setting the budget. This will only be released for specific demonstrable demand.

Utilities – Extreme volatility in supply and price

The future supply of gas and electricity with consequential significant increase in wholesale prices is a major concern due to our current contract end dates and it is considered that the provision should be increased by £0.250m to reduce pressure over the MTFS period. This will increase provision in the MTFS to the following:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Budget in MTFS 2021-25	500	500	500	500

The cash limiting strategy is not without risks but if the Government's 2% target levels of inflation were applied un-damped across the period then the budget gap would increase by c. £2.8m by 2025/26.

2.4 Income

2.4.1 The MTFS does not include any specific provision for inflation on income from fees and charges, as these have now been subsumed into the overall gap and therefore approach to targets. However, in the business planning process for recent years, service departments have been able to identify increased income as part of their savings proposals and increased income currently makes up c.25% of future savings.

2.4.2 It is also the case that the Council's income streams were decimated by COVID-19 in 2020/21 and there is uncertainty about how long it will take to return to pre-COVID19 budgeted levels.

2.5 Forecast of Resources and Local Government Finance Settlement

2.5.1 Background

The ongoing COVID19 pandemic has had a major impact on the Government's financial planning processes and inevitably this will also have implications for local authorities. The main elements of financial planning that impact on local government are summarised as follows:-

a) Spending Review 2021

Due to the pandemic, the Spending Review 2020 was for one year only. This lack of certainty over medium to long term funding makes it extremely difficult to plan going forward and the medium term financial strategy is limited by this constraint.

The Government has announced that it will present an Autumn 2021 budget alongside a Spending Review on 27 October 2021. The Spending Review will set departmental Resource and Capital Departmental Expenditure Limits for 2022/23 to 2024/25, and will reveal much about the future of public services after Covid and how resources will be allocated. It is expected that major decisions will be required that need to address the resilience of public services and how they respond to unforeseen problems such as pandemics, as well as reflecting the government's approach to implementing its policy priorities including the levelling-up agenda, post Brexit impacts on the economy, and funding social care reform.

Details from the Spending Review will form the basis of allocations to local authorities for 2022-25 and beyond as announced in the Local Government Finance Settlement 2022-23. Each year in December, the Ministry of Housing, Communities and Local Government (MHCLG) notifies local authorities of their Provisional Local Government Finance Settlement. The final Settlement figures are published the following January/February but are generally unchanged or very similar to the provisional figures. The total amount of funding available for local authorities is essentially determined by the amount of resources that Central Government has allocated as part of its annual Departmental Expenditure Limit.

Fair Funding Review

Central government funding for local authorities is based on an assessment of its relative needs and resources. The overarching methodology that determines how much funding each authority receives each year was introduced over ten years ago and has not been updated since funding baselines were set at the start of the 50 per cent business rates retention scheme in 2013/14. As advised previously, the government is therefore undertaking the Fair Funding Review to update the needs formula and set new funding baselines for the start of the new 75 per cent business rates retention scheme. This was delayed from 2019 to 2020 due to Brexit and delayed until 2022 due to Covid-19.

The MTFS included an adjustment of £3m from 2022/23 on the prudent assumption that the Fair Funding Review and potential Brexit effect including the implementation of the levelling up agenda, would result in a net loss of funding.

There is still a great deal of uncertainty surrounding the timing of several key revisions which impact on local government funding:-

- Fair Funding Review
- 75% Business Rates Retention
- Business Rates Revaluation – currently planned for 2023.

Progress will be reported as part of the Business Planning process. At this stage it is not anticipated that there will be news on funding until the Autumn with no specific funding allocations announced until the Provisional Local Government Settlement 2022/23, probably around mid December 2021 at the earliest.

2.6.2 The current level of resources included in the draft MTFS 2022-26 as agreed by Council in March 2021 is as follows:-

DRAFT MTFS 2022-26:				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Revenue Support Grant	0	0	0	0
*Business Rates (inc. Section 31 grant)	*(39,573)	*(40,424)	*(41,292)	*(42,178)
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(3,160)	(3,550)	(3,550)	(3,550)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(500)	(500)	(500)	(500)
Corporate Funding in the MTFS	(52,892)	(54,133)	(55,001)	(55,887)

* Net of £3m adjustment for Fair Funding Review and Spending Review 2021 potential effect.

These figures currently assume the London Business Rates pool is not reintroduced in 2022/23 as this has now been agreed by London leaders and that Merton's funding is at the "No Worse Off " safety net level. It assumes that there is an annual 2% uplift for CPI inflation to the Business Rate multiplier. Funding levels have been netted down by £3m p.a. from 2022/23 to reflect the potential loss of funding (government grant and business rates) arising from the potential ongoing economic impact of COVID-19 and Brexit, and the potential redistribution of resources away from London which could result from the Government's Fair Funding Review and Spending Review 2021 and the levelling up agenda.

The Government's latest proposal is to allow local authorities to retain 75% of their Business Rates income but this has been deferred until 2022/23 and it is uncertain whether implementation of this proposal will be further deferred, particularly as there is uncertainty as to whether business rates should be a source of funding going forward.

Updates will be provided in future reports as part of the Business Planning process.

2.6.4 Social Care Funding

a) Children's Social Care

The CSF department received £3.847m growth for 2020/21. £1.756m was allocated across Children's Social Care and £2.091m across Education. Despite an increasing population and the pressures that Covid-19 has presented to many parts of the Children's Social Care system, Merton has managed to hold steady the number of children in care. The impact of the lockdown on children and families is emerging in increased safeguarding referrals and hold ups in the family courts meaning that some children's plans cannot be progressed. This has significantly increased the number of children with child protection plans open to the service, which is putting pressure on social worker's caseloads. Additional agency social workers have been brought in to assist with this pressure.

There was a favourable variance of £0.908m in Child Social Care and Youth Inclusion in 2020/21

	Budget 2020/21 £000	Outturn 2020/21 £000	Variance 2020/21 £000
Child social Care and Youth Inclusion	21,658	20,750	-908
<u>Main reasons for Variance</u>			
Asylum Seeker Costs (ART)			-738
Children Central Social Work Service			-296
Mash and Child Protection Service			144

In the current year, Child social Care and Youth Inclusion is forecasting an unfavourable variance of £0.373m (including Covid-19 impact of £0.440m) in 2021/22 as at August 2021.

SEN Transport

In 2020/21 the SEN & Disability Integrated Service had a favourable variance of £1.306m. The principle reason for the favourable variance in this area relates to SEN transport and is a direct consequence of schools and colleges being closed or partially closed due to Covid during the year meaning that children and young people did not need to be transported during these periods.

b) Adult Social Care

There was a favourable variance of £2.947m in Adult Social Care and Youth Inclusion in 2020/21

	2020/21 Current Budget £'000	2020/21 Outturn March 2021 £'000	2020/21 Outturn Variance March 2021 £'000
Adult Social Care	59,056	56,109	(2,947)

In the current year, Adult Social Care is forecasting a favourable variance of £1.533m (including Covid-19 impact of £0.899m) in 2021/22 as at August 2021.

On 7 September 2021, the Prime Minister announced plans to reform how people pay for adult social care in England, which will be funded through a new Health and Social Care Levy. The Levy is to be based on National Insurance contributions (NICs). From 2023 the Levy will be legislatively separate, and will also apply to individuals working above State Pension age, who are not liable to pay NICs on their earnings at present. The Government

also plans to increase the rates of income tax that apply to income from dividends, to help to fund these plans. The funds from the levy will be ringfenced to fund investment in health and social care set out in the policy paper, “Build Back Better: Our plan for health and social care”.

The proposed reforms will be supported by an investment of £5.4 billion over the next three years.

The proposed reforms

From October 2023, the Government plans to introduce a new £86,000 cap on the amount anyone in England will have to spend on their personal care over their lifetime. The cap will apply irrespective of a person’s age or income. It is expected that the cap will be based on the framework provided for by the Care Act 2014. Under this framework, only money spent on meeting a person’s personal care needs count towards the cap. Spending on daily living costs (or what are commonly referred to as “hotel costs” in a care home) do not count towards the cap. In addition, from October 2023, the Government proposes to make the means test for accessing local authority funding support more generous. This includes increasing the upper capital limit (the threshold above which somebody is not eligible for local authority support towards their social care costs) from £23,250 to £100,000. The policy paper also sets out a number of other proposed changes to how people pay for social care, and says that that the Government will publish a white paper on adult social care later in 2021, focusing on wider system reform. The Government will also invest at least £500 million in measures over three years to provide support in professionalising and developing the social care workforce; fund mental health wellbeing resources; and improve recruitment and support.

The 2021/22 Local Government Finance Settlement was for one year only. However, based on indications from the Government that sufficient funding for social care would be provided in future years, the following social care funding was included in the MTFs:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(3,160)	(3,550)	(3,550)	(3,550)
<u>Adult Social Care Council Tax Flexibility:</u>				
3% in 2017/18	(2,454)	(2,454)	(2,454)	(2,454)
1% in 2018/19	(842)	(842)	(842)	(842)
2% in 2019/20	(1,739)	(1,739)	(1,739)	(1,739)
2% in 2020/21	(1,823)	(1,823)	(1,823)	(1,823)
3% in 2021/22	(2,843)	(2,843)	(2,843)	(2,843)
TOTAL	(17,723)	(18,113)	(18,113)	(18,113)

Following the Government's recent announcements on health and social care, and the impending Autumn budget 2021 and Spending Review 2022-25 due on 27 October 2021, the implications for local government funding will be presented in future Business Plan reports as and when more details are available.

In addition to the funding set out in the table above, there is also an Adult Social Care Grants Reserve which has been formed to enable the service to plan more strategically over the longer term. As at 31 March 2021 the balance on the reserve was £3.825m.

2.6.5 Business Rates - Update

As previously reported, due to uncertainty arising from COVID-19, the London Business Rates pool was discontinued for 2021/22 and now agreed for 2022/23. There is still lack of clarification about whether there will be changes to Business Rates and the revaluation has been delayed until 2023.

Clearly, business rates have been severely impacted by COVID-19 and there is uncertainty about how long it will take business rates as a source of local government finance to return to pre-COVID levels. Updates will be provided as the Business Plan process develops.

