

## Cabinet

**Date: 19 September 2016**

**Subject: Financial Report 2016/17 – June 2016**

Lead officer: Paul Dale

Lead member: Mark Allison

### Recommendations:

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- A. That Cabinet note the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £2.7million, 0.5% of the gross budget.
- B. That Cabinet note the proposed adjustments to the Capital Programme detailed in appendix 5b and approve the two items in the Table below:

Scheme	2017/18 Budget	Adjustment	Revised 2017/18 Budget	Estimated Useful Life
	£	£	£	£
SWLP Vehicles*	0	4,190,000	<b>4,190,000</b>	<b>8 Years</b>
SWLP Wheelie Bins	0	1,512,000	<b>1,512,000</b>	<b>15 Years</b>
<b>Total **</b>	<b>0</b>	<b>5,702,000</b>	<b>5,702,000</b>	

\*to note that this expenditure will be required regardless of whether or not the Phase C of the Waste Partnership is progressed.

\*\* This investment will significantly contribute towards the estimated £2 million of annual revenue savings (allowing for the debt charges of the scheme)

- C. That Cabinet endorses the addition of the £5.702 million SWLP Scheme above and that this is sent to Council on 23 November 2016 for its approval.
- D. That Cabinet note the virement of £109k from the corporate contingency to Children, Schools and Families for the first quarter costs of additional social worker capacity and the virement from Corporate Services to Community and Housing for the housing benefit cost for temporary accommodation.

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## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This is the financial monitoring report for the first quarter of 2016/17 presented in line with the financial reporting timetable.

This financial monitoring report provides:-

- The income and expenditure at period 3 and a full year forecast projection.
- An update on the capital programme and detailed monitoring information;
- An update on Corporate Items in the budget 2016/17;
- Progress on the delivery of the 2016/17 revenue savings
- Progress on the delivery of 2014/15 and 2015/16 revenue savings

## 2. THE FINANCIAL REPORTING PROCESS

- 2.1 The budget monitoring process will focus on adult social care and children's social care as these areas are forecasting significant overspends.

2.2 Chief Officers, together with Service Financial Advisers and budget managers are responsible for keeping budgets under close scrutiny and ensuring that expenditure within budgets which are overspending is being actively and vigorously controlled and where budgets are under spent, these underspends are retained until year end. Any final overall overspend on the General Fund will result in a call on balances as has been the case for the last two financial years.

### 2.3 2016/17 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

**Executive summary** – At period 3 to 30th June 2016 the year end forecast is a net £2.7m overspend compared to the current budget.

#### **Summary Position as at 30th June 2016**

	Current Budget 2016/17	Full Year Forecast (Jun)	Forecast Variance at year end (Jun)	Forecast Variance at year end (May)	Outturn variance 2015/16
	£000s	£000s	£000s	£000s	£000s
<b>Department</b>					
3A. Corporate Services	11,390	11,284	(106)	315	(373)
3B. Children, Schools and Families	50,542	52,414	1,872	1,946	(7)
3C. Community and Housing	56,763	60,506	3,742	3,720	940
3D. Public Health	43	(9)	(53)	0	(7)
3E. Environment & Regeneration	22,379	22,308	(72)	69	3,632
Overheads	0	0	0	0	272
<b>NET SERVICE EXPENDITURE</b>	<b>141,117</b>	<b>146,502</b>	<b>5,383</b>	<b>6,050</b>	<b>4,457</b>
<b>3E. Corporate Items</b>					
Impact of Capital on revenue budget	13,643	13,649	6	0	49
Central budgets	(8,077)	(10,679)	(2,602)	(1,547)	(2,846)
Levies	928	928	0	0	0
<b>TOTAL CORPORATE PROVISIONS</b>	<b>6,494</b>	<b>3,898</b>	<b>(2,596)</b>	<b>(1,547)</b>	<b>(2,797)</b>
<b>TOTAL GENERAL FUND</b>	<b>147,611</b>	<b>150,400</b>	<b>2,787</b>	<b>4,503</b>	<b>1,660</b>
<b>FUNDING</b>					
Revenue Support Grant	(23,156)	(23,156)	0	0	0
Business Rates	(34,230)	(34,230)	0	0	0
Other Grants	(9,811)	(9,887)	(76)	(76)	(954)
Council Tax and Collection Fund	(80,399)	(80,399)	0	0	(6)
<b>FUNDING</b>	<b>(147,597)</b>	<b>(147,673)</b>	<b>(76)</b>	<b>(76)</b>	<b>(960)</b>
<b>NET</b>	<b>15</b>	<b>2,727</b>	<b>2,711</b>	<b>4,427</b>	<b>699</b>

	Current Budget 2016/17	Full Year Forecast at (June)	Forecast Variance at year end (June)	Forecast Variance at year end (May)
<b>Expenditure</b>	£000	£000	£000	£000
Employees	93,076	94,077	1,001	1,367
Premises Related Expenditure	8,213	7,919	(294)	(146)
Transport Related Expenditure	14,525	15,036	510	355
Supplies and Services	167,932	166,853	(1,078)	146
Third Party Payments	89,008	93,903	4,895	4,652
Transfer Payments	104,179	92,712	(11,466)	(11,304)
Support Services	32,153	32,154	0	1
Depreciation and Impairment Losses	17,637	17,637	(0)	(5)
Corporate Provisions				
<b>GROSS EXPENDITURE</b>	<b>526,724</b>	<b>520,291</b>	<b>(6,433)</b>	<b>(4,934)</b>
<b>Income</b>				
Government Grants	(266,966)	(255,684)	11,283	11,088
Other Grants, Reimbursements and Contribs	(22,719)	(23,678)	(959)	(1,244)
Customer and Client Receipts	(63,096)	(61,885)	1,211	693
Interest	(46)	(23)	23	23
Recharges	(32,518)	(32,519)	(0)	(0)
Balances	(261)	(1)	260	423
<b>GROSS INCOME</b>	<b>(385,606)</b>	<b>(373,789)</b>	<b>11,817</b>	<b>10,984</b>
<b>NET EXPENDITURE</b>	<b>141,117</b>	<b>146,502</b>	<b>5,384</b>	<b>6,050</b>

### 3. DEPARTMENTAL SUMMARY OF CURRENT POSITION

#### Corporate Services

	2016/17 Current Budget £000	Full year Forecast (June) £000	Forecast Variance at year end (June) £000	Forecast Variance at year end (May) £000	2015/16 Variance at year end £000
Business Improvement	3,264	3,181	-83	0	-29
Infrastructure & Transactions	9,397	9,363	-35	-76	-249
Resources	7,245	7,326	80	50	-243
Human Resources	2,229	2,229	0	0	-55
Corporate Governance	2,646	2,499	-147	-125	-426
Customer Services	2,365	2,234	-130	-195	-479
Corporate Items including redundancy costs (no longer including temporary accommodation)	981	1,189	208	660	1,109
<b>Total (Controllable)</b>	<b>28,126</b>	<b>28,020</b>	<b>-106</b>	<b>315</b>	<b>-372</b>

#### Overview

The Corporate Services (CS) department are forecasting an underspend of £106k at year end. This compares to a P2 forecast overspend variance of £315k. The swing of £421k is largely the result of an accounting treatment change relating to temporary accommodation.

#### Business Improvement - £83k under

The forecast underspend is due to an overachievement of street naming income.

#### Resources - £80k over

Resources are now forecasting an overspend due to the additional costs relating to the delayed implementation of the FIS/E5 finance system.

#### Human Resources

Owing to the restructure to bring the HR service back in house, it has not been possible to provide a meaningful forecast variance for P3. However, with the help of business partners, HR staff and CS budget management it is expected a forecast will be provided for P4. Having periodically reviewed spend so far this year, it is unlikely a material forecast variance will be reported.

#### Customer Services - £130k under

Customer services are forecasting a £130k underspend. £100k of this is due to a net underspend in the Bailiff Service. The Merton Bailiff Service is forecasting overachieving income by £237k but this is offset by a forecast £207k underachievement of income in the Shared Bailiff Service. The remainder is due to an underspend on Bailliff's fees. An additional

£25k is an overachievement of translation services income. Of this, two thirds of the overachievement relates to external customers and one third internal customers.

**Corporate Governance - £147k under**

Corporate Governance are forecasting a £147k underspend. This is in large part due to a £52K underspend in Internal Audit as a consequence of an Audit Partnership restructure. £38k relates to Benefits investigation where a 17/18 saving has been captured early.

**Corporate Items - £208k over**

In 15/16 there was a £743k shortfall in subsidy, and therefore overspend, for temporary accommodation. This is because the cost of temporary accommodation was significantly higher than the subsidy available which is capped. The cost of temporary accommodation was disclosed in Housing Services within C&H whereas the benefit paid was shown within corporate items in CS together with Housing Benefits subsidy grant.

As indicated last year, the accounting for this has been reviewed for P3. For financial year 16/17 and onwards the benefit paid and grant recovered, and therefore the shortfall, will appear in C&H budgets so the true cost of temporary accommodation is captured and reported in the correct division. A budget of £321k relating to temporary accommodation has been vired from CS to C&H to help offset this.

The net position of this review is that £546k overspend that was showing in CS P2 is now showing in C&H P3. This explains why the Corporate Items forecast overspend has reduced by £452k between P2 and P3. It has not reduced by the full £546k due to higher forecast of redundancy costs owing to high actuals up to P3.

The budget monitoring process will focus on pressures to ensure remedial action is taken and underspends can be held to offset any overspends.

## Environment & Regeneration

Environment & Regeneration	2016/17 Current Budget £000	Full year Forecast (June) £000	Forecast Variance at year end (June) £000	Forecast Variance at year end (May) £000	2015/16 Variance at year end £000
Public Protection	(11,039)	(11,150)	(111)	(24)	3,709
Sustainable Communities	12,333	12,155	(178)	(7)	(600)
Waste Services	15,283	15,366	83	100	187
Other	(866)	(732)	134	0	336
<b>Total (Controllable)</b>	<b>15,711</b>	<b>15,639</b>	<b>(72)</b>	<b>69</b>	<b>3,632</b>

Description	2016/17 Current Budget £000	Forecast Variance at year end (June) £000	Forecast Variance at year end (May) £000	2015/16 Variance at year end £000
Employee underspend within Regulatory Services	1,995	(112)	0	203
Other small over and underspends	(13,034)	1	(23)	3,506
<b>Total for Public Protection</b>	<b>(11,039)</b>	<b>(111)</b>	<b>(23)</b>	<b>3,709</b>
Overachievement of rental income within Property Management	(4,065)	(224)	(182)	(430)
Employee overspend within Greenspaces	2,271	97	50	80
Underachievement of Customer & Client Receipts within Greenspaces	(2,161)	198	100	278
Underspend within Senior Management & Support	972	(91)	(78)	(149)
Other small over and underspends	15,316	(158)	102	(379)
<b>Total for Sustainable Communities</b>	<b>12,333</b>	<b>(178)</b>	<b>(8)</b>	<b>(600)</b>
Overspend within Transport Services	(866)	134	0	336
Other small over and underspends	15,283	83	0	(26)
<b>Total for Street Scene &amp; Waste</b>	<b>14,417</b>	<b>217</b>	<b>100</b>	<b>523</b>
<b>Total Excluding Overheads</b>	<b>15,711</b>	<b>(72)</b>	<b>69</b>	<b>3,632</b>

### Overview

The department is currently forecasting an underspend of £72k at year end. The main areas of variance are Regulatory Services, Property management, Greenspaces, Senior Management & Support, and Transport Services.

### Pressures

#### Public Protection

### **Regulatory Services – forecasting a total £83k underspend**

The forecast employee underspend of £112k is as a result of vacancies, which are in the process of being recruited to. This underspend is being partially offset by a small underachievement of Licensing income.

### **Parking & CCTV Services – forecasting a total £33k underspend**

The implementation of the ANPR infrastructure across the borough is now complete, and the contract has now commenced. It is expected that improved compliance and traffic flow at the locations concerned will be seen within a couple of months. We are now awaiting the first set of clear data from the system, which should be received within the next week or two, before adjusting the forecast accordingly.

### **Sustainable Communities**

#### **Property Management – forecasting a total £203k underspend**

The main reason for the forecast underspend is as a result of exceeding their commercial rental income expectations by £224k due to a combination of rent reviews and a continuing high occupancy rate.

#### **Greenspaces – forecasting a total £151k overspend**

The forecast employee overspend of £97k is as a result of overtime payments (Parks), and staffing of the firework displays.

The section is also forecasting an underachievement of income of £198k, which is a result of an underachievement of sports income (£100k), and the 'Live at Wimbledon Park' event (£69k). Although this event is expected to break-even this year, there is a budgeted expectation for it to achieve a surplus of £69k..

These pressures are being partially off-set by expected underspends within Premises (£35k), Supplies & Services (£71k), and Grants & Contributions (£55k).

#### **Senior Management & Support – forecasting a total £91k underspend**

An underspend of £91k is being forecast mainly due to not filling vacant posts in order to contribute towards the department's mitigating actions.

### **Street Scene & Waste**

#### **Transport Services – forecasting a total £134k overspend**

The overspend is mainly as a result of additional agency and overtime requirements due to a number of staffing issues, which are being addressed in line with corporate policy.

## Children Schools and Families

Children, Schools and Families	2016/17 Current Budget £000	Full year Forecast (Jun) £000	Forecast Variance at year end (Jun) £000	Forecast Variance at year end (May) £000	2015/16 Variance at year end £000
Commissioning, Strategy and Performance	8,047	9,360	1,313	1,295	677
Education	16,260	16,556	296	399	34
Social Care and Youth Inclusion	11,413	12,172	759	748	309
Public Health contribution	0	0	0	0	(328)
PFI	7,799	7,303	(496)	(496)	(368)
Redundancy costs	2,077	2,077	0	0	(331)
<b>Total (controllable)</b>	<b>45,596</b>	<b>47,468</b>	<b>1,872</b>	<b>1,946</b>	<b>(7)</b>

### Overview

At the end of June Children Schools and Families had a forecast overspend of £1.872m on local authority funded services. Close scrutiny of overspending areas and management action to off set these overspends are on-going by the management team.

### Local Authority Funded Services

There are a number of volatile budgets, which require continuous and careful demand management. Significant cost pressures and underspends identified to date are detailed below:

Description	Budget £000	Jun £000	May £000	2015/16 £000
Fostering and residential placements (ART)	5,056	206	521	377
Supported lodgings/housing	634	909	494	546
Un-accompanied asylum seeking children (UASC)	60	557	492	308
Procurement & School organisation	550	(208)	(208)	(276)
Other small over and underspends	1,578	(151)	(4)	(278)
<b>Subtotal Commissioning, Strategy and Performance</b>	<b>8,047</b>	<b>1,313</b>	<b>1,295</b>	<b>677</b>
SEN Transport	4,022	447	507	374
Staffing underspends across Early Years services	2,838	(250)	(250)	(315)
Children with disabilities team (CWD) staffing	541	70	140	8
Other small over and underspends	8,798	29	2	(33)
<b>Subtotal Education</b>	<b>16,260</b>	<b>296</b>	<b>399</b>	<b>34</b>
No Recourse to Public Funds (NRPF)	20	430	470	470
Social Work staffing	3,075	447	225	151
Other small over and underspends	8,367	(118)	53	(59)
<b>Subtotal Children's Social Care and Youth Inclusion</b>	<b>11,413</b>	<b>759</b>	<b>748</b>	<b>309</b>

### Commissioning, Strategy and Performance Division

While the numbers of Looked After Children (LAC) remain relatively stable, the complexity of a significant proportion of cases is causing cost pressures as detailed below. Placements are checked on a monthly basis and assumptions reviewed quarterly to ensure that they are as accurate as possible. Our arrangements have been strengthened following a review of the 2015/16 outturn.