2.7 **Council Tax and Collection Fund**

2.7.1 Council Tax

The Council Tax income forecast in the current MTFS agreed by Council in March 2020 assumes that the Council Tax Base will increase by 0.5% per year with a collection rate 98.0% in 2022/23 and 98.75% thereafter. It also assumes the following changes in Council Tax over the MTFS period:-

	2022/23 %	2023/24 %	2024/25 %	2025/26 %
Council Tax increase - General	2.0%	2.0%	2.0%	2.0%
Council Tax increase – ASC*	0%	0%	0%	0%

* Currently no provision to be able to levy an ASC charge but if allowed has no impact on the MTFS gap

On the basis of these assumptions the Council Tax income included over the period of the MTFS is:-

(Cumulative figures exc. WPCC)	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Council Tax - No change in rate	100,942	102,131	102,553	102,980
Council Tax – General (2%)	2,019	4,085	6,153	8,238
Council Tax income	102,961	106,216	108,706	111,218

The Council Tax Referendum Principles for 2022/23 will not be known until the Provisional Local Government Finance Settlement for 2022/23 is

announced, usually around mid-December although the Spending Review 2021 in the Autumn may signpost the Government's intentions.

Clearly, COVID-19 has had a major impact on council tax collection rates in 2020/21 and some impact has continued into 2021/22. There are several main issues that need to be considered when formulating a council tax strategy for the MTFs period 2022-26:-

- i) To what extent will COVID-19 continue to have an impact on collection rates?
- ii) Will the Government revise the referendum principles to enable Councils to set higher council tax levels as part as a move towards balancing budgets from local taxation?
- iii) What impact has COVID-19 had on the level on collection rates in 2021/22 and therefore what level of budget deficit relating to council tax will it be necessary to fund in 2022/23 ? (This will be reflected in a Collection Fund deficit as at 31 March 2022)

The Council Tax Base will be updated later in the year following the return of the Government's CTB statistical return, usually in October, which is based on properties on the valuation list in September. The collection rate will impact on the council tax base.

2.7.2 Collection Fund

In the MTFs approved by Council on 3 March 2021, the shares to preceptors of the collection surplus/deficit for Council Tax and NNDR based on the estimated Collection Fund balance at 31 March 2021 are summarised in the following table:-

	Estimated surplus/ (deficit) as at 31/03/21	Estimated surplus/ (deficit) as at 31/03/21	Total surplus/ (deficit) as at 31/03/21
	Council Tax	NNDR	
	£000	£000	£000
Central Government	N/A	(14,791)	(14,791)
GLA	(711)	(16,587)	(17,298)
Merton	(2,743)	(13,389)	(16,132)
Total	(3,454)	(44,767)	(48,221)

2.7.3 Merton's share of the surplus for council tax and NNDR were built into the MTFs agreed by Council in March 2020.

2.7.4 Since then, the Council has produced its draft 2020/21 accounts as at 31 March 2021 which are currently being audited. The draft accounts for 2020/21 include the following surplus/deficit for Council Tax and NNDR as at 31 March 2021

	Surplus/ (deficit) as at 31/03/21 Outturn	Surplus/ (deficit) as at 31/03/21 Outturn	Total surplus/ (deficit) as at 31/03/21
	Council Tax £000	NNDR £000	£000
Central Government	N/A	(16,385)	(16,385)
GLA	(380)	(18,376)	(18,756)
Merton	(1,595)	(14,842)	(16,437)
Total	(1,975)	(49,603)	(51,578)

2.7.5 The overall change in shares of surpluses/deficits is:-

	Surplus/ (deficit) as at 31/03/21	Surplus/ (deficit) as at 31/03/21	Total surplus/ (deficit) as at 31/03/21
	Council Tax £000	NNDR £000	£000
Central Government	N/A	(1,594)	(1,594)
GLA	331	(1,789)	(1,458)
Merton	1,148	(1,453)	(305)
Total	1,479	(4,836)	(3,357)

2.7.6 The net change in Merton's share of the surplus/deficit is therefore:-

	Estimated Surplus/ (deficit) as at 31/03/21	Outturn Surplus/ (deficit) as at 31/03/21	Surplus/ (deficit) as at 31/03/21 Change
	£000	£000	£000
Council Tax	(2,743)	(1,595)	1,148
NNDR	(13,389)	(14,842)	(1,453)
Total	(16,132)	(16,437)	(305)

2.7.7 There is no change to the surplus/deficit figures agreed for 2021/22 as all variations are managed via the Collection Fund. However, the net deficit of £0.305m will need to be taken into account when calculating the Merton General Fund's share of any surplus/deficit due to/from the Collection Fund in 2022/23.

2.7.8 The calculation of the estimated surplus/deficit on the Collection Fund as at 31 March 2022 will be made later in the budget process when key variables are firmed up and council tax base and NNDR returns have been completed. Until this time, the increase in the net surplus carried forward from 2020/21 of £0.305m will be included in the draft MTFS for 2022/23.

2.7.9 COVID-19: Implications for the Collection Fund

On 2 July 2020 the Minister for Regional Growth and Local Government wrote to Councils setting out a range of further proposals to support local authorities. This included phased repayment of Collection Fund deficits over the next 3 years. The net impact on the MTFs is estimated to be as follows:-

Change in Collection Fund (Deficit)/Surplus	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	Total £'000
Council Tax Surplus	574	574	0	0	1,148
NNDR (Deficit)	(727)	(726)	0	0	(1,453)
Change	(153)	(152)	0	0	(305)

2.8 Capital Programme 2022-26 and implications for Treasury Management: Capital Financing Costs and Investment income

2.8.1 Council in March 2021 approved the following Capital Programme for 2020-25:-

Capital Expenditure	2020/21	2021/22	2022/23	2023/24	2024/25
	Estimate	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Capital Expenditure	21,346	40,795	17,719	15,413	21,238
Slippage and Underspends	(4,229)	(4,215)	1,450	(475)	602
Total Capital Expenditure *	17,117	36,580	19,169	14,938	21,840
Financed by:					
Capital Receipts	3,623	900	900	900	900
Capital Grants & Contributions	12,600	21,887	10,489	4,565	3,624
Revenue Provisions	894	3,729	37	57	55
Net financing need for the year	0	10,064	7,743	9,416	17,261

*Includes Multi-Function Devices finance lease.

2.8.2 Since the capital programme was approved by Council in March 2021 and the revenue implications built into the MTFs, there have been a number of amendments arising from outturn 2020/21, monthly monitoring and a review by project managers. There has been a great deal of effort made to ensure that the capital programme set is realistic, affordable and achievable within the capacity available. This has been accompanied by improved financial monitoring and modelling of the programme's costs over the period of the MTFs which has enabled the budgets for capital financing costs to be reduced and therefore scarce resources to be utilised more effectively.

2.8.3 It is important to ensure that the revenue and capital budgets are integrated and not considered in isolation. The revenue implications of capital expenditure can quickly grow if the capital programme is not contained within

the Council's capacity to fund it over the longer term. For example, assuming external borrowing, the capital financing costs of funding £1m (on longer-life assets and short-life assets financed in 2021/22) for the next four years of the MTFS would be approximately:-

Capital financing costs of £1m over the MTFS period	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Longer life Assets	10	60	60	60
Short-life assets	10	220	220	220

2.8.4 Following the closing and preparation of final accounts for 2020/21, the level of slippage required from 2020/21 and the re-profiling of schemes over the programming period has been undertaken to ensure that the level of capital budget is aligned with the Council's capacity to deliver it. The Table below shows estimated outturn position as at August 2021:

Capital Programme based on outturn 2020/21, August monitoring and No Bids

Capital Expenditure	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's
Capital Expenditure	37,576	23,864	15,815	22,905	15,978
Slippage and Underspends	(11,294)	2,353	1,598	(1,893)	1,801
Total Capital Expenditure *	26,282	26,218	17,413	21,012	17,779
Financed by:					
Capital Receipts *	1,351	900	900	900	0
Capital Grants & Contributions	18,155	15,324	6,417	3,454	3,439
Revenue Provisions	3,615	141	60	55	30
Net financing need for the year	3,161	9,853	10,036	16,603	14,310

*Includes Multi-Function Devices finance lease.

2.8.5 During the Summer/early Autumn 2021 key capital schemes were identified and progressed as part of the annual bidding process in the Business Planning Process. The draft overall summary of the capital programme including all draft new bids is set out in the following table:-

Capital Programme based on outturn 2020/21, August monitoring and All Bids

Capital Expenditure	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's
Capital Expenditure	38,614	28,870	19,640	26,765	29,138
Slippage and Underspends	(11,605)	1,466	1,608	(2,115)	1,554
Total Capital Expenditure *	27,009	30,336	21,248	24,650	30,692
Financed by:					
Capital Receipts *	1,351	900	900	900	0
Capital Grants & Contributions	18,571	19,437	9,460	5,701	4,212
Revenue Provisions	3,615	141	60	55	30
Net financing need for the year	3,472	9,858	13,828	17,994	26,450

*Includes Multi-Function Devices finance lease.

2.8.6 The capital financing costs of the Capital Programme 2022-26 excluding new bids and including new bids compared to the current provision included in the MTFS is summarised in the table below:-

CAPITAL FINANCING COSTS: KEY OUTPUTS	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
MTFS Approved by Council in March 2021	11,946	12,358	13,382	14,333
Revised Programme including slippage excluding new bids	11,228	12,115	13,118	13,770
Change in capital financing costs due to outturn & slippage	(718)	(243)	(264)	(563)

CAPITAL FINANCING COSTS: KEY OUTPUTS	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Revised Programme including slippage excluding new bids	11,228	12,115	13,118	13,770
Revised Programme including slippage including new bids	11,245	12,101	13,215	14,140
Change in capital financing costs due to new bids	17	(14)	97	370

CAPITAL FINANCING COSTS: KEY OUTPUTS	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Change in capital financing costs due to outturn & slippage	(718)	(243)	(264)	(563)
Change in capital financing costs due to new bids	17	(14)	97	370
Total Change due to outturn, slippage & new bids	(701)	(257)	(167)	(193)

2.8.7 The capital programme will be continually reviewed throughout the financial year and further details including options around financing will be included in future reports as appropriate.

2.8.8 The level, profiling and funding strategy used for the capital programme will have a significant revenue impact that needs to be incorporated into the MTFS.

2.8.9 Investment Income

There are two key factors that impact on the level of investment income that the Council can generate:-

- The amount invested
- The interest rate that is achieved

COVID-19 has inevitably impacted on both of these factors. The level of resources available for investment may diminish more quickly as the need to draw on reserves to meet financial pressures created by the pandemic increases. At the same time, although interest rates are at historic low levels as the Bank of England alongside international banking institutions have cut interest base rates as part of their economic measures to protect their economies indications are that inflationary pressures may lead to an increase in rates later in this financial year and next.

Based on latest information, the projected levels of investment income, have been revised. The following table show the latest projections compared with the amounts included in the MTFS approved by Council in March 2021:-

Investment Income	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
MTFS (Council March 2021)	(347)	(327)	(323)	(323)
Latest projections	(385)	(343)	(323)	(323)
Change	(38)	(17)	0	0

Currently in the monthly monitoring report for August 2021 it is forecast that investment income will be £0.430m which is a favourable variance of £0.043m against the budgeted level of £0.387m.

2.9 Reserves – Review of Earmarked Reserves

2.9.1 Reserve for Use in Future Year's Budgets

The Business Plan and MTFS for 2021-25 approved by Council on 3 March 2021 forecast that a contribution of £5.472m would be required in 2021/22 with the balance of £7.255m applied in 2022/23.

Following the final accounts process for 2020/21 (subject to audit), it was possible to increase the Reserve for use in Future Year's Budgets, mainly because of the underspend in 2020/21, and as a result the balance (subject to audit) on the Reserve as at 31 March 2021, excluding the contribution set

aside for 2021/22 of £5.472m is £8.378m. This means that there is c. £1.1m more available to balance the budget over the MTFS period.

The reserve will be applied over the period of the MTFS to reduce the budget gap and enable longer term, strategic management of the budget.

It should be recognised that the use of reserves is a one-off form of funding and alternative ongoing savings would need to be identified to address the budget gap over the long-term.

2.9.2 Review of Earmarked Reserves

The use and availability of Reserves is monitored throughout the year as part of the monthly monitoring process. This will receive even greater attention over 2021/22 as the implications of COVID-19 are unwound.

It should be recognised that reserves are a one-off source of funding and should not be used to fund ongoing expenditure commitments.

2.10 **Review of Outturn 2020/21 and Current Budget and Spending 2021/22**

2.10.1 There may be issues identified during the final accounts process and from monthly monitoring, elsewhere on this agenda, that have on-going financial implications which need to be addressed in setting the budget for 2022-26.

2.10.2 Monitoring 2021/22

At period 5 to 31 August 2021 the year end forecast is a net £6.461m unfavourable variance compared to the current budget. This consists of a net favourable variance of £2.773m excluding COVID-19 and unfavourable variance of £9.234m from COVID-19:-

	Non COVID-19 £000	COVID-19 £000	Total £000
CS	391	1,017	1,408
CSF	(394)	714	320
E&R	(1,316)	5,495	4,179
C&H	(2,152)	1,070	(1,082)
Sub-total	(3,471)	8,296	4,825
Corporate	698	938	1,636
Total	(2,773)	9,234	6,461

The main reasons for the non-Covid variance based on August 2021 monitoring are:-

- a) Corporate Services: Infrastructure and Technology, Human Resources, Resources, Other Corporate budgets (Housing Benefits Rent Allowances)

- b) Children's, Schools and Families: Child Social Care and Youth /inclusion, cross department and PFI Unitary Costs. Although a DSG deficit has to be charged to the Schools balance reflecting that a cumulative overspend has been borrowed against future year school allocations, based on August 2021 monitoring, DSG funded services are forecasting an overspend of £12.357m. The DSG Adjustment Account (an unusable reserve) had a cumulative overspend of £24.981m at the end of 2020/21 and this will increase it to c.£37.3m.
- c) Environment and Regeneration: Public Protection (Regularity Services, Parking), Public Space (Waste, Leisure and Culture), Sustainable Communities (Building and development Control, Future Merton)
- d) Community and Housing: Adult Social Care, Library and Heritage, housing General Fund

2.10.3 COVID-19

Hopefully the pandemic is being overcome as the level of vaccinations is increasing and the costs and impact on society in general and council services in particular will be largely reaching a conclusion in 2021/22. However, this is not certain at the present time and there will be some impact carried over to the MTFS 2022-26 period. At the same time there will inevitably need to be some changes to how the Council delivers some services and some of the most affected services, particularly those to vulnerable groups will need to be reviewed.

2.10.4 Savings not achieved

As shown in the following tables, the budget monitoring report for July indicates that some savings assumed in the MTFS will not be achieved in 2021/22 and there is an ongoing shortfall in 2022/23.

Department	Target Savings 2021/22	Projected Savings 2021/22	Period 5 Forecast Shortfall	Period Forecast Shortfall (P5)	2022/23 Expected Shortfall
	£000	£000	£000	%	£000
Corporate Services	1,322	1,090	232	17.5%	95
Children Schools and Families	1,460	410	1,050	71.9%	400
Community and Housing	2,541	1,557	984	38.7%	860
Environment and Regeneration	1,580	205	1,375	87.0%	750
Total	6,903	3,262	3,641	52.7%	2,105

Department	Target Savings 2020/21	Shortfall 2020/21	Projected Shortfall 2021/22 (July)	Projected Shortfall 2022/23 (July)
	£000	£000	£000	£000
Corporate Services	2,718	883	213	658
Children Schools and Families	2,969	664	500	0
Community and Housing	2,460	128	128	128
Environment and Regeneration	3,927	3,373	2,837	0
Total	12,074	5,048	3,678	786

Monitoring of the delivery of savings is important and it is essential to recognise as quickly as possible where circumstances change and savings previously agreed are either not achievable in full or in part or are delayed. If this is the case, departments will need to identify replacement savings from elsewhere within their overall budgets. If it is not possible to find replacements, if any of the savings included in the MTFs approved by Council in March 2021 are not achieved this will result in an increase in the budget gap and increase pressure on services. The projected shortfall in savings of c. £2.8m in 2022/23 will add to the budget gap and make it more difficult to achieve the balanced budget that is a statutory requirement.

2.10.5 Growth

The MTFs included some growth for services and also as provision for the ongoing and growing DSG deficit.

General growth:

Cumulative growth MTFs (Council March 2021)	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Children's General Fund pressures	384	774	774	774
Replenish Reserves	1,478	1,478	1,478	1,478
System Support Costs (Office 365)	900	900	900	900
Internal Review	1,100	1,100	1,100	1,100
Cumulative growth	3,862	4,252	4,252	4,252

New General Growth

Cumulative growth	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Pensions provision - Croydon	130	130	130	130
Disaster recovery	80	80	80	80
Pension Fund – Triennial Revaluation	0	TBA	TBA	TBA
Your Merton +	TBA	TBA	TBA	TBA
E&R Pressures	909	909	909	909
Climate Change (top-up of reserve)	0	0	450	0
Employer's NI for Social Care *	988	1,008	1,028	1,049
Total	2,107	2,127	2,597	2,168

* Pending clarification of how Merton would be reimbursed

+ will be presented to a future Cabinet meeting

Schools Funding - Dedicated School Grant

This is a national issue and one that it will be difficult for the Government to ignore. Further updates will be provided throughout the Business Planning process to ensure that if no additional funding is forthcoming from Government, then the impact of this important issue is properly reflected in the Medium Term Financial Strategy and budget setting process, with the resulting impact on General Fund services and Council Tax payers.

In 2020/21 DSG funded services overspent by £12.231m. This has been appropriated to the DSG Adjustment Account, which is an unusable reserve, subject to the statutory override, and, including the deficit brought forward from 2019/20 of £12.750m, the deficit on the reserve carried forward as at 31 March 2021 has increased to £24.981m. Whilst the DSG deficit has been treated in accordance with regulations there has been no clarity from Government as to how this will be funded in the longer term. The size of the deficit is increasing year on year and without further Government support will continue to grow. Merton has been selected as one of the LAs to take part in the 'safety valve' intervention programme with the DfE as it has one of the highest percentage deficits in the country as at the end of 2020/21. The programme aims to agree a package of reform to our high needs system that will bring the DSG deficit under control. Merton has confirmed participation in this programme and are providing a draft updated plan to the DfE.

In order to adopt a prudent approach to managing the deficit, provision has been Included within the MTFs 2021-25 on the assumption that the Council will provide for 100% of the deficit up to 2020/21 and 50% thereafter.

Cumulative growth MTFS (Council March 2021)	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Proposed Growth to contribute to DSG Deficit	10,543	11,628	12,714	13,799

3. Re-priced MTFS 2022-26

3.1 As indicated in the report, there have been a number of changes to information and data to factors which impact on the Council's MTFS and budget gap.

3.2 The net result of making these adjustments is to amend the forecast budget gap to the following:-

(cumulative)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
MTFS Gap (Council March 2021)	3,892	11,476	14,344	17,664
- Inflation reprice - Pay	80	159	240	320
- Inflation reprice - Prices	30	62	91	122
- Increase pay provision 1.5% to 2.0%	480	960	1,440	1,920
- Pay award of 1.75% in 2021/22	230	234	239	244
- Capital financing charges August monitoring No Bids	(757)	(260)	(264)	(563)
- Capital financing charges August monitoring including Bids	18	(13)	97	370
- Collection fund deficit revised for 20/21 outturn	153	152	0	0
Adjustment to loss of income estimate	(995)	(470)	0	0
Savings not achieved	3,641	900	325	325
Employers NI for social Care (worst case scenario)	988	1,008	1,028	1,049
E&R pressures	909	909	909	909
Provision for Excess Inflation - Increase for utilities	250	250	250	250
Price inflation 2.5% in 2022/23, 1.5% thereafter	1,427	1,427	1,426	1,426
Croydon - Pensions addition	130	130	130	130
Disaster recovery	80	80	80	80
Pension Fund triennial Revaluation (due 2023/24)	0	TBA	TBA	TBA
Your Merton (to be advised to a later Cabinet)	TBA	TBA	TBA	TBA
Climate Change (Top-up of reserve)	0	0	450	0
Change in Balancing the Budget Reserve	(9,381)	0	0	0
Revised MTFS Gap 2022-26	1,175	17,004	20,785	24,246

3.3 There has been a substantial improvement in the council's strategic approach to business planning in recent years and it is important that this is maintained. Planning should be targeted towards the achievement of a balanced budget over the four year MTFS period.

- 3.4 Progress made in recent years in identifying savings over the whole period of the MTFS has reduced pressure on services to make short-term, non-strategic cuts. However, because of the COVID-19 pandemic and DSG Deficit issue there is still likely to be a sizeable gap over the four year period.
- 3.5 However, whilst recognising the great level of uncertainty about future costs and funding, it is still necessary to forward plan and set savings targets aimed at eliminating this gap on an ongoing basis.