<b>Service</b>	<b>Budget £000</b>	<b>Forecast spend £000</b>	<b>Variance £000</b>	<b>Number of placements £000</b>
Residential Placements	2,127	2,355	228	23
Independent Agency Fostering	1,761	1,739	(22)	42
In-house Fostering	905	1,112	207	60
Secure accommodation	164	22	(142)	1
Mother and baby	99	34	(65)	1
<b>Total</b>	<b>5,056</b>	<b>5,262</b>	<b>206</b>	<b>127</b>

High cost residential and independent agency fostering placements are only used when all other options have been considered and it is deemed that these are in the best interest for the children involved. The current estimated spend is less than last year and based on the latest available information which will change later on in the year as new cases are presented or cases closed.

The budget for semi-independent and supported lodgings/housing placements is estimated to overspend by £909k. This budget is used to finance an increased number of placements for young people aged 16/17 and above due to the requirements for Staying Put. These young people require semi-independent provision and for Care Leavers through to independence or, in some cases, through to the age of 21, as part of our new statutory duties. There are currently 55 placements which is up from 35 in 2014/15.

The UASC payments are expected to overspend by £557k this year due to an increase in cases. At the end of June there were 23 placements with an increased number of claimant turning 18 later during the year, although this increase has been included in the June forecast.

Procurement and school organisation budgets are expected to underspend by £208k as a result of lower spend forecast on revenue budgets. This budget relates to construction projects that cannot be classified as capital. The majority of this is required for temporary classrooms due to rising pupil demand when it is not viable to provide permanent buildings.

There are various other small over and underspends forecast across the division netting to a £151k underspend. These combine with the items described above to arrive at the total reported divisional overspend of £1.313m.

### Education Division

SEN and FE transport cost are expected to overspend by £447k, £73k more than the actual overspend last year due to the full year effect of more expensive placements starting from September 2015. This forecast is calculated using a case-by-case costs model and is reviewed monthly. We are reviewing demand management, cost efficiency of supply, and safeguarding of students with E&R who provide the in-house transport and commission the taxi service.

As part of management action, where possible, recruitment to vacancies in some areas will be delayed in preparation for 2017/18 savings with the aim to reduce the overall in-year departmental overspend. This is estimated to result in an overall underspend of £250k.

The CWD team staffing costs is expected to overspend by £70k. As highlighted in the budget reports to Cabinet and Council, additional capacity is being kept under regular review and funded quarterly from the corporate contingency. This amount equates to two additional social workers. For the first

quarter an adjustment of £26k have been made towards the overspend for these costs (a maximum of £120k can be adjusted for the year). On top of the additional staff, the team also has to cover vacancies with higher cost agency staff.

There are various other small over and underspends forecast across the division netting to a £29k overspend. These combine with the item described above to arrive at the total reported divisional overspend of £296k.

### Children's Social Care and Youth Inclusion Division

The NRPF budgets are forecast to overspend by £430k for the current financial year. This forecast is based on the assumption that case levels will stay the same as last year. If we receive more successful applications, the level of overspend would increase.

The Central Social Work, MASH and VCT team's staffing costs is expected to overspend by £447k. As highlighted in the budget reports to Cabinet and Council, additional capacity is being kept under regular review and funded quarterly from the corporate contingency. This amount equates to six additional social workers. For the first quarter an adjustment of £83k have been made towards the overspend of these costs (a maximum of £360k can be adjusted for the year). On top of the additional staff, the team also has to cover vacancies with agency staff due to difficulty in recruiting permanent members of staff. This cost could fluctuate during the course of the year depending on our ability to recruit permanent members of staff to our vacancies. Two social workers have also been appointed in excess of the budgeted staffing compliment for a time limited period. This was done to address the increased volumes demand in the MASH team and to ensure the safeguarding of children and is reviewed monthly.

There are various other small over and underspends forecast across the division netting to a £118k underspend. These combine with the item described above to arrive at the total reported divisional overspend of £759k.

### **Dedicated Schools Grant**

DSG funded services is forecast to underspend by £260k. These budgets are not within the council's general fund and cannot be offset against the local authority funded budgets. Any underspend will be added to the DSG reserve and applied after consultation with Schools Forum. Variances between individual subjectives have been shown in the overall departmental analyses.

The main reasons for the forecast relates to an estimated underspend of £215k in Independent Day School provision. It is important to note that new placements which might be required from September onwards could significantly impact on this forecast.

There are various other smaller over and underspends forecast across the DSG netting to a £45k underspend which, combined with the items above, equates to the net underspend of £260k.

### **Management Action**

#### New burdens

There are a considerable number of duties placed on the Local Authority which have not been fully funded or not funded at all. Excluding the cost of these duties would leave a net departmental underspend of £24k. The table below highlights the estimated overspends relating to these duties:

<b>Description</b>	<b>Budget £000</b>	<b>Jun overspend forecast £000</b>	<b>May overspend forecast £000</b>
Supported lodgings/housing	634	909	494
Un-accompanied asylum seeking children (UASC)	60	557	492
No Recourse to Public Funds (NRPF)	20	430	470
<b>Total</b>	<b>714</b>	<b>1,896</b>	<b>1,456</b>

### Staffing

Recruitment and retention (R&R) continues to be a priority at Merton, as the national shortage of children's Social Workers persists. Merton has had particular difficulty recruiting and retaining staff in 3 key areas; Multi Agency Safeguarding Hub & First Response (MASH), Safeguarding & Care Planning (S&CP) and the Children with Disabilities Team (CWDT). These three areas have R&R measures in place, which after a recent review will continue until at least March 2017.

This quarter continues with a steady number of new starters (9 Social Workers), which include 4 to MASH, 2 to S&CP & 2 to CWDT. The planned leavers in May/ June has lead to a small increase in both vacancy rates (25.27%) and turnover (21.38%), going against the downward trend seen since April 2015.

There has been a significant reduction in the numbers of agency staff being used and the quarterly expenditure. In June 2016, there were 30.37 (WTE) agency Social Workers, making up 22% of the Children's Social Work Workforce. 69% of agency social workers are undertaking work in MASH, S&CP and CWDT. Strong recruitment to S&CP has led to 23% of Social workers in this area being agency workers and all vacant posts are under offer. MASH has 43% of agency workers and CWDT has 42% agency workers.

### Placements

Our edge of care panel continues to ensure that entry to care threshold is maintained. The impact of increased numbers of UASC is in particular affecting our LAC and care leaver numbers and we remain in the lowest rate of care range in London.

Work continues to ensure we lever in appropriate health contribution to children with complex needs and our ART service is driving down placement costs including through regional partnership commissioning. It is difficult to predict these negotiations on a monthly basis as they are often connected with children's progress in placement.

Our ART Fostering Recruitment and Assessment team is continuing to recruit new foster carers who will offer locally based placements. This continues to ensure a reduction in more expensive agency foster placements.

Our ART Placement service is working with providers to establish more local provision and offer better value placements to the Council. There is now an established agreed cost framework for semi-independent providers and this has resulted in more appropriately priced placements for Care Leavers and older LAC.

We ensure that accurate information about changes to placement costs are kept up to date. We are improving our response to invoice queries by having tight timescales in place. The placement

reconciliation is completed on a monthly basis and builds in challenge meetings with colleagues in corporate finance.

We have tightened up our processes with YOS for obtaining information about young people remanded into secure accommodation and reviewed our forecast methodology. We will contact respite providers on a monthly basis going forward to ensure more accurate forecasts.

### Transport

We have continued to develop a number of alternatives to transport and to develop a more cost effective continuum of offer to meet our SEN Transport statutory duties. In the current year to date we have had 1 personal budget taken up providing an annual saving of £6k on top of the 26 takers last year which provided a cost reduction of £101k. In addition 7 young people have been through the independent travel training programme this year providing an on-going cost reduction of £62k on top of the 37 transfers in previous years and 116 now travel with assistance from a Freedom Pass. We are monitoring tight eligibility thresholds and have refused 18 requests for transport in 2015/16.

Work continues through the corporate group to re-procure better value taxi arrangements and to pilot initiatives to provide more cost effective answers to our statutory duties with a growing population.

### General

The department continues to scrutinise all budgets to see how we can offset the above costs pressures and others created by growing demographics and new burdens. Where possible we will use grant and income flexibly and will also implement agreed savings for 2017/18 in year if possible to bring our anticipated spend in line with available budgets.

### **Additional social worker capacity**

As highlighted in the budget reports to Cabinet and Council, additional capacity is being kept under regular review and funded quarterly from the corporate contingency. CMT / Cabinet are asked to approve the virement for the first quarter of £109k from the corporate contingency. This adjustment has already been built into budget forecast for June.

### **Community and Housing**

Community and Housing is forecasting to over spend by £3.7m as at June 2016.

There is an underlying over spend in the Adult Services budget of £3.2m in 2015/16, which has been carried forward into the new financial year. In the previous financial year this was partially offset by underspends in other Adult Services budgets, and underspends in other parts of Community and Housing. Current monitoring suggests that offsetting underspends will be at half as much in 2016/17, as under spending budgets in 2015/16 were subject to savings in 16/17.

Part of this overspend was an under-achievement of income of £1m, so a prudent assumption has been made that there will be a similar under-achievement of income this year, whilst doing further investigation with partners.

Community and Housing	2016/17 Current Budget £000	Full Year Forecast (June) £000	Forecast Variance (June) £000	Forecast Variance (May) £000	2015/16 Variance year end £000
Access and Assessment	37,292	41,646	4,354	4,354	3,259
Commissioning	4,250	4,197	(53)	(50)	(50)
Direct Provision	5,690	5,701	11	75	(197)
Directorate	802	388	(414)	(398)	(17)
Care Act Implementation Expenditure	0	0	0	0	(1,230)
Contribution from Public Health	0	0	0	0	(328)
<b>Adult Social Care</b>	<b>48,034</b>	<b>51,932</b>	<b>3,898</b>	<b>3,981</b>	<b>1,437</b>
Libraries and Heritage	2,227	2,102	(125)	(100)	(176)
Merton Adult Education	(247)	(509)	(263)	(104)	218
Housing General Fund	2,052	2,283	231	(57)	(538)
<b>Total</b>	<b>52,066</b>	<b>55,808</b>	<b>3,742</b>	<b>3,720</b>	<b>940</b>

### Access and Assessment - £4.4m over-spend

Access and Assessment	Variance (June'16) £000	Variance (May'16) £'000	Variance (Mar'16) £000
Gross Placements overspend	3,375	3,375	3,146
Other A&A Over-spends/(underspend)	340	340	(526)
<b>Sub-total Net over-spend</b>	<b>3,715</b>	<b>3,715</b>	<b>2,620</b>
Under/Overachievement of income	639	639	639
<b>Total A&amp;A Forecast over-spend</b>	<b>4,354</b>	<b>4,354</b>	<b>3,259</b>

Forecast assumes income levels to be similar to 2015/16.

## Adult Social Care

### Placement Activity

The table below details the current number of clients and care packages numbers as at June 2016.

Activity Data	Care Packages (No's) Jun'16		Care Packages (No's) May'16	Clients (No's) Jun'16		Clients (No's) May'16
<b>Service Area</b>						
Mental Health	141	↑	140	123	↑	121
Physical & Sensory	323	↓	339	238	↓	242
Learning Disabilities	392	↓	403	322	↑	321
Older People	1,687	↑	1,666	1,192	↑	1,178
Substance Misuse	17	↑	15	17	↑	15
No Recourse to Public Funds	17	↔	17	11	↔	11
LBM own facility	132	↓	139	69	↓	71
<b>TOTAL</b>	<b>2,709</b>	↓	<b>2,719</b>	<b>1,972</b>	↓	<b>1,959</b>

The current projected overspend against placement budgets requires further investigation as the projected spend from 2015/16 does not reflect the movement in activity. Investigation to date shows that the commitments in the system are broadly accurate, but there are new commitments late in 2015/16 which now have a full year effect. There are also a number of short term placements without an effective end date.

### Challenges of Adult Social Care in 2016.17:-

#### Access and Assessment

Community and Housing will continue to face similar budget pressures in 2016/17 as they did in financial year 2015/16, the main pressures are:-

**Complexity of care needs:** There is a long term trend in complexity of care needs, whereby the amount of care required per client has increased.

**Price pressures:** Nationally the market in social care has shown that providers are successfully demanding increases in fees. This means that to secure supply and sustain a viable market Merton had to negotiate new higher fees in 2015/16 and is facing similar challenges in 2016/17. No general uplifts have yet been agreed, but day to day placements are increasingly at higher rates, particularly in residential and nursing care. There are significant cost pressures in the home care market due to the London Living Wage and a high demand for labour. Our contracted

providers have been struggling to supply the level of carers, which has forced the council to spot purchase care, often at a higher price. Discussions are currently taking place about the potential to increase framework prices to encourage more on-contract activity and to stabilise the market.

A major re-commissioning exercise will be undertaken this year that will seek to create a more sustainable supply of care, without the need to go off contract, and enables providers to prioritise good quality and consistent care. The estimated cost to secure this arrangement is approximately £460k.

### **Savings**

Adult Social Care has a challenging savings target of £5m in 2016/17, of which £3m has been achieved to date. £2m remains to be achieved, of which £1.8m relates to placement budgets.

### **Transitions**

Estimated cost of transitions to adults in 2016/17 is £916k of which to date £767k requires further investigation to establish the likely impact on 2016/17 placement budgets.

### **Deprivation of Liberty Assessment (Cheshire West judgement)**

In 2015/16 the Government provided £80k towards cost of this increased responsibility but to date no announcements of funding for 2016/17. The actual spend on DOLS in 2015/16 was £537k net. Number of cases dealt with during 2015/16 was 651. The estimated number of assessments for 2016/17 is 780 which may result in an over spend of £244k.

Due to budget constraints the adult safeguarding team is in the process of completing a report which will analyse various options to mitigate forecasted over spend one of which might be to prioritise DOLs assessments.

### **Commissioning under-spend £53k**

In the Commissioning Service current underspend is forecasted on the Supporting People contract, dementia hub and salaries budgets.

### **Direct Provision over- spend £11k**

Staffing costs have increased in this area due to Single Status settlements. This service is also reviewing work patterns and will make changes to shift patterns to keep unit costs as low as possible. One registered manager is responsible for both Meadowsweet and Riverside Drive. The aim is to use employees across both internal residential sites where possible, therefore reducing the need for additional bank staff.

### **Libraries- £125k under-spend**

Under spend is due to staff vacancies and reduced expenditure due to building works at the Donald Hope Library.

**Merton Adult Education - £263k under-spend**

Merton Adult Education (MAE) is expected to move to a commissioning model from September 2016. Current underspend is due to forecasted underspend on staffing and other minor budgets. Current forecast is based on a smooth transfer to the new model.