4. Approach to Setting a Balanced Budget

4.1 This is the initial report on the business planning process for 2022/23 and there is a great deal of work to be done.

4.2 Savings Targets for 2022-26

4.2.1 In previous years the approach to setting savings targets for departments for the Business Planning process has been based on using controllable budgets and aimed to protect front-line services and services to the vulnerable in line with the 'July principles'. Weightings for each department; Corporate Services, Environment and Regeneration, Community and Housing, and Children, Schools and Families in the ratio (100%) : (100%) : (67%) : (50%), were applied to reduce the impact on Adult Social Care, Children's Social Care and vulnerable groups. The targets set also took into account the level to which departments had achieved savings against targets set for previous years. The balance of unachieved savings targets from last year's business planning process are summarised below:-

	Targets £'000	Proposals £'000	Balance £'000
Corporate Services	3,558	973	2,585
Children, Schools & Families	2,518	850	1,668
Environment & Regeneration	5,885	1,084	4,801
Community & Housing	7,707	1,530	6,177
Total	19,668	4,437	15,231

4.2.2 It is proposed that the savings targets for 2022-2025 are based entirely on each service department's controllable budgets for 2021/22 which are as follows:-

DEPARTMENTAL SAVINGS TARGETS USING 2021/22 CONTROLLABLE BUDGETS	Controllable Expenditure 2021/22 £000	Weighting by dept. No.	Weighted Controllable £000	Weighted Controllable %
Corporate Services	25,612	1.50	38,418	21.7%
Children, Schools and Families	34,652	0.75	25,989	14.7%
Environment and Regeneration	35,591	1.50	53,387	30.2%
Community and Housing	59,098	1.00	59,098	33.4%
Total	154,953		176,891	100%

4.2.3 Savings targets to address the revised gap on the MTFs are then calculated using the latest controllable budgets:-

SAVINGS TARGETS BY DEPARTMENT	Allocation using controllable budgets £000
Corporate Services	5,266
Children, Schools and Families	3,562
Environment and Regeneration	7,318
Community and Housing	8,100
Total	24,246

SAVINGS TARGETS BY DEPARTMENT	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Corporate Services	255	3,438	821	752	5,266
Children, Schools and Families	173	2,326	556	508	3,562
Environment and Regeneration	355	4,777	1,141	1,045	7,318
Community and Housing	393	5,288	1,263	1,156	8,100
Total	1,175	15,829	3,781	3,461	24,246
Total (cumulative)	1,175	17,004	20,785	24,246	

5. Service Planning for 2022-26

5.1 The pilot Service planning process for 2022-26 will be launched in August 2021. A plan has been created for each council service. These plans describe

what the service does, its plans for the future linked to the Modernising Merton Programme, its key performance indicators and how its plans will take place within the budget.

5.2 These will be reported to Cabinet and scrutiny.

6. Alternative Options

6.1 The range of options available to the Council relating to the Business Plan 2022-26 and for setting a balanced revenue budget and fully financed capital programme will be presented in reports to Cabinet and Council in accordance with the agreed timetable which is set out in Appendix 1.

7. Consultation Undertaken or Proposed

7.1 All relevant bodies have been consulted.

8. Timetable

8.1 In accordance with current financial reporting timetables.

8.2 A chart setting out the proposed timetable for developing the business plan and service plans is provided as Appendix 1.

9. Financial, resource and property implications

9.1 As contained in the body of the report.

10. Legal and statutory implications

10.1 As outlined in the report.

11. Human rights, equalities and community cohesion implications

11.1 None for the purposes of this report, these will be dealt with as the budget is developed for 2022 – 2026.

12. Crime and Disorder Implications

12.1 Not applicable.

13. Risk Management and health and safety implications

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

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

Appendix 1 – Business Plan and Service Planning Timetable 2022-26
Appendix 2 – Revised MTFS Gap

15. Background Papers

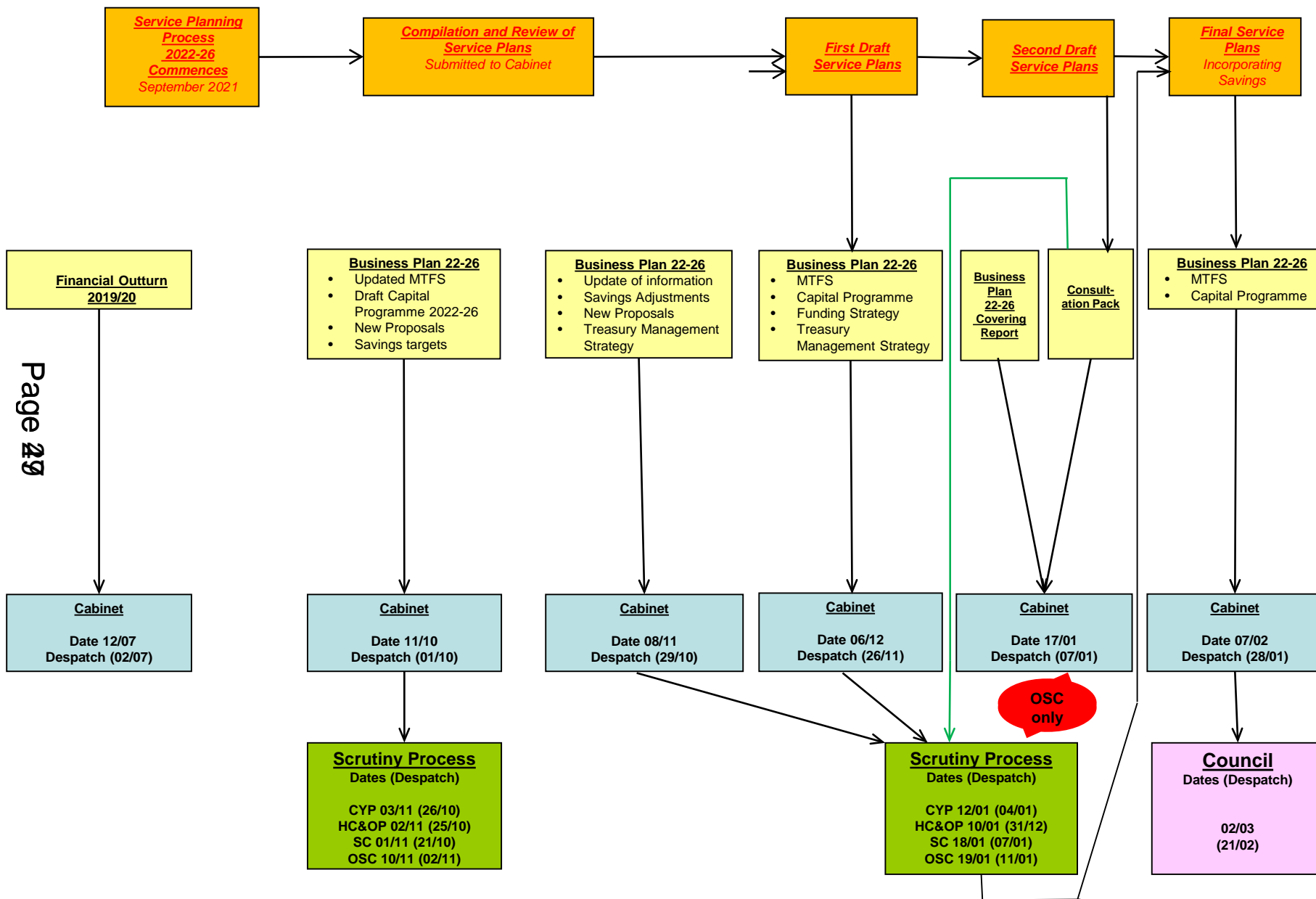
15.1 The following documents have been relied on in drawing up this report but do not form part of the report:

2020/21 Budgetary Control and Final Accounts Working Papers in the Corporate Services Department.
2021/22 Budget Monitoring working papers
MTFS working papers

16. REPORT AUTHOR

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BUSINESS PLANNING TIMETABLE - BUSINESS PLAN 2022-26



DRAFT MTFS 2022-26:				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Departmental Base Budget 2021/22	161,837	161,837	161,837	161,837
Inflation (Pay, Prices)	6,506	10,755	16,485	20,544
NI increase	989	1,008	1,029	1,049
Salary oncost increase (15.2% to 17.06%)	24	48	72	96
FYE – Previous Years Savings	(3,305)	(3,176)	(2,651)	(2,651)
FYE – Previous Years Growth	384	774	774	774
Amendments to previously agreed savings/growth	3,641	900	325	325
Change in Net Appropriations to/(from) Reserves	(452)	(1,483)	(1,482)	(1,482)
Taxi card/Concessionary Fares	(478)	704	1,707	2,709
Social Care - Additional Spend offset by grant/precept	40	76	91	106
Growth	909	909	1,359	909
Provision - DSG Deficit	10,543	11,628	12,714	13,799
Other	445	661	740	918
Re-Priced Departmental Budget	181,082	184,641	192,999	198,933
Treasury/Capital financing	10,869	11,776	12,910	13,835
Pensions	0	0	0	0
Other Corporate items	(19,548)	(20,716)	(20,946)	(20,946)
Levies	606	606	606	606
Sub-total: Corporate provisions	(8,073)	(8,334)	(7,430)	(6,505)
Sub-total: Repriced Departmental Budget + Corporate Provisions	173,010	176,308	185,570	192,428
Savings/Income Proposals 2022/23	0	0	0	0
Sub-total	173,010	176,308	185,570	192,428
Appropriation to/from departmental reserves	(1,754)	(723)	(724)	(724)
Appropriation to/from Balancing the Budget Reserve	(16,636)	0	0	0
ONGOING IMPACT OF COVID-19 (NET)	1,143	505	0	0
BUDGET REQUIREMENT	155,763	176,090	184,846	191,704
Funded by:				
Revenue Support Grant/Covid RNF & LCTS grant	0	0	0	0
Business Rates (inc. Section 31 grant)	(39,573)	(40,424)	(41,292)	(42,178)
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(3,160)	(3,550)	(3,550)	(3,550)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(500)	(500)	(500)	(500)
Council Tax inc. WPC	(103,314)	(106,569)	(109,059)	(111,571)
Collection Fund – (Surplus)/Deficit	1,617	1,616	0	0
COVID-19: SFC - Compensation Qtr. 1 2021/22	0	0	0	0
TOTAL FUNDING	(154,589)	(159,086)	(164,060)	(167,458)
GAP including Use of Reserves (Cumulative)	1,175	17,004	20,785	24,246

Date: 03 November 2021

Wards: All

Subject: Support for pupils after the pandemic

Lead officer: Jane McSherry, Director of Children, Schools and Families

Lead member: Cllr Eleanor Stringer, Joint Deputy Leader and Cabinet Member for Children and Education

Contact officer: Rachel Bowerman, Interim Head of School Improvement and Keith Shipman, Head of Education Inclusion

Recommendations:

Members of the panel to discuss and comment on the contents of the report, as well as the presentation from a school within the meeting

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The report provides members of the panel with information on how children and young people, particularly those deemed as vulnerable, are being supported after the pandemic.

2. DETAILS

- 2.1. Following the end of the last lockdown, Merton pupils have been supported in a number of ways by schools, and by officers across the Children, Schools and Families Department, both academically and with regard to their mental health and wellbeing.
- 2.2. Although this report is entitled 'Support for pupils *after* the pandemic', as will be noted from the departmental update report also being scrutinised in this meeting, schools continue to experience outbreaks, and the current and ongoing impact of Covid cannot be underestimated on pupils and their families, as well as on the 'normal' operation of schools.
- 2.3. This report will be supported by a presentation during the meeting by the Headteacher, and Assistant Headteacher (Inclusion), from Poplar Primary School in Morden, who will expand on how support is being provided by their school.

Academic Year 2020/2021

- 2.4. During the academic year 2020/21 schools were given 'Catch Up' funding to target resources towards pupils where engagement with the remote learning and teaching offer had not been so strong, and/or where they had fallen behind in their progress since March 2020. A total of just over £2 million was given to Merton schools.
- 2.5. This year was obviously interrupted by another major lockdown (between January and March 2021) as well as the impact of Covid cases, (and the requirement then to collapse 'bubbles' when there were cases in school), when schools had to return to remote learning offers.

- 2.6. 'Catch up' funding was used in a variety of ways by different schools, as they assessed the needs of their particular cohorts of pupils: some schools provided intervention for particular year groups/groups of pupils directly; others employed external tutors, including, in some cases, through the National Tutoring Programme.
- 2.7. There was also support for pupils in some primary schools through the Nuffield Early Language Intervention (NELI).
- 2.7. Mental health and wellbeing (of both pupils and staff) was high on the list for all schools. This manifested itself in a variety of ways in different schools, again according to the needs of pupils, for example: enhanced/more frequent PSHE lessons; increased 1:1 support (for example from Emotional Literacy Support Assistants/ELSAs); a focus on social skills and 'getting to know each other again'.
- 2.8. As a result of this input, schools reported positively about the impact on individuals and groups. Some schools reported that there was very little difference between the achievement of the summer 2021 cohorts and cohorts in previous years (pre-pandemic). Most schools, however, reported that whilst intervention had had a positive impact, gaps remained for many pupils, particularly those from disadvantaged backgrounds.
- 2.9. As we enter the academic year 2021/22, this is the third academic year that has been impacted by Covid. Some pupils (those in Nursery, Reception, Year 1 for example) have not experienced a school year without disruption). Others (those in Years 10 and 11) will be approaching GCSEs, again on the back of significant disruption).
- 2.10. The support pupils need will need to continue to be a focus not just over the coming terms, but also years. It will be critical to ensuring that they achieve to the best of their ability despite the interruptions of Covid.

Academic Support 2021/22

- 2.11. During 2021/22 there are a number of strands to the Government's post-Covid support for pupils, which Merton schools are able to access:
 - the Recovery Premium;
 - summer schools (summer 2021);
 - a second year of the National Tutoring Programme (NTP) for 5-16 year olds;
 - a second year of the funded Nuffield Early Language Intervention (NELI);
 - the provision of funding for teachers' professional development.

In addition, for the very youngest pupils in school, there are resources from the [Hungry Little Minds](#) website, which parents can also draw on.

- 2.12. The Recovery Premium provides additional funding for LA-maintained schools, academies and free schools in the 2021 – 2022 academic year. This funding is allocated using the same data as the pupil premium: pupils who are or have been eligible for free school meals at any time in the last six years, children looked after (LAC) and post-LAC children. Provisional allocations indicate that there will be just under £1 million available for pupils in Merton schools.

- 2.13. Schools are expected to spend the Recovery Premium funding on evidence-based approaches to support pupils, for example on professional development that improves the quality of teaching, providing academic support such as tutoring and to remove non-academic barriers to success such as attendance, behaviour and social and emotional support.
- 2.14. All Merton secondary maintained schools and academies ran summer schools during the summer holidays, focusing on pupils coming into year 7, though some schools opened this more widely to other year groups.
- 2.15. Through the National Tutoring Programme, schools and academy trusts can access three tutoring routes: tuition partners, academic mentors and school led tutoring.
- If schools choose the tuition partners route: tutors are provided by various agencies (eg supply teacher agencies, dedicated tuition agencies), and the tuition is subsidised by 70%.
 - Academic Mentors are subsidised for 95% of the cost. These mentors are employed by schools on a fixed term contract, helping to deliver a tailored programme of in school support for pupils.
 - Schools would be given a ring fenced grant for school led tutoring which covers 75% of the cost.

The additional cost in each case could be covered by a school's Recovery Premium funding.

- 2.16. The Nuffield Early Literacy Intervention (NELI) is being used by at least 20 Merton schools. This is a programme for children in Reception which has been found to improve children's language and early literacy skills.
- 2.17. Merton schools are using the range of opportunities open to them. Merton Education Partners (MEPs) are asking schools about how they are spending the money available to them, and how this then is integrated with teaching in the classroom, and what the impact is on pupils' outcomes. In addition Ofsted will look to understand how tutoring and other interventions support the school's wider curriculum aims.

Attendance

- 2.18. Attendance is now mandatory again in schools across the country. Schools, Public Health, Education Welfare and targeted services are all encouraging and supporting a return to good schools attendance. Public Health are working with schools to support infection control measures, support around outbreaks and the roll out of vaccinations. These all support better attendance in schools. We are monitoring schools attendance returns daily which allows us to identify schools without outbreaks where reported attendance has fallen. Schools and services are then working with families to support children to be in school regularly.

Attendance rates 20/21

	Merton 2020/21 Spring Term	National 2020/21 Spring Term	Outer London 2020/21 Spring Term	Merton 2020/21 Autumn Term	National 2020/21 Autumn Term	Outer London 2020/21 Autumn Term
<u>Overall (Secondary+ primary)</u>						
Attendance	41.14%	39.04%	37.15%	90.53%	88.50%	88.32%

Source: DfE Oct 2021

2.19 We can see from the historical data how attendance was affected by the lockdown in January and how many children were out of school. We do not yet have the published summer term 20/21 data. This autumn the DfE have published attendance on key dates based on the daily school return. On the 30th Sept, national attendance was 89.5% this rose to 90% by Oct 14th. On the same day, Merton's overall attendance was 92%.

NEET

2.20 Post 16, our targeted youth offer is supporting a wide range of young people who are NEET and working in partnership with colleges and training providers to support access to education post 16 and maintaining these placements. We are tracking young people and we know that there has been a fall in applications for college placements at level 1 across London. There is a rise in job opportunities and applications. In 2020/21 the Merton 'Not in Education, Training and Employment, and Not Known' combined figure was 2.5% this was a 0.2% improvement on 2019/20 (National 5%, London 4% 2020/21 Source DfE)

Mental Health

2.21 Working closely with the CCG, officers are aiming to link every school in Merton to a Mental Health in Schools Partnership by January 2022. These will cover all maintained schools and the FE College. These partnerships also link into a wider offer of support from CAMHS and the voluntary sector.

2.22 Each Mental Health Partnership has a small support team of mental health workers who can work therapeutically directly with children, and provide wider parental support. They work with children with low to moderate needs. They have been working to support transition, on line parental workshops and counselling sessions particularly around low mood and anxiety.

2.23 This extra mental health capacity complements the wider offer of 'Getting Help' services (using the Thrive model) of 'Off the Record' and 'Kooth on line support; and 'Getting More Help' services from the Child and Adolescent mental health services.

2.24 The CAMHS board oversees the mental health offer in Merton. We saw a fall in referrals last year and referrals are now back to slightly above pre pandemic levels. However, services report that complexity and risk is higher in the levels of referral.

2.25 The DfE have also provided access for mental health leads in school to training from various providers, which is free to schools on a first come, first served basis.

Listening to young people

- 2.26 The Council is working with Partnership for Young London and Merton Young Inspectors on a borough wide survey of young people views as we emerge from the pandemic. This is based on a survey of approx. 2000 young people and 20+focus groups led by young inspectors. This will feed into our borough wide planning on Your Merton and the children trust.

Household Support Grant / Holiday, Activity and Food (HAF) programme)

- 2.27. As noted in the Departmental Update, children and their families were supported through the Holiday, Activity and Food programme in the summer holiday, and this will happen again during the Christmas holidays.
- 2.28. Pupils eligible for free school meals will receive vouchers funded by the Household Support Grant for the holiday periods up until the end of March.

'Social Workers in School' and 'Designated Safeguarding Lead Supervision' Projects

- 2.29 Again as noted in the Departmental Update, there is support for our most vulnerable children and young people through these two projects.
- 2.30 The Social Workers in School project provides support for children and young people, liaising closely with the education setting.
- 2.31. There are currently 64 allocated children being supported within statutory interventions in the team (the aim for statutory allocations is 70, with 12 children per social worker). Alongside the statutory allocations each social worker undertakes preventative interventions which include (but are not limited to) mentoring, drop-ins, parenting support, contextual harm support and threshold guidance.
- 2.32 The DSL Supervision project started in Merton in September 2021 providing individual supervision to DSLs in 22 primary schools and group supervision regarding child sexual abuse to 5 secondary schools. This project is expected to run until July 2022.

The Young Adult Covid Champions

- 2.33 The Young Inspectors continue to produce videos in their role as Young Adult Covid Champions to support their peers to understand and feel confident to engage with a range of Covid activity.
- 2.34 The project aims to empower and encourage young people to have greater awareness and understanding of Covid 19. Topics have included testing for Covid; returning to school; and vaccinations.