**Housing - £ 231k over-spend**

The Housing service is now forecasting to overspend by £231k. The change from last month is due to a change in the accounting of temporary accommodation. To reflect the true cost of temporary accommodation all related costs and budgets were transferred to Housing Services from Corporate Services in June 2016.

An annual budget of £321k was transferred and the forecast costs are £867k resulting in a net position of £546k. This has been mitigated by the over achievement of client contribution and thus results in overspend of £231k.

**Public Health**

Public Health is currently forecasting £53k underspend as at June 2016. This is due to forecasted overspends in the demand lead STI testing and treatment budget and underspend on the substance misuse budget which is forecasted based on current activity levels.

Public Health	2016/17 Current Budget £000	Full year forecast (June) £000	Forecast Variance (June) £000	Forecast Variance (May) £000	2015/16 Variance £000
PH - Directorate	586	588	2	(8)	(116)
PH - Admin	26	26	0	0	0
PH - Contraception	748	748	0	0	(41)
PH - GUM	2,136	2,194	58	0	(27)
PH-Sexual Health Advice	137	105	(32)	(31)	(9)



PH-NHS Health check	465	442	(23)	(15)	(78)
PH - Falls Prevention	177	178	1	(1)	0
PH - Obesity	415	415	0	0	(200)
PH - Projects	10	10	0	0	0
PH - Smoking	0	0	0	0	(16)
PH-Substance Misuse	1,846	1,725	(121)	(7)	(32)
PH - School Nursing	633	633	0	(1)	(16)
PH-Infectious Diseases	0	0	0	0	(10)
PH - Determinants	338	335	(3)	(2)	(83)
PH-Community Services	0	0	0	0	(1)
PH- New Investments	20	20	0	0	2
PH - Health Visiting	3,338	3,403	65	65	(15)
<b>Total Public Health</b>	<b>10,875</b>	<b>10,822</b>	<b>(53)</b>	<b>0</b>	<b>(642)</b>
<b>PH - Main Grant</b>	<b>(8,046)</b>	<b>(8,046)</b>	<b>0</b>	<b>0</b>	<b>642</b>
<b>PH-Health Visiting Grant</b>	<b>(2,952)</b>	<b>(2,952)</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Corporate Items

The details comparing actual expenditure up to 30 June 2016 against budget are contained in Appendix 2. The main areas of variance as at 30 June 2016 are:-

Corporate Items	Current Budget 2016/17	Full Year Forecast (June)	Forecast Variance at year end (June)	Forecast Variance at year end (May)	2015/16 Year end Variance
	£000s	£000s	£000s	£000s	£000s
Cost of borrowing	13,643	13,649	6	0	49
Use for Capital Programme	0	0	0	0	0
<b>Impact of Capital on revenue budget</b>	<b>13,643</b>	<b>13,649</b>	<b>6</b>	<b>0</b>	<b>49</b>
<b>Investment Income</b>	<b>(739)</b>	<b>(1,150)</b>	<b>(411)</b>	<b>(47)</b>	<b>(613)</b>
<b>Pension Fund</b>	<b>5,232</b>	<b>4,732</b>	<b>(500)</b>	<b>0</b>	<b>(616)</b>
<b>Pay and Price Inflation</b>	<b>752</b>	<b>752</b>	<b>0</b>	<b>0</b>	<b>(654)</b>
<b>Contingencies and provisions</b>	<b>4,641</b>	<b>2,950</b>	<b>(1,691)</b>	<b>(1,500)</b>	<b>(2,716)</b>
<b>Income Items</b>	<b>(948)</b>	<b>(948)</b>	<b>0</b>	<b>0</b>	<b>(667)</b>
<b>Appropriations/Transfers</b>	<b>624</b>	<b>624</b>	<b>0</b>	<b>0</b>	<b>1,727</b>
<b>Central Items</b>	<b>9,561</b>	<b>6,959</b>	<b>(2,602)</b>	<b>(1,547)</b>	<b>(3,539)</b>
<b>Levies</b>	<b>928</b>	<b>928</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Depreciation and Impairment</b>	<b>(17,638)</b>	<b>(17,638)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL CORPORATE PROVISIONS</b>	<b>6,494</b>	<b>3,898</b>	<b>(2,596)</b>	<b>(1,547)</b>	<b>(3,491)</b>

The forecast underspend on corporate items has increased by £0.691m in June to £2.596m. The reasons for this change are:-

- There is a small change in capital financing costs and investment income is £0.411m higher than estimate due to the level of investments and the interest rate achieved being higher than estimated.
- The provision for early redundancy/severance payments is expected to be underspent by £0.5m;
- Single Status costs are expected to be contained within the provision for this in the accounts and therefore the budget of £0.1m will not be required:
- £0.2m (50%) of the provision for loss of income arising from the disposal of the P3/P4 sites is not expected to be required in 2016/17
- The forecast underspend in the corporate contingency of £1.5m has reduced by £0.109m as this is the amount required to fund the first quarter costs of additional social workers in Children, Schools and Families department.
- Education Services Grant allocations to local authorities are being reduced and in 2016/17 this will result in loss of grant currently estimated to be c.£0.234m. ESG allocations are adjusted on a quarterly basis to take account of academies opening since November 2015. There will be a virement in period 4 from corporate contingencies and provisions to Children, Schools and Families to reflect this.

As previously reported, there is a forecast additional income on central government funding of £76k arising from the return to local authorities of some top-sliced New Homes Bonus relating to 2014/15. This has been paid as Section 31 grant.

#### 4. CAPITAL PROGRAMME 2016-20

4.1 The Table below shows the movement in the 2016/20 corporate capital programme since it's approval on 4 July Cabinet:

Depts	Current Budget 16/17*	Variance	Revised Budget 16/17	Current Budget 17/18	Variance	Revised Budget 17/18	Revised Budget 18/19	Variance	Revised Budget 18/19	Revised Budget 19/20	Variance	Revised Budget 19/20
2,230	(150)	2,080	1,055	150	1,205	629	0	629	280	0	280	2,230
10,463	0	10,463	6,231	0	6,231	3,052	0	3,052	2,605	0	2,605	10,463
11,712	(657)	11,055	19,432	657	20,089	11,415	0	11,415	9,934	0	9,934	11,712
17,540	85	17,624	13,478	5,687	19,165	15,309	(15)	15,294	4,277	(30)	4,247	17,540
<b>41,945</b>	<b>(722)</b>	<b>41,223</b>	<b>40,195</b>	<b>6,494</b>	<b>46,689</b>	<b>30,404</b>	<b>(15)</b>	<b>30,389</b>	<b>17,096</b>	<b>(30)</b>	<b>17,066</b>	<b>41,945</b>

4.2 The table below summarises the position in respect of the Capital Programme as at May 2014 the detail is shown in Appendix 5a

#### Merton Summary Capital Report - June 2016 Monitoring

Department	Revised Budget	Adjusted YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Community and Housing	2,079,650	(26,304)	67,050	(93,354)	1,436,480	(643,170)
Corporate Services	10,463,300	78,821	134,388	(55,567)	7,091,000	(3,372,300)
Children Schools and Families	11,055,300	699,430	690,199	9,231	10,796,467	(258,833)
Environment and Regeneration	17,564,400	1,051,137	1,661,537	(610,400)	17,564,400	0
<b>Total Capital</b>	<b>41,162,650</b>	<b>1,803,084</b>	<b>2,553,174</b>	<b>(750,090)</b>	<b>36,888,347</b>	<b>(4,274,303)</b>

\* Negative spending is caused by accruals – it is envisaged that these will be offset by spend in subsequent months

- a) Community and Housing – The underspend shown of £643k is due to the projected underspend on Disabled Facilities Grants, officers are currently investigating how to minimise this underspend. Collier Wood Library Re-fit will not be on site until March 2017 so £150k of £200k budget has been re-profiled into 2017/18
- b) Corporate Services – The projected underspend is caused by two major corporate schemes which are the Acquisition Fund £1,533k, Bidding Fund £1,839k. All other schemes are projecting a full spend at year end in 2016/17.
- c) Environment and Regeneration – Officers are currently reviewing the in-year spend profile on the following 4 schemes:
  - a. CCTV – spend is currently £97k below the profiled budget
  - b. Tackling Traffic Congestion - spend is currently £120k below the profiled budget
  - c. Town centre Investment - spend is currently £87k below the profiled budget
  - d. Highways Planned Road Works - spend is currently £197k below the profiled budget, however, considerable commitments will shortly be paid on this scheme.

In 2016/17 there is one addition to an existing scheme and one new scheme – both sums are funded by section 106 contributions. Within the Parks Investment Budget £60k is been re-profiled forward from 2017/8 (£15k), 2018/9 (£15k) and 2019/20 (£30k) to purchase 15 specialist bins.

As a result of the announcement of the preferred bidder for Phase C Waste and Grounds Maintenance Contracts, subject to the outcome of call in. The following two schemes will need to be added to the capital programme in 2017/18 as it has been confirmed that it will be cheaper for all the partners to fund the capital expenditure themselves:

- a. South West London Partnership (SWLP) Vehicles £4.190 million to be funded over 7 years and
- b. South West London Partnership Wheelie Bins £1.59 million to be funded over 15 years

The debt charges for both these schemes are summarised below and will be funded from the savings from the two SWLP contracts:

#### Calculation of Debt Charges to Revenue

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
MRP @ 7 years - Vehicles	0	599	599	599	599	599	599	599
Reduction in Vehicle Replacement Programme	0	0	(150)	(150)	(150)	(150)	(150)	(150)
MRP @ 15 Years - Containers	0	101	101	101	101	101	101	101
Internal Interest in Model @ 1.25%*	71	71	63	54	45	36	28	19
<b>Total</b>	<b>71</b>	<b>771</b>	<b>612</b>	<b>603</b>	<b>594</b>	<b>586</b>	<b>577</b>	<b>568</b>

- a) Children, Schools and Families – Currently in-year spend at Dundonald and Singlegate primary expansions are ahead of profiled spend but is still projected to be within budget at year end. A summary of the Primary Expansion Overspend Contingency created to fund projected overspends on three schools is summarised in the Table below

School	Maximum overspend exposure December 2015 £	Accrual 2015/16 £	Adjustment for Final Account £	Total (Revised Maximum overspend exposure July 2016) £	Variance from Original Estimate £
Hillcross	195,000	0	0	0	(195,000)
Merton Abbey	325,200	133,530	35,000	168,530	(156,670)
Pelham	230,000	316,336	26,481	342,817	112,817
<b>Total</b>	<b>750,200</b>	<b>449,866</b>	<b>25,000</b>	<b>474,866</b>	<b>(238,853)</b>

In addition officers are also projecting a £20k variance on the schools maintenance programme, this results in a total projected underspend at year end of £258k.

4.3 Appendix 5b details the adjustments being made to the Capital Programme this month the Table below summarises the items requiring Cabinet and Council Approval:

Scheme	2017/18 Budget	Adjustment	Revised 2017/18 Budget	Estimated Useful Life
	£	£	£	£
SWLP Vehicles	0	4,190,000	4,190,000	8 Years
SWLP Wheelie Bins	0	1,512,000	1,512,000	15 Years
<b>Total</b>	0	5,702,000	5,702,000	

The vehicles expenditure will be required regardless of whether or not the Phase C of the Waste Partnership is progressed. This investment will significantly contribute towards the estimated £2 million of annual revenue savings (allowing for the debt charges of the scheme)

4.4 Appendix 5c details the impact of all the May 2016 adjustments to the Capital Programme will have on the funding of the programme in 2016/17 and 2017/18. The Table below summarises the impact of those changes on the funding of the programme:

**Capital Financing Costs: March 2016**

Item	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s
MRP	6,948	6,802	6,660	7,262
Interest	6,696	6,296	6,136	6,316
<b>Total Borrowing Costs</b>	<b>13,644</b>	<b>13,098</b>	<b>12,796</b>	<b>13,578</b>
Investment Income	(739)	(727)	(596)	(487)
<b>Total Borrowing Costs Net of Investment interest</b>	<b>12,905</b>	<b>12,371</b>	<b>12,200</b>	<b>13,091</b>

**Capital Financing Costs: June 2016 Monitoring**

Item	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s
MRP	6,947	6,800	6,758	7,493
Interest	6,702	6,437	6,173	6,173
<b>Total Borrowing Costs</b>	<b>13,649</b>	<b>13,237</b>	<b>12,931</b>	<b>13,666</b>
Investment Income	(1,150)	(741)	(581)	(423)
<b>Total Borrowing Costs Net of Investment interest</b>	<b>12,499</b>	<b>12,497</b>	<b>12,350</b>	<b>13,243</b>

**Variance**

Item	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s
MRP	(1)	(2)	98	231
Interest	6	141	37	(143)
<b>Total Borrowing Costs</b>	<b>5</b>	<b>139</b>	<b>135</b>	<b>88</b>
Investment Income	(411)	(14)	15	64
<b>Total Borrowing Costs Net of Investment interest</b>	<b>(406)</b>	<b>126</b>	<b>150</b>	<b>152</b>

4.5 The table below compares capital expenditure (£000s) to June 2016 to that achieved over the last few years:

Depts.	Spend To June 2012	Spend To June 2013	Spend To June 2014	Spend To June 2015	Spend To June 2016	Variance 2012 to 2016	Variance 2013 to 2016	Variance 2014 to 2016	Variance 2015 to 2016
<b>C&amp;H</b>	143	755	(127)	(13)	(26)	(169)	(781)	101	(14)
<b>CS</b>	466	353	(122)	131	79	(387)	(275)	201	(52)
<b>CSF</b>	4,194	1,358	2,805	1,869	699	(3,494)	(658)	(2,106)	(1,169)
<b>E&amp;R</b>	2,054	1,763	798	376	1,051	(1,003)	(712)	253	675
<b>Total Capital</b>	<b>6,856</b>	<b>4,229</b>	<b>3,354</b>	<b>2,363</b>	<b>1,803</b>	<b>(5,053)</b>	<b>(2,426)</b>	<b>(1,551)</b>	<b>(560)</b>

Outturn £000s	40,487	31,564	36,869	29,327	
Budget £000s					41,163
Projected Spend June 2016 £000s					36,888
Percentage Spend to Budget					4.38%
% Spend to Outturn/Projection	16.93%	13.40%	9.10%	8.06%	4.89%
Monthly Spend to Achieve Projected Outturn £					3,898

4.6 June is one quarter of the way into the financial year, departments have spent much less of their budget than compared to previous financial years. To achieve a projected spend of £36.9m officers will need to spend just under £3.9 million each month. The table over the page shows that officers spent just over £1.9 million in June 2016.

#### Spend During June 2016

Department	Spend To May 2016 £000s	Spend To June 2016 £000s	Increase £000s
<b>C&amp;H</b>	(69)	(26)	43
<b>CS</b>	(25)	79	104
<b>CSF</b>	(337)	699	1,037
<b>E&amp;R</b>	310	1,051	741
<b>Total Capital</b>	<b>(121)</b>	<b>1,803</b>	<b>1,924</b>

4.7 Based on current spend patterns both 2016/17 to 2018/19 need to be reviewed and realistically profiled. To aid budget managers considerable time has been spent profiling in year budgets and projecting forward these variances to the year end, as a result the projected outturn has reduced to just under £37million.