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Committee: Children and Young People Scrutiny Panel

Date: 03 November 2021

Wards: All

Subject: Departmental Update

Lead officer: Jane McSherry, Director of Children, Schools and Families

Lead member: Cllr Eleanor Stringer, Joint Deputy Leader and Cabinet Member for Children and Education

Contact officer: Karl Mittelstadt, Head of Performance, Policy and Partnerships

Recommendations:

- A. Members of the panel to discuss and comment on the contents of the report
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The report provides members of the panel with information on key developments affecting the Children, Schools and Families Department, since the panel's last meeting and not covered elsewhere on the agenda. It focusses on those aspects of particular relevance to the department.

2 DETAILS

CHILDREN, SCHOOLS & FAMILIES

- 2.1. It is only one month since my last update to you. However, since then a lot has happened. The Council has had its first meeting with the DfE 'Safety Valve' team (led by Tony McArdle). The negotiations with the DfE about support to balance the Designated Schools Grant will continue for the next three months. This will remain a focus of mine for the foreseeable future.
- 2.2. I am pleased to report that our recruitment for a permanent Head of Service (Children and Safeguarding) was successful. Theresa Hills will be joining us from Wandsworth Council where she currently works as Service Manager.
- 2.3. At last month's Corporate Parenting Board I was again reminded of the incredible talent and enthusiasm of the children in our care. We heard powerful testimonies from care experienced children about some of the challenges they face when trying to negotiate their path into adulthood.
- 2.4. The ability to listen to children and their families about their experiences is at the core of what we do and I am determined this continues as we take on future challenges.

Supporting Vulnerable Children

Supporting Children & Young People with Special Educational Needs

- 2.5. The Education directorate is currently reviewing the SEN Support offer and a focus for this academic year is the graduated response (assess, plan, do, review) process. The review of how mainstream maintained schools and academies are meeting the Special Educational Needs of their pupils and utilising their notional funding will support the directorate in understanding further the reasons for the continued demand in referrals for Education Health and Care Needs assessments.
- 2.6. Demand for statutory assessments continues. At the end of September the total number of EHCPs was 2482.
- 2.7. We continue to see an increase in meeting the 20-week statutory timescale for issuing Education Health and Care Plans. Our year-to-date figure (calendar year) for issuing plans within 20 weeks was 66% at the end of September.
- 2.8. We monitor our 20-week timeliness on a monthly basis and saw further improvement in September where 87% of EHCPs were issued within 20 weeks. The improvement in meeting timescales is because of our continued work with partners to improve processes for receiving professional advice within the 6-week statutory timescale.
- 2.9. Since the return to school in September 2021 we have reconvened the fortnightly multi-agency Risk Assessment meeting with Perseid Special School attended by Public Health, Social Care, Education, Central London Community Health and the Senior Leadership Team within Perseid Specialist School. This process allows us to monitor the impact of Covid for our most vulnerable pupils.
- 2.10. The meeting enables us to monitor the impact of Covid for our most vulnerable pupils with a focus on staff and pupil Covid rates, and agreeing actions to prevent the spread of Covid. Public Health are supporting the school with the recruitment of an additional nurse to undertake PCR testing within the school so that pupils have access to the tests and to prevent pupils having to be sent home to isolate due to the inability to have PCR tests. We are currently recruiting for this position. The meeting also ensures that respite activities are monitored and that the network are aware of particularly vulnerable families.

Discretionary Grant (School Transport) – Tom Proctor

- 2.11. A report is being submitted to Cabinet on 8 November to seek agreement to commence a consultation on home to school travel assistance policy. It had been previously agreed by budget Council in Spring 2020 that the policy would be reviewed. Merton Council has not formally reviewed its home to school travel assistance policy for a number of years and in this time expenditure has increased considerably year-on-year to over £6.5 million per annum.
- 2.12. The consultation will provide a number of options, and we are engaging with parents on the matter.
- 2.13. A paper will be brought to this committee before any decision is made.

DfE Safety Valve Programme

- 2.14. We had our first meeting on 12th October and had the opportunity to put our perspective on and reasons for the deficit position, and the particular challenges within the local authority. We highlighted the high number of requests for EHCPs (fourth highest rate in England) as well as our reliance on independent specialist schools and the challenges of effective contract and financial monitoring.
- 2.15. Importantly, we were able to demonstrate some evidence of ‘rebalancing’ the SEND system which we have already been able to undertake, including an increase in placements in state funded mainstream provision since 2020 underpinned by robust monitoring arrangements to ensure sustainability of the placement. Our EHCP assessment timeliness is increasing demonstrating greater multi-agency cooperation as well as an expansion of specialist provision in the borough.
- 2.16. Over the autumn, we will continue to work closely with the department’s team. During this process, we will be asked to develop and refine our actions to address the deficit with a view to negotiate a sustainable and achievable recovery plan. This process is overseen by our Chief Executive, and the work is co-ordinated by the Education Division.
- 2.17. Final proposals will be submitted to the department in early December.

Social Workers in Schools Project

- 2.18. The Social Workers in Schools Project led by the What Works Centre and Cardiff University has been in place in Merton since September 2020 and there are currently six social workers working across six of Merton’s Secondary Schools: Harris Academy Merton, Harris Academy Morden, Harris Academy Wimbledon, Melrose, Rutlish and Ursuline. There is also a social work student based at Harris Academy Merton who began in September 2021 and a social work student will be joining Rutlish in November 2021.
- 2.19. There are currently 64 allocated children being supported within statutory interventions in the team (the aim for statutory allocations is 70, with 12 children per social worker). Alongside the statutory allocations each social worker undertakes preventative interventions which include (but are not limited to) mentoring, drop-ins, parenting support, contextual harm support and threshold guidance.
- 2.20. The main areas of need highlighted in the project have been in relation to children missing education, child mental health challenges and contextual safeguarding. The Social Workers in Schools Project is set to come to an end in March 2022.

Designated Safeguarding Leads (DSL) Supervision Project

- 2.21. The DSL Supervision project, which is also led by the What Works Centre, started in Merton in September 2021 providing individual supervision to DSLs in 22 primary schools and group supervision regarding child sexual abuse to 5 secondary schools. This project is expected to run until July 2022.

Social Work Academy

- 2.22. The Frontline students started with us on 6 September 2021. This academic year we have increased from one to two units – eight students (four students in each unit). Each of the units has a Consultant Social Worker attached. The students have been provided with some initial training and shadowing opportunities. They have also now started to co-work or work cases. There are 28 children allocated among the student group, with the named worker being the CSW. We now have pen pictures of each student, their skills, experience and interests to help us match the families with the students.
- 2.23. Four ASYEs (Assessed and Support Year in Employment) were also due to start; three of these started on Monday 18 October. All of their social work registrations came through at the last minute, so they could start as ASYEs (rather than Child and Family Workers as originally thought).
- 2.24. There is one more ASYE to start in the Children With Disabilities Team (CWDT); she is currently working her notice period and will join us in the next couple of weeks. All of the ASYEs are assigned to an FSS Team/CWDT and, in the main, the Practice Educators are within the same teams. The ASYEs have started their inductions and training via Me Learning. Over the past week we have been identifying cases to be allocated to them – one ASYE already has seven children allocated, and one has four children allocated.
- 2.25. We also have other ASYEs within FSS and CWDT who are part way through the assessed year. They have varying caseloads – usually lower level and lower numbers – starting with around five children, then around 10-12 at the six-month point, rising to approximately 18 as they approach the 12-month point. Two ASYEs are finishing this month and will be fully qualified; they are staying with us in the teams they are already working in. We have four more who are part way through (approximately six months in). There is one ASYE where some issues have been identified and a process is in place with the University and HR.

Supporting Families

Household Support Grant

- 2.26. On 6 October it was confirmed that Merton Council will receive a £1,186,607 “Household Support Grant” allocation “to support those most in need this winter” for the period from now to 31 March 2022. The provision of the grant coincides with the removal of the £20 weekly uplift in Universal Credit, the Covid Support Grant stopping which funded FSM (Free School Meals) vouchers during the holidays, and other cost of living pressures on households.
- 2.27. The logistics of distributing the grant fairly and effectively in the timescale is complicated and officers in CSF department are working with colleagues in C&H and CS departments to agree the most effective means. However, we have agreed that we will use at least £400,000 of the grant to provide £15 per week supermarket vouchers for FSM children in our schools for the holiday periods up to the end of March. Schools are now arranging/have arranged the vouchers for children for the October half term.

Holiday Activities and Food Programme

- 2.28. The Department for Education has reiterated their position that the grant cannot be spent at half-term and we are therefore not offering this service during October half-term. This has an impact on vulnerable families in Merton who have been accessing the Holiday Activities and Food Programme.
- 2.29. Our Youth Centres in Pollards Hill and Phipps Bridge as well as the Adventure Playground will be open and running free half term activities across the half term week.
- 2.30. We are in the process of working with Voluntary sector groups to develop our offer for children on free school meals for the Christmas holiday period.

Nursery take-up

- 2.31. Take up of early years services across our Children's Centres is high, with all the current Early Learning Together courses fully booked. Bookings are available for our January programmes, and families or professionals can book directly via our web pages. Feedback remains positive, particularly for the Baby programme, which supports new parents/carers with babies up to 7 months old
- 2.32. Take up across our Private, Voluntary and Independent sector is increasing, and Merton has seen a relatively stable position over the past 18 months. We continue to monitor supply and are planning our Childcare Sufficiency for 2022 – 2023 to better capture demand and changes to patterns of usage for under 5s childcare.
- 2.33. Numbers for 2, 3 and 4 year olds have been steadily improving and early indicators for the October count suggest that take up of funded early education places continues to increase .

Supporting Schools

Covid recovery and attendance

- 2.34. Schools continue to not be required to collapse bubbles any more in the event of an outbreak, but pupil, and in some cases, staff, absence rates are higher than normal at this time of year.
- 2.35. As of 21st October, average pupil attendance across Merton schools was 92.5%, which compares with the most recent national average of 90%. Attendance in primary schools ranges from 84.3% to 98.1%; in secondary from 89.8% to 95.7%. Where there are lower rates of attendance this corresponds in the main to Covid outbreaks; however, with higher rates of other illnesses in the community, some schools are also affected by these. Attendance for pupils with a social worker (82%), with an EHCP (87.5%), and in receipt of free school meals (88.9%) is below that for all pupils: schools are being reminded of their responsibilities to these pupils, and support and challenge is being provided by the Education Welfare Service and Merton School Improvement.
- 2.36. Schools continue to be supported by the Public Health team to implement additional measures to manage outbreaks. At the moment these are being managed at 'green' and 'amber' levels; 'red' levels (including measures that would potentially restrict education) have not yet been required.