## 5. DELIVERY OF SAVINGS FOR 2016/17

### 5.1

Department	Target Savings 2016/17	Projected Savings 2016/17	Period 3 Forecast Shortfall	Period 3 Forecast Shortfall	Period 2 Forecast Shortfall	Period 2 Forecast Shortfall
	£000's	£000's	£000's	%	£000's	%
Corporate Services	2,316	2,028	(288)	(12.4)%	(268)	(11.6)%
Children Schools and Families	2,191	2,191	0	0.0%	0	0.0%
Community and Housing	5,379	3,162	(2,217)	(41.2)%	(2,147)	(39.9)%
Environment and Regeneration	4,771	4,434	(337)	(7.1)%	(197)	(4.1)%
<b>Total</b>	<b>14,657</b>	<b>11,815</b>	<b>(2,842)</b>	<b>(19.4)%</b>	<b>(2,612)</b>	<b>(17.8)%</b>

Appendix 6 details the progress on savings for 2016/17 by department.

### Progress on savings 2015/16

Department	Target Savings 2015/16	2015/16 shortfall	2016/17 projected shortfall
	£000's	£000's	£000's
Corporate Services	1,170	0	0
Children Schools and Families	781	0	0
Community and Housing	2,154	(14)	(14)
Environment and Regeneration	4,192	(3,493)	(28)
<b>Total</b>	<b>8,297</b>	<b>(3,507)</b>	<b>(42)</b>

Appendix 7 details progress on savings for 2015/16. Details of savings achieved and the expected full year affect of these savings in 2016/17 are provided.

### Progress on savings 2014/15

Department	Target Savings 2014/15	2014/15 shortfall	2015/16 shortfall	2016/17 projected shortfall
	£000's	£000's	£000's	%
Corporate Services	1,650	0	0	0
Children Schools and Families	860	0	0	0
Community and Housing	2,465	(1,585)	(1,585)	(1,080)
Environment and Regeneration	3,338	(129)	(125)	(25)
<b>Total</b>	<b>8,313</b>	<b>(1,714)</b>	<b>(1,710)</b>	<b>(1,105)</b>

Appendix 8 details progress on savings for 2014/15. Details of savings achieved and the expected full year affect of these savings in 2016/17 are provided.

## **6. CONSULTATION UNDERTAKEN OR PROPOSED**

6.1 All relevant bodies have been consulted.

## **7. TIMETABLE**

7.1 In accordance with current financial reporting timetables.

## **8. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

8.1 All relevant implications have been addressed in the report.

## **9. LEGAL AND STATUTORY IMPLICATIONS**

9.1 All relevant implications have been addressed in the report.

## **10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

10.1 Not applicable

## **11. CRIME AND DISORDER IMPLICATIONS**

11.1 Not applicable

## **12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

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

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

Appendix 1-	Detailed position table
Appendix 2 –	Detailed Corporate Items table
Appendix 3 –	Pay and Price Inflation
Appendix 4 –	Treasury Management: Outlook
Appendix 5a –	Current Capital Programme 2016/17
Appendix 5b –	Adjustments to the Current Capital Programme 2016/17
Appendix 5c –	Funding Current Capital Programme 2016/17 & 2017/18
Appendix 6 –	Progress on savings 2016/17
Appendix 7 -	Progress on savings 2015/16
Appendix 8 -	Progress on savings 2014/15
Appendix 9 -	Quarter 1 Debt position
Appendix 10 -	Quarter 1 Cashflow statement
Appendix 11 -	Customer/Client receipts
Appendix 12 –	HR Establishment Page 72



## **14. BACKGROUND PAPERS**

14.1 Budgetary Control files held in the Corporate Services department.

## **15. REPORT AUTHOR**

- Name: Paul Dale
- Tel: 020 8545 3458
- email: [paul.dale@merton.gov.uk](mailto:paul.dale@merton.gov.uk)

**Summary Position as at 30th June  
2016**

**APPENDIX 1**

	Original Budget 2016/17	Current Budget 2016/17	Year to Date Budget (June)	Year to Date Actual (June)	Full Year Forecast (June)	Forecast Variance at (June)	Forecast Variance at (May)	Outturn Variance 2015/16
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000
<b>Department</b>	-	-	-	-	-	-	-	-
3A. Corporate Services	11,357	11,390	7,191	7,965	11,284	-106	315	-373
3B. Children, Schools and Families	50,183	50,542	-16	3,042	52,414	1,872	1,946	-7
<b>3C. Community and Housing</b>	-	-	-	-	-	-	-	0
Adult Social Care	51,427	51,575	7,307	9,180	55,473	3,898	3,981	1,437
Libraries & Adult Education	2,796	2,846	728	669	2,459	-387	(205)	41
Housing General Fund	2,009	2,343	284	544	2,575	232	(56)	-538
3D. Public Health	417	43	-935	-2,659	-9	-53	0	-7
3E. Environment & Regeneration	21,230	22,379	2,415	-865	22,308	-71	69	3,632
Overheads	0	0	0	0	0	0	0	272
<b>NET SERVICE EXPENDITURE</b>	<b>139,419</b>	<b>141,117</b>	<b>16,976</b>	<b>17,876</b>	<b>146,502</b>	<b>5,384</b>	<b>6,050</b>	<b>4,457</b>
<b>3E. Corporate Items</b>	-	-	-	-	-	-	-	-
Impact of Capital on revenue budget	13,643	13,643	1,674	941	13,649	6	0	49
Other Central items	-5,962	-8,077	3,476	3,552	-10,679	-2,602	-1,547	-2,846
Levies	928	928	300	300	928	0	0	0
<b>TOTAL CORPORATE PROVISIONS</b>	<b>8,608</b>	<b>6,494</b>	<b>5,450</b>	<b>4,794</b>	<b>3,898</b>	<b>-2,596</b>	<b>-1,547</b>	<b>-2,797</b>
<b>TOTAL GENERAL FUND</b>	<b>148,027</b>	<b>147,611</b>	<b>22,426</b>	<b>22,670</b>	<b>150,400</b>	<b>2,788</b>	<b>4,503</b>	<b>1,660</b>
<b>Funding</b>	-	-	-	-	-	-	-	-
- Business Rates	(34,230)	(34,230)	(2,135)	(2,135)	(34,230)	0	0	0
- RSG	(23,156)	(23,156)	(6,241)	(6,241)	(23,156)	0	0	0
- Council Tax Freeze Grant 2014/15	0	0	0	0	0	0	0	(6)
- Section 31 Grant	(822)	(822)	(37)	(37)	(898)	(76)	(76)	83
- New Homes Bonus	(4,192)	(4,192)	(1,240)	(1,240)	(4,192)	0	0	(1,037)
- PFI Grant	(4,797)	(4,797)	(1,199)	(1,199)	(4,797)	0	0	0
<b>Grants</b>	<b>(67,198)</b>	<b>(67,198)</b>	<b>(10,852)</b>	<b>(10,852)</b>	<b>(67,274)</b>	<b>(76)</b>	<b>(76)</b>	<b>(960)</b>
Collection Fund - Council Tax Surplus(-)/Deficit	(3,200)	(3,200)	0	0	(3,200)	0	0	0
Collection Fund - Business Rates Surplus(-) )/Deficit	1,721	1,721	0	0	1,721	0	0	(0)
<b>Council Tax</b>	-	-	-	-	-	-	-	0
- General	(78,620)	(78,620)	0	0	(78,620)	0	0	(0)
- WPC	(300)	(300)	0	0	(300)	0	0	(0)
<b>Council Tax and Collection Fund</b>	<b>(80,399)</b>	<b>(80,399)</b>	<b>0</b>	<b>0</b>	<b>(80,399)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>FUNDING</b>	<b>(147,597)</b>	<b>(147,597)</b>	<b>(10,852)</b>	<b>(10,852)</b>	<b>(147,673)</b>	<b>(76)</b>	<b>(76)</b>	<b>(961)</b>
<b>NET</b>	<b>430</b>	<b>15</b>	<b>11,574</b>	<b>11,818</b>	<b>2,727</b>	<b>2,711</b>	<b>4,427</b>	<b>699</b>
Appropriation from reserves	-418							
<b>NET</b>	<b>12</b>	<b>15</b>	<b>11,574</b>	<b>11,818</b>	<b>2,727</b>	<b>2,711</b>	<b>4,427</b>	<b>699</b>

	Current Budget 2016/17	Year to Date Budget (June)	Year to Date Actual (June)	Full Year Forecast at (June)	Forecast Variance at year end (June)	Full Year Forecast at (May)	Forecast Variance at year end (May)
<b>Expenditure</b>	£000	£000	£000	£000	£000	£000	£000
Employees	93,076	19,320	19,461	94,077	1,001	93,241	1,367
Premises Related Expenditure	8,213	2,997	1,964	7,919	(294)	7,989	(146)
Transport Related Expenditure	14,525	3,131	2,186	15,036	510	14,934	355
Supplies and Services	167,932	26,272	23,614	166,853	(1,078)	167,640	146
Third Party Payments	89,008	15,061	12,379	93,903	4,895	93,597	4,652
Transfer Payments	104,179	23,557	22,955	92,712	(11,466)	92,875	(11,304)
Support Services	32,153	0	0	32,154	0	32,135	1
Depreciation and Impairment Losses	17,637	3	0	17,637	(0)	17,633	(5)
Corporate Provisions							
<b>GROSS EXPENDITURE</b>	<b>526,724</b>	<b>90,341</b>	<b>82,558</b>	<b>520,291</b>	<b>(6,433)</b>	<b>520,043</b>	<b>(4,934)</b>
<b>Income</b>							
Government Grants	(266,966)	(56,490)	(52,285)	(255,684)	11,283	(255,780)	11,088
Other Grants, Reimbursements and Contribs	(22,719)	(3,156)	(1,028)	(23,678)	(959)	(23,762)	(1,244)
Customer and Client Receipts	(63,096)	(13,672)	(11,369)	(61,885)	1,211	(62,118)	693
Interest	(46)	(8)	0	(23)	23	(23)	23
Recharges	(32,518)	0	0	(32,519)	(0)	(32,519)	(0)
Balances	(261)	(40)	0	(1)	260	186	423
<b>GROSS INCOME</b>	<b>(385,606)</b>	<b>(73,365)</b>	<b>(64,682)</b>	<b>(373,789)</b>	<b>11,817</b>	<b>(374,015)</b>	<b>10,984</b>
<b>NET EXPENDITURE</b>	<b>141,117</b>	<b>16,976</b>	<b>17,876</b>	<b>146,502</b>	<b>5,384</b>	<b>146,028</b>	<b>6,050</b>

## Appendix 2

3E. Corporate Items	Council 2016/17 £000s	Original Budget 2016/17 £000s	Current Budget 2016/17 £000s	Year to Date Budget (June) £000s	Year to Date Actual (June) £000s	Full Year Forecast (June) £000s	Forecast Variance at year end (June) £000s	Forecast Variance at year end (May) £000s
Cost of Borrowing Use for Capital Programme	13,643	13,643	13,643	1,674	941	13,649	6 0	0 0
<b>Impact of Capital on revenue budget</b>	<b>13,643</b>	<b>13,643</b>	<b>13,643</b>	<b>1,674</b>	<b>941</b>	<b>13,649</b>	<b>6</b>	<b>0</b>
<b>Investment Income</b>	<b>(739)</b>	<b>(739)</b>	<b>(739)</b>	<b>(185)</b>	<b>(138)</b>	<b>(1,150)</b>	<b>(411)</b>	<b>(47)</b>
<b>Pension Fund</b>	<b>5,232</b>	<b>5,232</b>	<b>5,232</b>	<b>4,395</b>	<b>4,496</b>	<b>4,732</b>	<b>(500)</b>	<b>0</b>
Corporate Provision for Pay Award	883	883	0	0	0	0	0	0
Provision for excess inflation	540	540	452	0	0	452	0	0
Utilities Inflation Provision	300	300	300	0	0	300	0	0
<b>Pay and Price Inflation</b>	<b>1,723</b>	<b>1,723</b>	<b>752</b>	<b>0</b>	<b>0</b>	<b>752</b>	<b>0</b>	<b>0</b>
Contingency	1,500	1,500	1,391	0	0	0	(1,391)	(1,500)
Single Status/Equal Pay	100	100	100	0	0	0	(100)	0
Bad Debt Provision	500	500	500	0	0	500	0	0
Loss of income arising from P3/P4	400	400	400	0	0	200	(200)	0
Loss of HB Admin grant	200	200	200	0	0	200	0	0
MAE 1st year redundancies	600	600	600	0	0	600	0	0
Revenuisation and miscellaneous	1,414	1,414	1,450	0	0	1,450	0	0
<b>Contingencies and provisions</b>	<b>4,714</b>	<b>4,714</b>	<b>4,641</b>	<b>0</b>	<b>0</b>	<b>2,950</b>	<b>(1,691)</b>	<b>(1,500)</b>
<b>Income items</b>	<b>(948)</b>	<b>(948)</b>	<b>(948)</b>	<b>68</b>	<b>(2)</b>	<b>(948)</b>	<b>0</b>	<b>0</b>
Appropriations: CS Reserves	(1,371)	(1,371)	(1,594)	0	0	(1,594)	0	0
Appropriations: E&R Reserves	(520)	(520)	(1,278)	(715)	(715)	(1,278)	0	0
Appropriations: CSF Reserves	44	44	(16)	(60)	(60)	(16)	0	0
Appropriations: C&H Reserves	1,146	1,146	1,146	0	0	1,146	0	0
Appropriations: Public Health Reserves	0	0	(28)	(28)	(28)	(28)	0	0
Appropriations: Corporate Reserves	2,394	2,394	2,394	0	0	2,394	0	0
<b>Appropriations/Transfers</b>	<b>1,693</b>	<b>1,693</b>	<b>624</b>	<b>(803)</b>	<b>(803)</b>	<b>624</b>	<b>0</b>	<b>0</b>
<b>Depreciation and Impairment</b>	<b>(17,638)</b>	<b>(17,638)</b>	<b>(17,638)</b>	<b>0</b>	<b>0</b>	<b>(17,638)</b>	<b>0</b>	<b>0</b>
<b>Central Items</b>	<b>7,681</b>	<b>7,681</b>	<b>5,566</b>	<b>5,150</b>	<b>4,494</b>	<b>2,970</b>	<b>(2,596)</b>	<b>(1,547)</b>
<b>Levies</b>	<b>928</b>	<b>928</b>	<b>928</b>	<b>300</b>	<b>300</b>	<b>928</b>	<b>0</b>	<b>0</b>
<b>TOTAL CORPORATE PROVISIONS</b>	<b>8,608</b>	<b>8,608</b>	<b>6,494</b>	<b>5,450</b>	<b>4,794</b>	<b>3,898</b>	<b>(2,596)</b>	<b>(1,547)</b>

### Pay and Price Inflation as at June 2016

In 2016/17, the budget includes 1% for increases in pay and 0.5% for increases in general prices, with an additional amount of £0.540m which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. It will only be released when it is certain that it will not be required.

### Pay:

The local government pay award for 2016/17 has been agreed and will cover the two years from April 2016. For the lowest paid (those on spinal points 6-17) this means a pay rise of between 6.6% and 1.01% in the first year, and between 3.4% and 1.3% in the second. Those on spinal points 18-49 will receive 1% in year one and the same again the following year. The offer also includes a joint review of the NJC pay spine and term-time working for school support staff. The budget has now been reallocated to services.

### Prices:

The Consumer Prices Index (CPI) rose by 0.5% in the year to June 2016, compared with a 0.3% rise in the year to May. The June rate is a little above the position seen for most of 2016, though it is still relatively low historically.

Rises in air fares, prices for motor fuels and a variety of recreational and cultural goods and services were the main contributors to the increase in the rate. These upward pressures were partially offset by falls in the price of furniture and furnishings and accommodation services.

CPIH, a measure of UK consumer price inflation that includes owner occupiers' housing costs, rose by 0.8% in the year to June 2016, up from 0.7% in May.

The RPI 12-month rate for June 2016 stood at 1.6%, up from 1.4% May 2016.

### Outlook for inflation:

At its meeting ending on 13 July 2016, the MPC voted by a majority of 8-1 to maintain Bank Rate at 0.5%. The Committee also voted unanimously to maintain the stock of purchased assets financed by the issuance of central bank reserves at £375 billion.

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. In the minutes to the meeting, the MPC noted that "looking further forward, the MPC made clear in its May Inflation Report, and again in the minutes of its June meeting, that a vote to leave the European Union could have material implications for the outlook for output and inflation. The Committee judges that a range of influences on demand, supply and the exchange rate could lead to a significantly lower path for growth and a higher path for inflation than in the central projections set out in the May Report. The Committee will consider over the coming period how the outlook for the economy has

changed in light of the referendum result and will publish its new forecast in its forthcoming Inflation Report on 4 August.”

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

Source: HM Treasury - Forecasts for the UK Economy (July 2016)			
	Lowest %	Highest %	Average %
2016 (Quarter 4)			
CPI	0.2	3.0	1.3
RPI	1.1	3.4	2.2
LFS Unemployment Rate	5.0	5.9	5.3
2017 (Quarter 4)	Lowest %	Highest %	Average %
CPI	1.5	4.0	2.4
RPI	2.1	4.5	3.0
LFS Unemployment Rate	4.9	6.6	5.6

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 2016 to 2020 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (May 2016)					
	2016	2017	2018	2019	2020
	%	%	%	%	%
CPI	0.7	1.6	1.9	2.0	2.0
RPI	1.8	2.6	3.1	3.1	3.3
LFS Unemployment Rate	5.0	4.9	4.8	4.8	4.7

## Treasury Management: Outlook

The Bank Base Rate has been kept at its low of 0.5% since March 2009. At its meeting ending on 13 July 2016, the MPC voted by a majority of 8-1 to maintain Bank Rate at 0.5%. The Committee also voted unanimously to maintain the stock of purchased assets financed by the issuance of central bank reserves at £375 billion.

In the minutes to the July meeting, the MPC noted that in reaching this decision “Committee members made initial assessments of the impact of the vote to leave the European Union on demand, supply and the exchange rate. In the absence of a further worsening in the trade-off between supporting growth and returning inflation to target on a sustainable basis, most members of the Committee expect monetary policy to be loosened in August. The precise size and nature of any stimulatory measures will be determined during the August forecast and Inflation Report round.”

In terms of the economic impact of the decision to leave the EU, it is too soon to be accurate but the MPC noted that “official data on economic activity covering the period since the referendum are not yet available. However, there are preliminary signs that the result has affected sentiment among households and companies, with sharp falls in some measures of business and consumer confidence. Early indications from surveys and from contacts of the Bank’s Agents suggest that some businesses are beginning to delay investment projects and postpone recruitment decisions. Regarding the housing market, survey data point to a significant weakening in expected activity. Taken together, these indicators suggest economic activity is likely to weaken in the near term.”

The MPC’s forecasts of Bank Base Rate in recent Quarterly Inflation Reports which were made pre-Brexit are summarised in the following table:-

	End Q.1 2016	End Q.2 2016	End Q.3 2016	End Q.4 2016	End Q.1 2017	End Q.2 2017	End Q.3 2017	End Q.4 2017	End Q.1 2018	End Q.2 2018	End Q.3 2018	End Q.4 2018	End Q.1 2019	End Q.2 2019
May '16		0.5	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.8
Feb. '16	0.5	0.5	0.5	0.5	0.5	0.6	0.7	0.8	0.8	0.9	1.0	1.0	1.1	
Nov '15	0.5	0.5	0.6	0.6	0.7	0.8	0.9	1.0	1.1	1.1	1.2	1.3		
Aug.'15	0.6	0.7	0.9	1.0	1.2	1.3	1.4	1.5	1.6	1.7	1.7			
May '15	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.3	1.4				
Feb.'15	0.6	0.6	0.7	0.8	0.9	1.0	1.0	1.1	1.1					
Nov '14	1.0	1.1	1.2	1.4	1.5	1.5	1.7	1.7						
Aug.'14	1.5	1.7	1.9	2.0	2.1	2.2	2.3							

Source: Bank of England Inflation Reports

The MPC makes its decisions in the context of the monetary policy forward guidance announced alongside the publication of the August 2013 Inflation Report. This guidance was summarised and reported in the July 2013 monitoring report.

The Inflation Report for February 2014 provided a summary of the Bank of England’s approach to its proposed monetary policy as the economy recovers and once the unemployment threshold has been reached:-

- The MPC sets policy to achieve the 2% inflation target, and, subject to that, to support the Government's economic policies, including those for growth and employment.
- Despite the sharp fall in unemployment, there remains scope to absorb spare capacity further before raising Bank Rate.
- When Bank Rate does begin to rise, the appropriate path so as to eliminate slack over the next two to three years and keep inflation close to the target is expected to be gradual.
- The actual path of Bank Rate over the next few years will, however, depend on economic developments.
- Even when the economy has returned to normal levels of capacity and inflation is close to the target, the appropriate level of Bank Rate is likely to be materially below the 5% level set on average by the Committee prior to the financial crisis.
- The MPC intends to maintain the stock of purchased assets at least until the first rise in Bank Rate.
- Monetary policy may have a role to play in mitigating risks to financial stability, but only as a last line of defence if those risks cannot be contained by the substantial range of policy actions available to the Financial Policy Committee and other regulatory authorities.

Changes to the Bank Base Rate will depend on how quickly the economy recovers and will be set to achieve the inflation target of 2%.

The MPC sets monetary policy to meet the 2% target in the medium term and in a way that helps to sustain growth and employment.



## Appendix 5a

### Community & Housing Summary Capital Report - June 2016 Monitoring

Scheme Description	Revised Budget	Adjusted YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
<b>Adult Social Care</b>						
The Gables Mitcham	0	(26,765)	0	(26,765)	0	0
Adult Social Care IT Projects	131,510	558	558	0	131,510	0
<b>Libraries</b>						
Library Self Service	94,970	(59,399)	0	(59,399)	94,970	0
Colliers Wood Library Re-Fit	50,000	0	0	0	50,000	0
<b>Housing</b>						
8 Wilton Road	0	(4,371)	0	(4,371)	0	0
Western Road	760,000	0	0	0	760,000	0
Disabled Facilities	1,043,170	63,673	66,492	(2,819)	400,000	(643,170)
<b>Community and Housing Total</b>	<b>2,079,650</b>	<b>(26,304)</b>	<b>67,050</b>	<b>(93,354)</b>	<b>1,436,480</b>	<b>(643,170)</b>

### Corporate Services Summary Capital Report - June 2016 Monitoring

Scheme Description	Revised Budget	Adjusted YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Business Improvement	2,151,020	0	0	0	2,151,020	0
Corporate Items	3,372,300	0	0	0	0	(3,372,300)
Facilities Management	2,822,020	65,909	34,690	31,219	2,822,020	0
IT Total	1,819,860	80,384	99,698	(19,314)	1,819,860	0
Resources	298,100	(67,472)	0	(67,472)	298,100	0
<b>Corporate Services Total</b>	<b>10,463,300</b>	<b>78,821</b>	<b>134,388</b>	<b>(55,567)</b>	<b>7,091,000</b>	<b>(3,372,300)</b>

### Children, Schools & Families Summary Capital Report - June 2016 Monitoring

Scheme Description	Revised Budget	Adjusted YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Aragon expansion	0	(11,083)	0	(11,083)	0	0
Joseph Hood Permanent Expansion	3,720	0	0	0	3,720	0
St Mary's expansion	0	(43,972)	0	(43,972)	0	0
Hillcross School Expansion	3,090	(70,948)	3,090	(74,038)	3,090	0
Merton Abbey Temp Accommodation	0	(23,684)	0	(23,684)	0	0
Pelham School Expansion	10,660	(8,117)	10,660	(18,777)	10,660	0
Dundonald expansion	2,694,410	875,101	310,000	565,101	2,694,410	0
Poplar Permanent Expansion	1,000	(49,144)	1,000	(50,144)	1,000	0
Singlegate expansion	1,014,020	618,205	210,000	408,205	1,014,020	0
Primary School Exp. Overspend Provision	300,330	(449,866)	0	(449,866)	61,481	(238,849)
Wimbledon Park expansion	0	(27,000)	0	(27,000)	0	0
<b>Primary Expansion</b>	<b>4,027,230</b>	<b>809,492</b>	<b>534,750</b>	<b>274,742</b>	<b>3,788,381</b>	<b>(238,849)</b>

## Appendix 5a

### Children, Schools & Families Summary Capital Report - June 2016 Monitoring Continued ...

Scheme Description	Revised Budget	Adjusted YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Secondary School expansion	30,000	0	0	0	30,000	0
St Marks Expansion	50,000	0	0	0	50,000	0
New School	2,063,250	21,966	0	21,966	2,063,250	0
Harris Merton Expansion	2,225,110	39,793	40,000	(207)	2,225,110	0
Harris Morden Expansion	300,000	0	0	0	300,000	0
<b>Secondary Expansion</b>	<b>4,668,360</b>	<b>61,759</b>	<b>40,000</b>	<b>21,759</b>	<b>4,668,360</b>	<b>0</b>
Cricket Green Site	1,560	(1,200)	1,560	(2,760)	1,560	0
Primary school autism unit	70,730	(41,073)	0	(41,073)	70,730	0
Perseid	201,930	(192,635)	21,930	(214,565)	201,930	0
Secondary School Autism Unit	300,000	0	0	0	300,000	0
Further SEN Units	295,320	0	0	0	295,320	0
<b>SEN Expansion</b>	<b>869,540</b>	<b>(234,908)</b>	<b>23,490</b>	<b>(258,398)</b>	<b>869,540</b>	<b>0</b>
Devolved Formula Capital	367,820	91,959	91,959	0	367,836	16
Free School Meals	0	(24,126)	0	(24,126)	0	0
B698 St Catherine's Fields Fencing	47,000	0	0	0	47,000	0
Schools Cap. Maint. & Accessibility	970,900	(4,745)	0	(4,745)	950,900	(20,000)
Schools Equipment Loans	104,450	0	0	0	104,450	0
<b>Other</b>	<b>1,490,170</b>	<b>63,088</b>	<b>91,959</b>	<b>(28,871)</b>	<b>1,470,186</b>	<b>(19,984)</b>
<b>Children Schools and Families</b>	<b>11,055,300</b>	<b>699,430</b>	<b>690,199</b>	<b>9,231</b>	<b>10,796,467</b>	<b>(258,833)</b>

### Environment & Regeneration Summary Capital Report - June 2016 Monitoring

Scheme Description	Revised Budget	Adjusted YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Footways Planned Works	1,000,000	115,190	100,000	15,190	1,000,000	0
Greenspaces	826,350	95,532	177,056	(81,524)	826,350	0
Highways General Planned Works	435,860	0	47,250	(47,250)	435,860	0
Highways Planned Road Works	1,500,000	2,388	200,000	(197,612)	1,500,000	0
Leisure Centres	5,146,440	399,596	289,932	109,664	5,146,440	0
Other E&R	164,920	0	11,250	(11,250)	164,920	0
On and Off Street Parking	9,900	0	0	0	9,900	0
Regeneration Partnerships	3,263,720	81,149	176,870	(95,721)	3,263,720	0
Street Lighting	662,000	169,435	90,000	79,435	662,000	0
Street Scene	105,950	19,305	26,240	(6,935)	105,950	0
Transport for London	2,302,620	78,363	131,000	(52,637)	2,302,620	0
Traffic and Parking Management	1,429,540	26,737	297,775	(271,038)	1,429,540	0
Transport and Plant	541,600	62,389	72,789	(10,400)	541,600	0
Safer Merton - CCTV & ASB	0	0	0	0	0	0
Waste Operations	175,500	1,054	41,375	(40,321)	175,500	0
<b>Environment and Regeneration</b>	<b>17,564,400</b>	<b>1,051,137</b>	<b>1,661,537</b>	<b>(610,400)</b>	<b>17,564,400</b>	<b>0</b>

## Virement, Re-profiling and New Funding - June 2016

Appendix 5b

	2016/17 Budget	Virements	Adjusted & New Funding	Reprofiling	Revised 2016/17 Budget	2017/18 Budget	Re-profiling/ New	Revised 2017/18 Budget	Narrative
<b>Corporate Services</b>	£	£	£	£	£	£		£	
					0			0	
<b>Community &amp; Housing</b>									
Colliers Wood Library Re-fit	200,000			(150,000)	50,000	0	150,000	150,000	Scheme expenditure is expected to start in March 2016 and complete by September 2017
<b>Children, Schools and Families</b>									
Secondary School Autism Unit	600,000			(300,000)	300,000	560,000	300,000	860,000	Further review of spend profile in September 2016
St Marks Secondary Expansion	163,060			(113,060)	50,000	948,740	113,060	1,061,800	Further review of spend profile in September 2016
Harris Morden Expansion	543,560			(243,560)	300,000	1,300,000	243,560	1,543,560	Further review of spend profile in September 2016
<b>Environment &amp; Regeneration</b>									
Traffic Schemes	150,000		13,920		163,920	156,000	0	156,000	Section 106 funding for Southey Road School safety (Pelham School).
Deen City Farm Solar System	0		10,700		10,700			0	New Scheme - Section 106 funding for installation of a 7.02Wp Solar System at Deen City Farm.
Parks Investment	331,000			60,000	391,000	216,000	(15,000)	201,000	To purchase 15 Bins in 2016/17 @ £75k – previously bins were leased rather than purchased
WLP Vehicles (2)	0				0	0	4,190,000	4,190,000	New Scheme - Vehicles assumes 7 year life span
WLP Wheelie Bins (2)	0				0	0	1,512,000	1,512,000	New Scheme - Wheelie Bins assumes 15 year life span
<b>Total</b>	<b>1,987,620</b>	<b>0</b>	<b>24,620</b>	<b>(746,620)</b>	<b>1,265,620</b>	<b>3,180,740</b>	<b>6,493,620</b>	<b>9,674,360</b>	

Requires Cabinet Approval

2) Requires Council Approval

## Virement, Re-profiling and New Funding - June 2016

Appendix 5b

	2018/19 Budget	Reprofiling	Revised 2018/19 Budget	2019/20 Budget	Reprofiling	Revised 2019/20 Budget	Narrative
<b>Environment &amp; Regeneration</b>	£	£	£	£	£	£	
Parks Investment	322,500	(15,000)	307,500	325,000	(30,000)	295,000	To purchase 15 Bins in 2016/17 @ £75k
<b>Total</b>	<b>322,500</b>	<b>(15,000)</b>	<b>307,500</b>	<b>325,000</b>	<b>(30,000)</b>	<b>295,000</b>	