- 2.37. Schools with secondary age pupils are providing venues for the roll out of the vaccination programme for 12 – 15 year olds. Take up has been low so far, and South West London NHS are holding clinics over half term for children to attend with their parents. This will support those families where parents would like to be present when their child is vaccinated, and those who missed their in school vaccination opportunity (if that occurred before half term).
- 2.38. Schools are supporting all pupils following the return to 'normal' education since the last lockdown in March 2021. There is support in particular for vulnerable pupils with regards to their academic progress as well as their mental health and wellbeing. There is more detail about this work in the separate paper presented at this meeting, 'Support for Pupils after the Pandemic'.

Ofsted and school improvement support

- 2.39. Ofsted have resumed routine inspection this term. This includes the inspection of outstanding schools who were previously exempt from routine inspection: Ofsted have been very clear that the bar for outstanding has been significantly raised, and that they are expecting the numbers of schools deemed to be outstanding to drop considerably. Three schools have so far been inspected in Merton and the associated reports will be published over the next few weeks. A paper on implications and challenges is being brought to the next School Standards Panel.
- 2.40. Merton School Improvement has resumed all normal work with schools, including preparation for Ofsted. The training programme for schools also continues as normal, though some events continue remotely (something that has boosted attendance. Of note is the work being carried out through the DSL forum, including working with schools on the changes to 'Keeping Children Safe in Education 2021', and this document's focus on harmful sexual behaviours.

Committee: Children and Young People Overview and Scrutiny Panel

Date: 03 November 2021

Wards: All

Subject: Performance Report

Lead officer: Jane McSherry, Director of Children, Schools and Families

Lead member: Cllr Eleanor Stringer, Joint Deputy Leader and Cabinet Member for Children and Education

Contact officer: Karl Mittelstadt, Head of Performance, Policy and Partnerships

Recommendations:

A. Members of the panel to review and acknowledge contents of the report

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. This report summarises the performance information for 2021/22, up to 30th September 2021 for quarterly and monthly indicators, as set out in the Children & Young People Overview and Scrutiny Panel Performance Index 2021/22.

2 DETAILS

Exception Report

2.1. The following indicators are marked as amber or red.

No	Indicator	Rating	Service Commentary
2	% of Single Assessments authorised within 45 days	R	<p>This is now the third month where performance is missing performance targets.</p> <p>The rate of assessments completed within 45 days has declined at a time when contacts and referrals to social care have increased. Reflecting national shortages of social workers, there have been challenges in recruiting to vacancies. This also contributes to delays in initial assessments as other parts of our service provision are prioritised (for instance visits to children and families).</p>

16	Average number of weeks taken to complete Care proceedings against a national target of 26 weeks.	R	<p>We always strive to meet the nationally set target of 26 weeks. Due to small number of children in proceedings in Merton, delays with one family can skew our figures.</p> <p>Nationally, the duration of care proceedings has increased. This is a result of court closures during the pandemic. As lock-down eases, we should see this having an impact.</p> <p>Whilst above the nationally set target of 26 weeks, Merton's performance in Q1 (2021/22) is slightly better than the national average (44 weeks).</p>
19	Stability of placements of Looked after Children – number of placements (3 or more in the year)		<p>We have had a number of children with complex needs for whom we have struggled to find appropriate placements which can meet their needs. This is in the context of a national shortage of residential and foster placements.</p> <p>Three children with 3+ placements were unaccompanied asylum seeking children and their initial temporary placement provided by the home office is included in their placement count.</p> <p>Close monitoring of the children's permanence plans will be tracked by Merton's newly formed permanency tracking meeting.</p>
22	Number of in-house foster carers recruited	R	<p>This was flagged at the last meeting. We also have a focus on this at this month's scrutiny meeting.</p>

30	Reception year surplus places	R	See below.

Commentary

Indicator 30: Reception surplus places

- 2.2. This indicator is the total school reception roll against total operating admission numbers. In 2020/21 the percentage was 10.6% against our benchmark of 5-10%.
- 2.3. There is no official national benchmark on an appropriate level of surplus places. Surplus places across schools provide more choice of school places, but since schools are largely funded based on numbers on roll, surplus places have a negative impact on the school budget, and therefore potentially teaching and learning. In the late 1990s the Audit Commission recommended that a surplus of 5-10% would enable the appropriate balance of choice and to economically provide sufficient school places, and this is still considered a reasonable estimate of best practice and so has been used for this indicator.
- 2.4. With a greater fall in demand for reception year places due to the migration impacts of Covid, we narrowly missed the 10% target maximum for 2020/21. Members will note the School Places Strategy document was brought to this committee last month.

Amendments, Corrections and Data Caveats

- 2.5. Current system configuration and data recording issues in our social care reporting system Mosaic have an impact on our ability to report performance against some of the indicators effectively. This does not mean that the department is unable to monitor performance.
- 2.6. We are currently not able to report accurately against the following indicators:

Indicator Number	Descriptor	Commentary
8	% of quorate attendance at child protection conferences	Data reporting is currently unreliable. The way in which Mosaic is currently configured does not allow an easy analysis of quoracy. The QA and Practice Development Team review quoracy as part of their service.
31	Year 7 surplus places	Q1 has been revised following receipt of January's validated data.

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

- Children and Young People Overview and Scrutiny Panel Performance Index 2020/21.

Children and Young People Overview and Scrutiny Panel - Performance Index 2020/21



Please note that Year to date performance - unless otherwise stated indicates April - March

No.	Performance Indicators	Frequency	Target 2021/22	Benchmarking and trend				Merton 2021/22 performance										
				Merton 2019/20	Merton 2018/19	England	London	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Assessments																		
1	Number of Early Help Assessments undertaken by the Authority	Monthly	Not a target measure	68 completed	n/a	No benchmarking available	No benchmarking available	16	9	24	22	18						
2	% of Single Assessments authorised within the statutory 45 days	Monthly	91%	94%	84%	83.1% (DfE 2018/19)	83% (DfE 2018/19)	92%	85%	66%	87%	85%						
3	% of Education, Health and Care (EHCP) Plans issued within statutory 20 week timescale (YTD Calendar Year /Monthly)	YTD/Monthly	55%	39.6% (DfE SEN2 Jan 2021 for the 2020)	56.4% (DfE: SEN2 Jan 2020 for the 2019)	58% (DfE: SEN2 Jan 2021 for the 2020 calendar)	61.8% (DfE: SEN2 Jan 2021 for the 2020 calendar)	61% 56%	64% 74%	61% 42%	63% 79%	66% 87%						
Child protection																		
4	Child Protection Plans rate per 10,000	Monthly	Not a target measure	19.5	38.9	43.7 (DfE 2018/19)	36.7(DfE 2018/19)	36.3	32.5	30.0	30.8	27.8						
5	Number of children subject of a Child Protection Plan	Monthly	Not a target measure	92	184	No relevant benchmarking available	No relevant benchmarking available	172	154	142	146	132						
8	% of quorate attendance at child protection conferences	Quarterly	95%	N/A		No relevant benchmarking available	No relevant benchmarking available		N/A		N/A							
9	% of reviews completed within timescale for Children with Child Protection Plans	Monthly		99%	90.4% (DfE 2018/19)	91.8% (DfE 2018/19)	95.7% (DfE 2018/19)	97%	95%	94%	95%	98%						
10	% of Children subject of a CP Plan who had a CP visit within timescales in the month	Monthly	Not a target measure	84%	77%	No relevant benchmarking available	No relevant benchmarking available	97%	95%	93%	99%	91%						
11	% of Children that became the subject of a Child Protection Plan for the second or subsequent time	Monthly	range 12-20%	19%	17.2% (DfE 2018/19)	20.8% (DfE 2018/19)	17.5% (DfE 2018/19)	14%	16%	13%	14%	14%						
Looked After Children																		
12	Looked After Children rate per 10,000	Monthly	Not a target measure	33.0	33	65 (DfE 2018/19)	50 (DfE 2018/19)	30.6	31.0	30.6	30.0	29.7						
13	Number of Looked After Children	Monthly	Not a target measure	154	157	78,150 (DfE 2018/19)	10,030 ((DfE 2018/19)	145	147	145	142	141						
14	Number of UASC children and young people	Monthly	Not a target measure	29	32	No benchmarking available	No benchmarking available	21	20	19	19	22						
16	Average number of weeks taken to complete Care proceedings against a national target of 26 weeks	Quarterly	26 weeks	37	33	31 (CAFCASS 2018/19)	No relevant benchmarking available		42		N/A							
17	% of Looked After Children cases which were reviewed within required timescales	Monthly	96%	96%	88%	Not published	Not published	96%	94%	94%	97%	96%						
18	% of Looked After Children participating in their reviews in month (year to date) (excludes children aged 0 - 4)	Monthly	Not a target measure	90%	95%	No relevant benchmarking available	No relevant benchmarking available	88%	91%	100%	83%	73%						
19	Stability of placements of Looked After Children - number of placements (3 or more in the year)	Quarterly	11%	7%	8% (DfE 2018/19)	10% (DfE 2018/19)	11% (DfE 2018/19)		14.9%			12.7%						



No.	Performance Indicators	Frequency	Target 2021/22	Benchmarking and trend				Merton 2021/22 performance										
				Merton 2019/20	Merton 2018/19	England	London	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
20	Stability of placements of Looked After Children (aged under 16) - length of placement (in care 2.5years, placement 2 years)	Quarterly	65%	75%	73% (DfE 2018/19)	69% (DfE 2018/19)	67% (DfE 2018/19)		55%				68.3%					
21	% of Looked After Children in foster placements who are placed with in-house foster carers	Quarterly	60%	N/A	n/a	No relevant benchmarking available	No relevant benchmarking available		48%				50%					
22	Number of in-house foster carers recruited	Quarterly	20	12	13	No relevant benchmarking available	No relevant benchmarking available		1				2					
23	Number of <u>Looked After Children</u> who were adopted (YTD)	Monthly	Not a target measure	data not yet available	4 (6% of those leaving care), DfE	No relevant benchmarking available	No relevant benchmarking available	0	0	0	1	1						
23a	Number of <u>Looked After Children</u> for whom agency Special Guardianship Orders were granted (YTD)	Quarterly	Not a target measure	10 (11%)	9 (13% of those leaving care 2019, DfE data)	3840 (13% of those leaving care, DfE 2019)	480 (9% of those leaving care, DfE 2019)		0				0					
Childrens Centres and Schools																		
25	% of total 0-5 year estimated Census 2011 population from areas of deprivation (IDACI 30%) whose families have accessed children's centre services (cumulative)	Quarterly	n/a	55%	56%	No relevant benchmarking available	No relevant benchmarking available		12%				24%					
26	% outcome of School Ofsted inspections good or outstanding (overall effectiveness)	Quarterly	91%	95%	95% (A Y year-end 31/08/2019)	86% (31/08/2019)	93% (31/08/2019)		95%				95%					
27	Number of Primary* permanent exclusions (Number YTD Academic year)	Monthly	Not a target measure	0	<5	4.9% (National exclusion statistics for AY 2019/20)	0.8% (National exclusion statistics for AY 2019/20)	<5	<5	<5	<5	0						
28	Number of Secondary* permanent exclusions (Number YTD Academic year)	Monthly	Not a target measure	13	9	28.5% (National exclusion statistics for AY 2019/20)	14.6% (National exclusion statistics for AY 2019/20)	5	13	13	13	2						
29	Secondary *** persistent absenteeism (10% or more sessions missed)	Annual	Not a target measure	Academic year measure	10.3% (DfE AY 2018/19)	13.7% (DfE AY 2018/19)	12% (DfE AY 2018/19)											
30	% of Reception year surplus places*** (calculated October and January)	Reported Quarterly	Range 5 - 10%			No relevant benchmarking available	No relevant benchmarking available		10.6%				10.6%					
31	% of Secondary school (Year 7) surplus places *** (calculated October and January)	Reported Quarterly	Range 5 - 10%	TBC	11.7% (AY2017/18)	No relevant benchmarking available	No relevant benchmarking available		5.6%				5.6%					
Young People and Services																		
32	Youth service participation rate	Annual		1859	2395	No relevant benchmarking available	No relevant benchmarking available											
33	% of CYP (16 - 17 year olds) not in education, employment or training (NEET)	Monthly	Not a target measure	1.4% (20/21)	1.6% (19/20)	2.8% (DfE 2020/21 based on Dec - Feb average)	1.8% (DfE 2020/21 based on Dec - Feb average)	1.4%	1.4%	1.4%	1.6%	1.4%						
34	% of CYP (16 - 17 year olds) education, employment or training status 'not known'	Monthly	Not a target measure	1.1%	0.9%	2.7% (DfE 2019/20 based on Dec - Feb average)	2.2% (DfE 2018/19 based on Dec - Feb average)	1.2%	1.2%	1.2%	1.6%	1.1%						



No.	Performance Indicators	Frequency	Target 2021/22	Benchmarking and trend				Merton 2021/22 performance											
				Merton 2019/20	Merton 2018/19	England	London	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	
35	Number of First Time Entrants (FTEs) to the Youth Justice System aged 10-17 (cumulative)	Monthly	50	38	33 (published rate per 10k: 167)	224 (rate per 10,000, 2019)	260 (rate per 10,000, 2019)	4	8	10	13	14							
36	Rate of proven re-offending by young people in the youth justice system	Quarterly	Not a target measure	TBC	45.2% YJB pub 2021)	38.4% (2018/19 YJB pub 2021)	41.8% (2018/19, YJB pub 2021)	45.5%	100%	100%	N/A								
37	Supported Families: Number of Families engaged for Expanded Programme	Quarterly	Not a target measure	254	320	No relevant benchmarking available	No relevant benchmarking available												175
38	% of commissioned services for which quarterly monitoring was completed	Quarterly	100%	100%	100%	No relevant benchmarking available	No relevant benchmarking available												
39**	% agency social workers (HR data)	Quarterly**	Not a target measure	17.6% DfE Census Sept 2020	38.1% DfE Census Sept 2019	15% (DfE Census Sept 2020)	22.7% (DfE Census Sept 2020)												
40**	Average total caseload for social workers (working with looked after children and/or children subject of child protection plans) (total caseload including non LAC and CPP cases as at end of month) Combines and replaces previous indicators 7 and 15	Monthly**	Not a target measure	16.8 (DfE Census Sept 2020)	12.4 (DfE Census Sept 2019)	16.3 (DfE Census Sept 2020)	14.6 (DfE Census Sept 2020)	15	13	12	12	13							
Indicators 27 & 28 : * all pupils educated in Merton Schools (including special schools)																			
Indicators 29, 30 & 31: *** all pupils educated in Merton Schools (excluding special Schools)																			
Indicators 39 & 40 : ** Quarterly and monthly data reported from HR data reported by Human Resource or mosaic respectively. There is no direct comparable benchmarkable data as the DfE uses a different definition of a 'social worker' for the purpose of who is included in the annual Children's Social Workforce Census.																			

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Children and Young People Overview and Scrutiny Panel - Work Programme 2021/2022



This table sets out the Children and Young People Overview and Scrutiny Panel work programme for 2021/22; the items listed were agreed by the Panel at its meeting on 26 June 2021. This work programme will be considered at every meeting of the Panel to enable it to respond to issues of concern and incorporate reviews or to comment on pre-decision items ahead of their consideration by Cabinet/Council.

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

Chair: Councillor Sally Kenny

Vice-chair: Councillor Hayley Ormrod

Scrutiny Support

For further information on the work programme of the Children and Young People Scrutiny Panel please contact: -

Stella Akintan, Scrutiny Officer

Tel: 020 8545 3390; Email: stella.akintan@merton.gov.uk

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

Meeting date: 29 September 2021 (**Deadline for papers: 12pm, 20 September 2021**)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Standing items	Covid 19 update	Presentation	Dagmar Zeuner, Director of Public Health.	Presentation on the on the impact of COVID-19 within schools and amongst children and young people.
Holding the executive to account	School Places Planning Strategy	Written Report	Tom Procter, Head of Contracts and School Organisation	To review the Strategy for managing the changing demand for primary and secondary school places.
Scrutiny of the CSF Department	Departmental update report	Written report	Jane McSherry, Director of Children, Schools and Families	An overview of the key issues within the Children, Schools and Families Department.
Holding the executive to account	Cabinet Member Priorities	Verbal Update	Councillor Eleanor Stringer, Cabinet Member for Children and Education	Overview of key issues of concern for the Cabinet Member.
Performance Monitoring	Performance monitoring Report	Written Report	Head of Policy, Planning and Performance	Panel to review the basket of indicators
Setting the work programme	Work programme 2021/22	Written report	Stella Akintan, Scrutiny Officer	To review the work programme and agree any changes

Meeting date: 3 November 2021 (*Deadline for papers: 12pm 25 October 2021*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Standing Item	Covid 19 update	Presentation	Dagmar Zeuner, Director of Public Health	To review the impact of COVID-19 within schools and amongst children and young people.
Scrutiny of local services	Support for pupils after the pandemic	Written Report	Elizabeth Fitzpatrick Assistant Director Education and Early Help Keith Shipman, Head of Education Inclusion	Review the provision for pupils.
Budget scrutiny	Budget/business plan scrutiny (Round 1)	Written report	Caroline Holland, Director of Corporate Services	To discuss and refer any comments to the O&S Commission
Scrutiny of the CSF Department	Departmental update report	Written Report	Jane McSherry, Director of Children, Schools and Families	An overview of the key issues within the Children, Schools and Families Department.
Holding the executive to account	Cabinet Member Priorities	Verbal Update	Councillor Eleanor Stringer, Cabinet Member for Children and Education	Overview of key issues of concern for the Cabinet Member.

Performance management	Performance monitoring	Written report	Karl Mittelstadt, Head of Policy, Planning and Performance	Panel to review the basket of indicators
Setting the work programme	Work programme 2020/21	Written report	Stella Akintan, Scrutiny Officer	To review the work programme and agree any changes

Meeting date: 12 January 2022 (*Deadline for papers: 12pm 3 January 2022*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Standing items	Covid 19 update	Presentation	Dagmar Zeuner, Director of Public Health	To review the impact of COVID-19 within schools and amongst children and young people.
Budget scrutiny	Budget/business plan scrutiny (Round 2)	Written report	Caroline Holland, Director of Corporate Services	To discuss and make recommendations to forward to Cabinet
Scrutiny of the CSF Department	Departmental update report	Written Report	Jane McSherry, Director of Children, Schools and Families	An overview of the key issues within the Children, Schools and Families Department.
Holding the executive to account	Cabinet Member Priorities	Verbal Update	Councillor Eleanor Stringer, Cabinet Member for Children and Education	Overview of key issues of concern for the Cabinet Member.
Performance management	Performance monitoring	Basket of indicators	Head of Policy, Planning and Performance	To highlight items of concern
Setting the work programme	Work programme 2021/22	Written report	Stella Akintan, Scrutiny Officer	To review the work programme and agree any changes

Meeting date: 09 February 2022 (*Deadline for papers: 12pm 31 January 2022*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Standing item	Covid 19 update	Presentation	Dagmar Zeuner, Director of Public Health	To review the impact of COVID-19 within schools and amongst children and young people.
Scrutiny of local services	Mental Health and Wellbeing of children and young people	Written report	Keith Shipman, Head of Education Inclusion	Overview of services to support young people after the pandemic
Holding the executive to account	Departmental update report	Written report	Jane McSherry Director of Children, Schools and Families	An overview of the key issues within the Children, Schools and Families Department.
Performance management	Performance monitoring	Basket of indicators	Head of Policy, Planning and Performance	To highlight items of concern
work programme	Work programme 2021/22	Written report	Stella Akintan, Scrutiny Officer	To review the work programme and agree any changes

Meeting date: 15 March 2022 (*Deadline for papers: 12pm 07 March 2022*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
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Holding the executive to account	Schools Standards Annual Report	Written report	Elizabeth Fitzpatrick & Head of School Improvement Keith Shipman, Head of Education Inclusion	To scrutinise attainment information
Scrutiny of local services	Apprenticeships	Written Report	Liz Hammond, Interim Head of HR	Overview of the work of the council and partners to support apprenticeships for young people
Scrutiny of Health Services	Childhood Immunisations	Written Report	NHS England	To review the uptake of immunisations amongst children and young people in Merton.
Setting the work programme	Topic suggestions for 2022/23	Written report	Stella Akintan, Scrutiny Officer	To identify topics for the 2022/23 work programme
Standing items	Covid 19 update	Verbal update	Dagmar Zeuner, Director of Public Health	To review the impact of COVID-19 within schools and amongst children and young people.

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