## Capital Programme Funding Summary 2016/17

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
<b>Cabinet - July 2016</b>	<b>27,749</b>	<b>14,197</b>	<b>41,945</b>
<b><u>Community and Housing</u></b>			
Colliers Wood Library Re-fit	<b>(150)</b>	<b>0</b>	<b>(150)</b>
<b><u>Children, Schools and Families</u></b>			
Secondary School Autism Unit	<b>(300)</b>	<b>0</b>	<b>(300)</b>
St Marks Secondary Expansion	<b>(113)</b>	<b>0</b>	<b>(113)</b>
Harris Morden Expansion	<b>(243)</b>	<b>0</b>	<b>(243)</b>
<b><u>Environment &amp; Regeneration</u></b>			
Parks Investment	<b>60</b>	<b>0</b>	<b>60</b>
Traffic - Safety Pelham Sch/Southey Rd	<b>14</b>	<b>0</b>	<b>14</b>
Deen City Farm Solar System	<b>10</b>		<b>10</b>
<b>Cabinet - September - June 2016 Mon.</b>	<b>27,027</b>	<b>14,197</b>	<b>41,223</b>

## Capital Programme Funding Summary 2017/18

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
<b>Cabinet - July 2016</b>	23,886	16,309	40,195
<b><u>Community and Housing</u></b>			
Colliers Wood Library Re-fit	150	0	150
<b><u>Children, Schools and Families</u></b>			0
Secondary School Autism Unit	300	0	300
St Marks Secondary Expansion	113	0	113
Harris Morden Expansion	244	0	244
<b><u>Environment and Regeneration</u></b>			
Parks Investment	(15)	0	(15)
SWLP Vehicles*	4,190	0	4,190
SWLP Wheelie Bins*	1,512	0	1,512
<b>Cabinet - September - June 2016 Mon.</b>	30,380	16,309	46,689

\* Subject to Cabinet, Council and Call In

## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2016/17- June 2016

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
	<b>Adult Social Care</b>							
CH02	<b>Promoting Independence</b> - Public Value Review - Efficiencies to be found in hospital discharge process and by enabling customers to regain and maintain independence	100	0	100	A	David Slark	Residential / nursing	Y
CH29	<b>Older People - Managing Crisis (including hospital discharge) admissions to residential care.</b> This would include a number of activities designed to reduce admissions to residential care placements. We would be looking to families to continue to support people at home for longer. This would fit in with our overall approach to enable independence.	125	0	125	A	Kim Carey	May not be achievable.	Y
CH34	<b>Substance Misuse Placements - Actively manage throughput in residential rehab placements</b> - A reduction in the placements available for Substance misuse clients	6	0	6	A	Henrietta Brown		Y
CH05	<b>Realise benefits of new prevention programme in terms of reduced demand for statutory services, or alternatively if these benefits have not occurred then to reduce investment in the prevention programme through reduced grants to Voluntary Organisations.</b> -Reduced demand for statutory services or reduced level of preventative services. In the latter case people would lose some of the services which make their life fuller.	500	500	0	G	Richard Ellis		Y
CH04	<b>Reduce Management costs and reduction in staffing costs Access &amp; Assessment-</b> Staffing restructure to deliver efficient processes, and building on planned shift of some customers to manage their own processes.	100	75	25	R	Kim Carey	Due to the delays in submitting the staff re-structure Business Case and subsequent staff consultation this saving will not be fully realised.	Y

## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2016/17- June 2016

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH20	<b>Access and Assessment Employees - Staff Savings</b> 12 FTE to be deleted in 2016/17 12 FTE in 17/18, 12 FTE in 18/19 - These savings will come from across Access and Assessment, covering all service areas. - Reduction in the ability to carry out assessments and reviews, social work support, safeguarding activities, DOLs responsibilities and financial assessments. (CH20)	511	468	43	A	Kim Carey	Due to the delays in submitting the staff re-structure Business Case and subsequent staff consultation this saving may not be fully realised.	Y
CH58	<b>Access and Assessment Employees - Staff Savings</b>	700	700	0	A	Kim Carey		Y
CH22 Page 87	<b>Commissioning Employees- Staff Savings- 4 FTE to be deleted-</b> Reduced capacity to monitor quality within provider services, reduced capacity to monitor performance within services and a reduced capacity to proactively work to sustain and develop a local provider market.	156	151	5	A	Richard Ellis	Due to the delays in submitting the staff re-structure Business Case and subsequent staff consultation this saving will not be fully realised.	Y
CH21	<b>Direct Provision Employees - Staff Savings 11FTE to be deleted-</b> Less activities available both at day centres and in the community. Clients would spend more time in larger congregated settings with less choice of activities. These savings would be made across the three LD and PD day centres.	274	274	0	A	Andy Ottaway-Searle		Y
CH59	<b>Direct Provision Residential and supported living management -staff reductions-</b> We would expect to keep front line support staff but reduce management. This would mean less resource to provide outreach and the emphasis would primarily on providing core services (Bring forward savings -CH37) 2 FTE's	100	100	0	A	Andy Ottaway-Searle		Y
CH23	<b>Directorate- Staff Savings - 0.46 FTE to be deleted- None, post now funded by Public Health</b>	21	21	0	G	Richard Ellis	Saving to be achieved as change of funding	Y

## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2016/17- June 2016

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH64	<b>Directorate- Staff Savings</b> - (Budget contribution to Joint Public Health consultant post to be deleted)- None, post now funded by Public Health	30	30	0	G	Richard Ellis	Saving to be achieved as change of funding	Y
CH24	<b>Learning Disabilities- High Cost Packages - Review of High Cost Packages with a view to promoting independence</b> This would be a holistic review of 17 identified high cost placements (i.e. those receiving packages of care over £1,500 per week and not health funded). We will use promoting Independence as the basis of these reviews. We are designing these figures based on a 6% reduction in support for the identified client group.	100	30	70	R	Kim Carey	Pending finalisation of resources for the review team.	Y
CH25	<b>Learning Disabilities- Medium Cost Packages- Review of medium cost packages with a view to promoting independence</b> -This would be a holistic review of identified medium cost placements of care of between £400 -£1,500 per week and not health funded). We will use the promoting independence model as the basis for these reviews. We are designing these figures based on a 10% reduction in support for the relevant clients within the identified group.	400	8	392	R	Kim Carey	Pending finalisation of resources for the review team.	Y
CH26	<b>Learning Disabilities - Direct Payments-</b> Review of all Direct Payments in Learning Disabilities with a view to promoting independence .We will review the Direct Payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the promoting independence model as the basis of these reviews. We anticipate this being a reduction of 7% for the individual support packages within this client group. There are currently 98 packages in this group.	50	0	50	R	Kim Carey	Pending finalisation of resources for the review team.	Y



## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2016/17- June 2016

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH27	<b>Mental Health- Care Packages - Review of support packages within all areas of Mental Health services.</b> - We anticipate this being a reduction of 5% across all support packages and will include a review of Direct Payments within this area. Options include less use of residential placements and quicker reviews as part of a recovery model.	76	0	76	R	Henrietta Brown	Pending finalisation of resources for the review team.	Y
CH28	<b>Older People- Home Care Review of Home Care within support packages.</b> There are currently 596 Older People within Merton receiving home care within their support packages. This represents an average reduction of 9% in home care support packages.	387	137	250	R	Kim Carey	Pending finalisation of resources for the review team.	Y
CH30	<b>Older People - Review of Direct Payments support packages</b> -Review of Direct Payments in Older People using the enablement model. We will review the Direct Payments received by clients to assess whether the full payment is being utilised. We will use the enablement model as the basis of these reviews. We anticipate this being an average reduction of 15% for individual support packages within this client group. There are currently 225 packages.	345	0	345	R	Kim Carey	Pending finalisation of resources for the review team.	Y
CH31	<b>Physical Disabilities- Review of all Direct Payments for clients with physical disabilities using promoting independence.</b> -We will review the Direct Payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the promoting independence model as the basis of these reviews. We anticipate this being a reduction of 10% for the individual support packages within this client group. There are currently 150 packages in this group.	134	0	134	R	Kim Carey	Pending finalisation of resources for the review team.	Y

## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2016/17- June 2016

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH32	<b>Physical Disabilities - Home Care</b> -The saving would be delivered through a review of home care provision within support packages. There are currently 89 Physical Disabilities clients within Merton receiving home care within their support packages. The proposed savings represents an average reduction of 8% in home care for this group.	48	0	48	R	Kim Carey	Pending finalisation of reseouces for the review team.	Y
CH33	<b>Physical Disabilities- High Cost Packages - Review of PD Residential and 1-1 packages</b> .This saving would be delivered through a targeted review of a small number of PD customers in residential care. These reviews would look at renegotiating unit costs, transferring users to other types of accommodation in the community and reducing or removing 1-1 costs.	60	0	60	R	Kim Carey	Pending finalisation of reseouces for the review team.	Y
CH60	<b>South Thames Crossroads</b> : Decommission the crossroads service for carers. Replace with domiciliary care service/ Direct Payment offer and commissioned holistic carers support service from voluntary sector.	294	130	164	G	Richard Ellis		
CH61	<b>Meals on Wheels (Sodexo)</b> : Decommissioning service and embed support within community, neighbourhood and voluntary support infrastructure	153	85	68	G	Richard Ellis	Service to be decommissioned from 31st July 2016	Y
CH62	<b>Supported accommodation mental health</b> : Decommission service as a result of Provider notice to cease service in Merton	106	106	0	G	Richard Ellis	The service has been decommissioned & saving achieved.	Y
CH63	<b>Day support Imagine Independence</b> : Decommission service and recommission cost effective peer led day opportunities for people with mental health	84	84	0	G	Richard Ellis	The tender has been awarded and will commence 4th July (which will achieve the saving)	Y
CH51	<b>NHS Income</b> :Negotiate extra NHS funding for extra costs of Hospital Discharges - Circa £150k on packages, £50k on staff.	200	0	200	R	Richard Ellis	Not achievable	Y
	<b><u>Library &amp; Heritage Service</u></b>							
CH44	Deletion of all administrative support (Deletion of 1 x FTE)	26	26	0	G	Anthony Hopkins	Reorganisation complete and individual has been slotted into a new post in the council.	Y

## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2016/17- June 2016

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH45	Reduction in activities programme	2	2	0	G	Anthony Hopkins	Savings identified and budget profiled.	Y
CH46	Withdrawal from annual CIPFA public library user survey (PLUS)	3	3	0	G	Anthony Hopkins	Savings identified and budget profiled. New consultation systems will be in place for autumn 16.	Y
CH47	Reduction in volunteering contract	20	20	0	G	Anthony Hopkins	Contract renegotiated and new arrangements to start from 1 April 2016	Y
CH48	Reduction in media fund	45	45	0	G	Anthony Hopkins	Budget reduction re-profiled to reflect new expenditure.	Y
	<b><u>Merton Adult Education</u></b>							
CH15	MAE :Staffing cost reductions -Delivery utilising the use of Information Technology and other efficiencies	8	8	0	G	Yvonne Tomlin - Miller	Saving unlikely to be delivered due to changes in SFA funding	Y
	<b><u>Housing Needs &amp; Enabling</u></b>							
CH8	Reduction of Homelessness Prevention Grant:	56	0	56	R	Steve Langley		Y
CH19	Rationalisation of admin budget :	30	30	0	G	Steve Langley		Y
CH40	Housing Strategy officer - deletion of 1 FTE :	43	43	0	G	Steve Langley	Post vacant and will be deleted - saving wil	Y
CH41	Environmental health Technical officer deletion of 1 FTE:	33	33	0	G	Steve Langley		Y
CH42	Housing options adviser deletion of 1.5 FTE :	53	53	0	G	Steve Langley	Post vacant and will be deleted - saving wil	Y
	<b>Total Community &amp; Housing Department Savings for 2016/17</b>	<b>5,379</b>	<b>3,162</b>	<b>2,217</b>				

## DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
	<b><u>Commissioning, Strategy and Performance</u></b>							
CSF2012-04	Reduce expenditure on LAC and SEN placements	50	50	0	A	Paul Ballatt	Although we expect to achieve the savings target, increased cost due to higher and more complex caseload is causing the service area to overspend. Placements are reviewed on a monthly basis and detailed analysis to back up the cost reduction in placement costs through negotiations with providers are reported to DMT every quarter.	Y
CSF2014-02	Reduce the post 16 LAC/CL accommodation.	50	50	0	A	Paul Ballatt	Although we expect to achieve the savings target, increased cost due to higher and more complex caseload is causing the service area to overspend. Placements are reviewed on a monthly basis and detailed analysis to back up the cost reduction in placement costs through negotiations with providers are reported to DMT every quarter.	Y
CSF2014-03	This will be achieved through a combination of reducing our training for facilitators of parenting programmes and decommissioning a service where the commissioned outcomes are not being delivered.	40	40	0	G	Paul Ballatt		
CSF2014-05	Reduction in commissioning of early intervention and prevention services from the VCS.	300	300	0	G	Paul Ballatt		
	<b><u>Children Social Care</u></b>							
CSF2012-07	Family and Adolescent Services Stream - Transforming Families (TF), Youth Offending Team (YOT) and in Education, Training and Employment (ETE). 2016/17 savings will be achieved by the closure of Insight and deletion of YJ management post.	100	100	0	R	Paul Angeli	Insight was not closed as we were not able to opt out of the lease early. This saving will be delivered in 2017/18 and the short for 2016/17 covered through reduced grant-funded and targeted intervention services.	
CSF2015-01	Serious Case Reviews	77	77	0	G	Paul Angeli		
	<b><u>Early Years</u></b>							

## DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
CSF2013-01	Substantial reduction in EY budgets whilst retaining existing Children's Centres targeted work in areas of higher deprivation (up to 10% reduction overall to Children's Centre services). Reduction in funding and in kind contributions to voluntary sector organisations	17	17	0	G	Jane McSherry		
CSF2014-09	We are working on the detailed proposals which will in essence reduce the service to paid-for childcare (parents and DSG) with a very limited targeted service for highly vulnerable families.	254	254	0	G	Jane McSherry		
CSF2014-06	<b>Youth Service</b> Young people will be signposted to VCS youth provision. Work continues with RSLs and other possible funders to identify some residual funding.	480	480	0	G	Jane McSherry		
CSF2014-07	<b>Public Health</b> Children's centres deliver the widest outcomes for under fives and getting a good start in life is key to narrowing inequalities in health outcomes.	400	400	0	G	Jane McSherry		
CSF2014-08	<b>Schools</b> Increased income from schools and/or reduced LA service offer to schools.	400	400	0	G	Jane McSherry		
CSF2015-02	<b>Cross cutting</b> Service management review across the CSF dept (2/3 FTE depending on grading of posts )	23	23	0	G	Paul Angeli		
	<b>Total Children, Schools and Families Department Savings for 2015/16</b>	<b>2,191</b>	<b>2,191</b>	<b>0</b>				

CSF2012-04 and CSF2014-02 is shown as amber because, although the savings are met, the overall budgets are overspending due to demographic pressures.

## DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
<b>Customer Services</b>								
CS13	Reduction in discretionary relief (replacement of CS12 and CS13 which had both been deferred until 2016/17)	81	81	0	G	David Keppler/Sean Cunniffe		N
CS36	Re tendering of Cash Collection Contract	10	10	0	G	David Keppler/Sean Cunniffe		N
CS39	Impact of Customer Service Review	30	0	30	R	David Keppler/Sean Cunniffe	Unlikely to be achieved due to delay in Customer Contact Implementation	N
CS61	Dividend income from CHAS 2013 Limited	58	58	0	G			N
CS62	Recharges to Public Health	70	70	0	G			N
CSD9	Ending of e-Capture Service	9	9	0	G	David Keppler/Sean Cunniffe		N
CSD10	Ending of Risk Based Verification	22	22	0	G	David Keppler/Sean Cunniffe		N
CSD11	Terminate the Experian trace and search system contract	10	10	0	G	David Keppler/Sean Cunniffe		N
CSD14	Reduction of 1 FTE Revenues Officer	30	30	0	G	David Keppler/Sean Cunniffe		N
CSD15	Increase in Court Costs (council tax) - Increase from £110.00 to £115.00	40	40	0	G	David Keppler/Sean Cunniffe		N
CSD16	Reduction in discretionary relief	231	231	0	G	David Keppler/Sean Cunniffe		N
CSD18	My Merton and staff reductions - Renegotiate supplier costs for My Merton	32	32	0	G	Sophie Poole		N
CSD19	My Merton and staff reductions - Delete 1 FTE - Communication Asisstant	25	25	0	G	Sophie Poole		N
<b>Business Improvement</b>								
CS5	Review and challenge of the procurement of Support & Maintenance & Licence Contracts	21	21	0	G	Sophie Ellis		N
CS63	Reorganisation of systems development and support arrangements.	88	0	88	R	Sophie Ellis	Recruitment difficulties in new structure	Y
CSD37	PO Restructure	64	64	0	G	Sophie Ellis		N
CSD38	Reduction in support budget	5	5	0	G	Sophie Ellis		N
CSD39	Business Systems Team Restructure Phase 2	50	50	0	G	Sophie Ellis		N
CSD40	Secure additional income generated through gazetteer maintenance and street naming and numbering	30	30	0	G	Sophie Ellis		N
CSD41	Consolidation of systems support	20	20	0	G	Sophie Ellis		N
<b>IT Service Delivery</b>								
CS5	Review and challenge of the procurement of Support & Maintenance & Licence Contracts	29	29	0	G	Mark Humphries		N
CS7	Reduction of costs through re-procurement of Mobile Telephones Contract against a number of revenue budgets spread across the Council	20	20	0	G	Mark Humphries		N
CS8	Reduction of costs through re-procurement of Wide Area Network(WAN) Links contract. Savings achieved against a number of revenue budgets spread across the Council	20	20	0	G	Mark Humphries		N
CS10	Outsourcing - Service Desk	20	0	20	R	Mark Humphries	Saving found from supplies budget	N
CS12	Information Governance Vacant Post	37	37	0	G	Mark Humphries		N

## DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CS16	Surrender of remainder of ITSD Overtime budget	35	35	0	G	Mark Humphries		N
CS23	Outsourcing - Building Services & Security Service	50	50	0	G	Mark Humphries		N
CS28	M&E Term Contract (Amalgamation) of Intruder Alarms	20	20	0	G	Mark Humphries		N
CSD2	Energy Savings (Subject to agreed investment of £1.5m)	150	0	150	R	Mark Humphries	Full saving unlikely to be achieved due to delay in implementation. Alternative saving in current year to be identified	N
CSD3	Rationalise IT Service Delivery support & maintenance contracts.	86	86	0	G	Mark Humphries		N
CSD4	Rationalise Facilities Management Building Repairs & Maintenance budgets	15	15	0	G	Mark Humphries		N
CSD5	Increase income generation from external bookings at Chaucer centre	40	40	0	G	Mark Humphries		N
CSD6	Reduction in the number of vehicles operated by Infrastructure & Transactions division from three to two	5	5	0	G	Mark Humphries		N
CSD8	Restructure IT Service Delivery section and delete 1 FTE post.	40	40	0	G	Mark Humphries		N
	<b>Resources</b>							
CS46	Resources -Deletion of 3 Posts within the Division	25	25	0	G	Paul Dale		N
CS64	Reduction of treasury running costs through review, improvement and efficiency	20	20	0	G	Paul Dale		N
CS65	Consolidation of various budgets within Resources division	66	66	0	G	Paul Dale		N
CS67	Reduction in bank and giro charges	12	12	0	G	Paul Dale		N
CSD20	Increased income	16	16	0	G	Paul Dale		N
CSD21	Rephase existing Savings	42	42	0	G	Paul Dale		N
CSD23	Cut running costs budgets	30	30	0	G	Paul Dale		N
CSD24	Consultancy budget	100	100	0	G	Paul Dale		N
CSD25	Increased charge to Pension Fund	20	20	0	G	Paul Dale		N
CSD47	Delete 1 Policy post	50	50	0	G	Paul Dale		N
	<b>Human Resources</b>							
CS49	Introduction of new application tracking system	10	10	0	G	Kim Brown		N
CS50	Occupational Health & Employee Assistance programme	40	40	0	G	Kim Brown		N
CS74	Review of L&D spend	69	69	0	G	Kim Brown		N
CSD32	Review of HR business support (printing and stationery)	5	5	0	G	Kim Brown		N
CSD35	Learning and Development Budget	18	18	0	G	Kim Brown		N
	<b>Corporate Governance</b>							
CS73	Saving from 4 borough shared legal service	60	60	0	G	Paul Evans		N

## DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CSD44	Stop web casting meetings, remove scrutiny support fund and reduce other supplies and services	35	35	0	G	Paul Evans		N
CSD45	Share audit and investigation service	60	60	0	G	Paul Evans		N
	<u>Other</u>							
CSD48	CHAS Dividend	145	145	0	G			N
	<b>Total Corporate Services Department Savings for 2016/17</b>	<b>2,316</b>	<b>2,028</b>	<b>288</b>				



## DEPARTMENT: ENVIRONMENT &amp; REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R/A Included in Forecast Over/Unders pend? Y/N
<b>SUSTAINABLE COMMUNITIES</b>								
ER23	Staff savings from 6th month review following the merger of the traffic and highways and the FutureMerton team in to one team and further budget savings/adjustments within the controllable expenditure budgets	130	130	0	G	James McGinlay		N
ER23	Restructure of team to provide more focus on property management and resilliance within the team.	52	52	0	A	James McGinlay	Commencing July 2016 to complete by October 2016, with saving expected to be achieved.	N
EN27	Reduction in the Lining Budget	10	10	0	G	James McGinlay		N
EN30	Reduction in supplies and Services Costs	20	20	0	G	James McGinlay		N
EN31	Reduction in energy costs	30	30	0	G	James McGinlay		N
EN32	Renegotiation of J C Deceaux Contract	10	10	0	G	James McGinlay		N
EN35	Various Budgets - Increased Income through various charging increases where the service provided will still be purchased eg Increases % commercial uplift from 30% to 50% per hr; increases in charges in halls and at watersports centre, etc	14	14	0	G	James McGinlay		N
EN36	Various Budgets - Increased Income through sale of advice & guidance from senior professional officers and sale of specialist arts & leisure developed service packages to groups and organisations e.g private care homes, etc	10	10	0	G	James McGinlay		N
EN37	Merton Active Plus - Increased Income	5	5	0	G	James McGinlay		N
EN42	Consultancy Income. This is based on an average daily rate of £300 per day (15/16 equates to 7 days per year for each chargeable member of staff and 16 days in 16/17) based on the consultancy project mangement working practices adopted by FutureMerton team.	50	0	50	R	James McGinlay		Y
EN45	Further commercialisation and development of sports and allied parks services (eg. increase in fees and charges (3.75%); cost recovery plus; service bundling; sponsorship of bedding plants,etc), aligned to the emerging strategy for sports.	13	0	13	R	James McGinlay	This saving is not currently being achieved. However, it forms part on the ongoing Phase C procurement exercise, and it is envisaged that the final agreement will result in this saving being met in full from 2017/18.	Y
E&R1	Arts Development - further reduce Polka Theatre core grant	5	5	0	G	James McGinlay		N
E&R2	Water sports Centre - Additional income from new business - Marine College & educational activities.	10	10	0	G	James McGinlay		N
E&R6	Reduced costs incurred as a result of sub-leasing Stouthall until 2024.	39	39	0	G	James McGinlay		N
E&R24	Reduction in current levels of staffing in the Greenspaces grounds maintenance and horticulture and sports teams.	130	130	0	A	James McGinlay		N
E&R26	Introduction of P&D within certain parks responding to demand for the management of parking and controlling excess demand for spaces/commuter parking	60	10	50	R	James McGinlay	Due to a delay in implementation, this saving will nto be achieved this year. It is currently expected to be implemented around January 2017.	N

## DEPARTMENT: ENVIRONMENT &amp; REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R/A Included in Forecast Over/Unders pend? Y/N
E&R27	Additional property rental income	44	0	44	R	James McGinlay	An alternative saving is being worked upon, and will be presented to Cabinet in due course.	N
E&R31	Senior management and support-Deletion of the 2 management support posts and absorption into existing resources.	70	70	0	G	Chris Lee		N
E&R32	Wifi Concessionary Contract-Income from wifi concessionary contract to be let from 2015/16	20	20	0	G	James McGinlay		N
E&R33	Various Budgets - Increase in income from commercialisation of services	250	180	70	R	James McGinlay/ Cormac Stokes	The £70k saving relating to the Live at Wimbledon Park event is not expected to be achieved this year.	N
E&R35	Reduce street lighting contract costs	25	25	0	G	James McGinlay		N
E&R36	Reduction in reactive work budget	60	60	0	G	James McGinlay		N
E&R38	Income from Section 278/Developers agreements where traffic works are required as part of development . Charging for work currently not charged for	50	50	0	A	James McGinlay		N
E&R39	Pre-application income. This is in addition to any previous pre-app savings proposal.	50	0	50	R	James McGinlay	An alternative saving is being worked upon, and will be presented to Cabinet in due course.	N
E&R40	Consultancy income. This is in addition to any previous savings proposal.	60	60	0	G	James McGinlay		N
E&R41	Align Vestry Hall income budget with current levels of income being achieved.	20	20	0	G	James McGinlay		N
<b>PUBLIC PROTECTION</b>								
EN02	Introduction of unattended automatic number plate recognition CCTV parking enforcement cameras at fixed locations.	226	226	0	G	John Hill		N
EV11	Increase all pay and display charges for on and off street parking by 10%. it should be noted that no allowance has been made for elasticity of demand this figure could reduce by 25%	125	125	0	G	John Hill		N
E&R7	Due to additional requests from residents, the budget will be adjusted to reflect the demand for and ongoing expansion of Controlled Parking Zone coverage in the borough.	260	260	0	A	John Hill	The current estimates for new CPZ permit income is 170k. No estimates for PCN and P&D income have been made as we have not been advised on the hours of operation. We are also awaiting information on the increase in properties to CPZ extensions to GC, CW and MP1 zones. When we have received the numbers of properties and the hours of operation we will be in a position to provide a more accurate forecast.	N
E&R8	In response to residents concerns about traffic congestion, enforcement of moving traffic contraventions, following the Implementation of ANPR.	1,700	1,700	0	G	John Hill		N
E&R9	Change in on-street bay suspension pricing structure.	500	250	250	R	John Hill	due to elasticity of demand shortfall of £250k expected (will be offset by E&R11)	N
E&R10	Back office reorganisation	80	50	30	G	John Hill		N
E&R11	Enforcement of pavement parking	60	310	-250	G	John Hill	expected to exceed target by at least £250k and will be used to offset shortfall on E&R9.	N
E&R12	End lease of Wycliffe Road	14	14	0	G	John Hill		N

## DEPARTMENT: ENVIRONMENT &amp; REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	Responsible Officer	Comments	R/A Included in Forecast Over/Underspend? Y/N
E&R13	Increase income from discretionary fees & charges	50	50	0	A	John Hill	Work underway, but potential for slippage and subsequent failure to achieve full year effect.	N
E&R15	Alter funding of post dedicated to investigating potential recovery of funds under the POCA, to be funded from costs recovered.	50	50	0	G	John Hill		N
<b>STREET SCENE &amp; WASTE</b>								
EN14	Mobile technology including GPS and in cab monitors. Once implemented will reduce back office staff numbers as a result of reducing reliance on paper schedules and in addition the GPS vehicle tracking system will lead to improved service and fuel efficiency.	100	70	30	R	Cormac Stokes	This saving is linked to new CRM project and Environmental asset Management Business case.  The system is due to start imminently, and is expected to generate a saving of c£70k. Therefore, an alternative saving for c£30k will be required.	Y
E&R17	To reduce the costs of the service and maintain current standards of cleaning within Merton it is proposed to alter how we deploy our resources by reducing residential solo sweepers and alter the use of mechanical sweepers by investing in electric sweepers	157	157	0	G	Cormac Stokes		N
E&R18	Cease the distribution of food caddy liners	70	70	0	G	Cormac Stokes		N
E&R19	Align income budget to levels of income being generated from the sale of Textiles.	50	50	0	G	Cormac Stokes		N
E&R20	To contribute to a cleaner borough, enforcement of litter dropping under EPA/ ASB legislation with FPN fines for contraventions.	20	20	0	G	Cormac Stokes		N
E&R21	IRRC Site operations procured to external provider. Contractual savings.	30	30	0	A	Cormac Stokes	Although procurement led to significant cost reduction, it may not be sufficient enough to reduce below existing budget level. Work is currently underway to determine this.	N
E&R22	Removal of borough wide dog bins including Parks	42	42	0	G	Cormac Stokes		N
<b>Total Environment and Regeneration Savings 2014/15</b>		<b>4,771</b>	<b>4,434</b>	<b>337</b>				

June'2016								APPENDIX 7	
DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2015/16									
Ref	Description of Saving	2015/16 Savings Required £000	2015/16 Savings Achieved £000	Shortfall £000	RAG	16/17 RAG	Responsible Officer	Comments	Budget Manager Comments
	<u>Libraries</u>								
	<u>Merton Adult Education</u>			0					
CH15	Increased income and some staff reductions	14	0	14	R	R	Yvonne Tomlin		
	<u>Housing</u>			0					
	<b>Total Community &amp; Housing Department Savings for 2015/16</b>	<b>14</b>	<b>0</b>	<b>14</b>					
<b>Scrutiny Panels</b>									
	C&YP							Income - increase in current level of charges	
	HC&OP							Income - increase arising from expansion of existing service/new service	
	SC							Staffing: reduction in costs due to efficiency	
	O&SC							Staffing: reduction in costs due to deletion/reduction in service	
								Non - Staffing: reduction in costs due to efficiency	
								Non - Staffing: reduction in costs due to deletion/reduction in service	
								Procurement / Third Party arrangements - efficiency	
								Grants: Existing service funded by new grant	
								Grants: Improved Efficiency of existing service currently funded by unringfenced grant	
								Reduction in Property related costs	

## DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 15-16

Ref	Description of Saving	2015/16 Savings Required £000	2015/16 Savings Expected £000	Shortfall	15/16 RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	16/17 RAG	Responsible Officer	Comments
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All savings for 2015/16 achieved

**DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2015-16**

Ref		2015/16 Savings Required £000	2015/16 Savings Achieved £000	Shortfall	15/16 RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
ER10	Merton & Richmond shared regulatory services.	230	89	141	R	230	0	G	John Hill	New structure commenced in October 2015, so only a part-year effect saving was achieved in 2015/16. The shortfall is not expected to repeat in 2016/17.	N
EN29	Re-Structure of Traffic and Highway Services	252	146	106	R	252	0	G	James McGinlay	Due to delay in implementation, the full effect of this saving was not realised in 2015/16.	N
EN45	Further commercialisation and development of sports and allied parks services (eg. increase in fees and charges (3.75%); cost recovery plus; service bundling; sponsorship of bedding plants,etc), aligned to the emerging strategy for sports.	39	11	28	R	11	28	R	James McGinlay	This saving forms part on the ongoing Phase C procurement exercise, and it is envisaged that the final agreement will result in this saving being met in full from 2017/18.	Y
EV02	Increase charges for the following types of parking permits Business £5, Trade £5, Teachers £5. Please note no allowance has been made for elasticity of demand this figure could reduce by 10%.	4	0	4	R	4	0	G	John Hill		N
EV12	Production of unattended automatic number plate recognition CCTV parking enforcement cameras at fixed locations.	3,214	0	3,214	R	3,214	0	G	John Hill	The implementation phase of the contract is under way with a start date of early July 2016.	N
<b>Total Environment and Regeneration Savings 2015/16</b>		<b>3,739</b>	<b>246</b>	<b>3,493</b>		<b>3,711</b>	<b>28</b>				

**DEPARTMENT: Corporate Services - PROGRESS ON SAVINGS 15-16**

Ref	Description of Saving	2015/16 Savings Required £000	2015/16 Savings Expected £000	Shortfall	15/16 RAG	Responsible Officer	Comments
All savings for 2015/16 achieved							

## DEPARTMENT: COMMUNITY &amp; HOUSING SAVINGS PROGRESS 2014/15

Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Actuals Savings £000	2014/15 Shortfall £000	2015/16 Savings Achieved £000	2015/16 Shortfall £000	RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend? Y/N
<b>Adult Social Care</b>													
ASC13/ASC34	Brokerage Efficiencies	300	118	182	118	182	R	187	113	R	Julie McCauley	Negotiations are on-going with existing service providers, however savings are dependent on market pressures and the current market is that prices are increasing, making negotiating reductions more difficult.	Y
ASC8	Optimising the use of block and spot contracts-OP&LD	300	141	159	141	159	R	141	159	R	David Slark	Negotiations are on-going with existing service providers, however savings are dependent on market pressures and the current market is that prices are increasing, making negotiating reductions more difficult.	Y
ASC54	Reduction in Mental Health Placement	50	0	50	0	50	R	0	50	R	Henrietta Brown	There was an increase in customers with higher needs, which led to a greater expense of placements. In addition, there were not sufficient opportunities for people to move to a lower level of support, so savings were not achieved.	Y
CH12	Remove day care costs from residential customers	250	0	250	0	250	R	0	250	R	Andy Ottaway-Searle	Due to the small number of residential customers this target was not able to be achieved.	Y
CH14	All Saints Respite extension	36	0	36	0	36	R	0	36	R	Julie McCauley	Building work not started to accommodate suitable environment for customers with physical disabilities, therefore savings not achieved.	Y
CH15	Assistive Technology	70	0	70	0	70	R	70	0	A	Andy Ottaway-Searle	Assisted technology used with new customers but tracking cost avoidance is difficult to demonstrate as previously these customers have not incurred costs. Work needed to review existing customers to identify if any savings can be made.	Y



Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Actuals Savings £000	2014/15 Shortfall £000	2015/16 Savings Achieved £000	2015/16 Shortfall £000	RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CH6	Voluntary Organisation- SLA reduction	150	0	150	0	150	R	150	0	A	Simon Williams	Work on-going with voluntary sector to review funding to meet savings targets.	Y
ASC53	Meals on wheels contract	50	0	50	0	50	R	0	50	R	Simon Williams	Meals on Wheels contract will not be renewed, however the saving on the contract cost is a 16/17 saving.	Y
ASC6/ASC 49/ CH8	Transport	246	0	246	0	246	R	0	246	R	Andy Ottaway-Searle	Use of LBM transport has been reduced through using day centre staff driving and escorting on leased vans to save money. However as Transport costs are re-apportioned this saving has not been met.	Y
Page 105 ASC30/CH	Staffing savings in Direct Provision	216	0	216	0	216	A	216	0	A	Andy Ottaway-Searle	Posts were deleted and budgets reduced at the start of the year, but, increased volumes from 12 to 38 people at our supported living services, plus the need to back fill long term sickness to meet CQC standards led to other staffing budgets overspending. This offset the planned savings. Since increased activity remains unfunded this overspend will only be recouped in 2015-16 if other savings targets are over achieved.	Y
	<b>Merton Adult Education</b> Increase income from commercial courses and café, reduction in staff. Admin & marketing cost.	176	0	176	0	176	R	0	176	R	Yvonne Tomlin	Saving not delivered due to changes in SFA funding	
	<b>Total Community &amp; Housing Dep't Savings for 2014/15</b>	<b>1,844</b>	<b>259</b>	<b>1,585</b>	<b>259</b>	<b>1,585</b>		<b>764</b>	<b>1,080</b>				

DEPARTMENT: CHILDREN, SCHOOLS & FAMILIES SAVINGS PROGRESS: 2014-15

Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Savings Achieved £000	2014/15 Shortfall £000	2015/16 Savings Achieved £000	2015/16 Shortfall £000	RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	RAG	Responsible officer	Comments	R /A Included in Forecast Over/Under spend? Y/N
	<u>Education</u>												
CSF2012-08	Introduce new models of fulfilling the council's statutory responsibilities for the provision of SEN transport	140	100	40	140	0	G	140	0	G	Jane McSherry	The full year effect of the travel training programme and the roll-out of personal budgets will result in achieving this saving. During 2015/16 £108k was saved from ITT and £111k from PB. The overall transport budget is expected to overspend due to complexity of caseloads and increased prices. A transport board has been set up to review the various cost reduction actions being implemented.	N

## DEPARTMENT: ENVIRONMENT &amp; REGENERATION SAVINGS PROGRESS: 2014-15

Ref		2014/15 Savings Required £000	2014/15 Savings Achieved £000	2014/15 Shortfall £000	2015/16 Savings Achieved £000	2015/16 Shortfall £000	RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
EN45	Further commercialisation and development of sports and allied parks services	96	67	29	71	25	R	71	25	R	James McGinlay	This saving forms part on the ongoing Phase C procurement exercise, and it is envisaged that the final agreement will result in this saving being met in full from 2017/18.	Y
EN15	Improved performance management and implementation of the Council's new sickness policy resulting in a reduction in agency staff usage.	100	0	100	0	100	R	100	0	A	Cormac Stokes	Improved management of the sickness monitoring is in place. All LTA being seen by HofS.  The technical establishment is expected to be signed off soon. Once done so, it will be reconciled to the use of temporary staff to confirm if this saving has been met.	N
<b>Total Environment and Regeneration Savings 2014/15</b>		<b>196</b>	<b>67</b>	<b>129</b>	<b>71</b>	<b>125</b>		<b>171</b>	<b>25</b>				

**DEPARTMENT: Corporate Services - PROGRESS ON SAVINGS 14-15**

Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Savings Expected £000	Shortfall	14/15 RAG	Responsible Officer	Comments
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All savings for 2014/15 achieved

## Appendix 9

### Subject: Miscellaneous Debt Update June 2016

#### 1. LATEST ARREARS POSITION – MERTON'S AGED DEBTORS REPORT

1.1 A breakdown of departmental net miscellaneous debt arrears, as at 30 June 2016, is shown in column F of Table 1 below.

Sundry Debtors aged balance – 30 June 2016 – not including debt that is less than 39 days old

Department a	39 days to 6 months b	6 months to 1 year c	1 to 2 years d	Over 2 years e	Jun 16 arrears f	Mar 16 Arrears	Direction of travel
	£	£	£	£	£	£	
Env & Regeneration	1,090,704	369,664	163,672	191,345	1,815,385	1,072,574	↑
Corporate Services	145,725	31,690	64,669	158,931	401,015	403,393	↓
Housing Benefits	655,007	1,150,818	932,188	1,276,545	4,014,558	4,127,431	↓
Children, Schools & Families	1,019,860	36,297	21,309	171,062	1,248,528	409,079	↑
Community & Housing	1,658,569	699,281	1,187,449	1,617,165	5,162,464	4,595,399	↑
Chief Executive's	0	0	0	0	0	0	↓
CHAS 2013	67,551	14,287	16,549	7,580	105,967	93,779	↑
<b>Total</b>	<b>4,637,416</b>	<b>2,302,037</b>	<b>2,385,836</b>	<b>3,422,628</b>	<b>12,747,917</b>	<b>10,701,655</b>	<b>↑</b>
<i>Mar-16</i>	<i>3,630,593</i>	<i>1,735,843</i>	<i>1,955,265</i>	<i>3,287,964</i>	<i>10,609,665</i>		
<i>Variance Jun 15 to Jun 16</i>	<i>1,006,823</i>	<i>566,194</i>	<i>430,571</i>	<i>134,664</i>	<i>2,138,252</i>		<i>↑</i>

1.2 Since the position was last reported in March 2016, the net level of arrears, i.e. invoices over 39 days old, has increased by £2,046,262.

1.3 The net level of level of arrears has increased by £2,138,252 when compared to the position at the end of June 2015.

- 1.4 The above table shows the separate debt owed to CHAS 2013 Ltd.
- 1.5 There is an increase in debt due to the Environmental and Regeneration department of £742,811 since last reported. The majority of this is due to an increased debt to the Town Planning service of £535,000 which is for unpaid Community Infrastructure Levy's.
- 1.6 There is an increase in debt due to the Children Schools and Families department of £839,449 since last reported. The majority of this is due to an increased debt to the departments Finance team of £780,000.
- 1.7 There is an increase in debt due to the Community and Housing department of £567,065 since last reported. The majority of this is due to an increased debt to MASCOT of £260,000 and the departments Finance team of £240,000. MASCOT invoices are issued annually in April and some clients have still not paid their annual charge which has resulted in the increase this quarter.
- 1.8 Table 2 below shows the total net level of arrears for the last five years – not including debt that is less than 39 days old

Sundry debt June 2012 to June 2016 – not including debt that is less than 39 days old

Department	June 2012	June 2013	June 2014	June 2015	June 2016
	£	£	£	£	£
Env & Regeneration	315,756	811,346	884,512	896,994	1,815,385
Corporate Services	527,423	623,983	858,227	290,128	401,015
Housing Benefits	2,993,179	3,173,011	2,685,560	3,196,008	4,014,558
Children, Schools & Families	536,458	133,712	367,884	995,833	1,248,528
Community & Housing	3,326,862	4,183,231	4,589,395	5,076,718	5,162,464
Chief Executive's	0	3,000	500	0	0
CHAS 2013	0	0	113,826	153,984	105,967
<b>Total</b>	<b>7,699,678</b>	<b>8,928,283</b>	<b>9,499,904</b>	<b>10,609,665</b>	<b>12,747,917</b>

- 1.9 The figures in table 2 (above) show that the major area of increase in debt over the four year period is housing benefit overpayments and Community and Housing. It should be noted that the amount of housing benefit paid out has increased over this period. In 2008/09 £61.3 million was paid out and just under £100 million was paid in 2015/16.

The level of Community and Housing debt over 39 days has increased by just under £1.83 million in the four year period.

1.10 The increase in debt for Environment and Regeneration is mainly due to increases in Town Planning, Environmental Health and Trading Standards and Waste debts. These three service units have seen a total of £1.26 million increase since March 2012.

1.11 The action being taken to recover the largest debts is outlined below

## 1 THE PROCESS FOR COLLECTION OF MISCELLANEOUS DEBT

2.1 In considering the current levels of debt, it is important to outline the general process Merton currently has in place to collect its arrears. In general terms the process has 5 stages, as detailed below, although processes employed vary by debt type. It is important to note that most debtors can not pay their outstanding liabilities other than by payment arrangements. Once a payment arrangement has been made it can not be changed without the debtors consent.

### The process for collecting debt

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Invoice issued to debtor with 30 days allowed for payment.	After 30 days and following two requests for payment, a final warning notice is issued and the case passed to the Debt Recovery team.	The debt and debtor is evaluated to ensure the most effective recovery action is taken to attempt recovery. This will include contacting debtors' direct and collecting payment or agreeing repayment plans and passing the debt to collection agents to collect on our behalf, bankruptcy proceedings, attachment to benefit etc.	If the debt remains unpaid then County Court action is taken by the Debt Recovery team's solicitor who administers this process.	The final stage is consideration of the debt for write-off if all other attempts to collect the debt have failed.

## 2 DEBT OVER ONE YEAR OLD

3.1 Debt over 1 year old has increased by £453,051 since the end of December 2014, an increase of 7.8%.

### Debt over 1 year old compared to December 2014

Department	Dec 2014	Mar 2016	Variance	% Variance
Env & Regeneration	£451,983	£355,017	-£96,966	-27.31
Corporate Services	£283,173	£223,601	-£59,572	-26.64
Housing Benefits	£1,781,334	£2,208,733	£427,399	19.35
Childrens, Schools & Families	£263,050	£192,372	-£70,678	-36.74
Community & Housing	£2,565,992	£2,804,615	£238,623	8.51
Chief Executives	£500	£0	-£500	0.00
CHAS 2013	£9,384	£24,129	£14,745	
<b>Total</b>	<b>£5,355,416</b>	<b>£5,808,467</b>	<b>£453,051</b>	<b>7.80</b>

- 3.2 The majority of debt over 1 year old is for Community and Housing debts and housing benefit overpayments.
- 3.3 The debt for Community and Housing over a year old has increased by £238,623 since December 2014.
- 3.4 Over the past few years council staff have been working closely and following new processes to manage this debt. This work involves regular joint meetings between the financial assessments, social services, client financial affairs and debt recovery teams to review the debts of individual clients and establish action plans for each one.
- 3.5 These actions include, but are not limited to: early intervention from social workers to prevent debts from getting out of control and to ensure that clients are supported earlier to get their finances in order; as part of their induction all new Social Workers spend time with the Financial Assessment Team, to understand how financial assessments are carried out; social workers also check to see if there any safeguarding issues around non-payment of bills and work very closely with the Welfare Benefits Officer; there is more use of credit checks and land registry checks when assessing/investigating debt issues; increased involvement from the client financial affairs team to take appointeeship for those without capacity or appropriate deputyship; Increased identification of cases where we will consider legal action to secure the debt and generally to share information and support each other in the collection and prevention of this debt. Although the debt has grown the actions being taken are mitigating the impact.
- 3.6 The total debt figure for Community and Housing, including debt that is less than 39 days old, is £6.175 million. Of this £4.35 million is Community Care debt. Of the Community Care debt £0.38 million is under 39 days and therefore no formal recovery action has taken place other than issuing an invoice and reminder. Of the remaining £3.97 million debt which is older than 39 days just over £0.75 million is secured debts against charging orders or deferred payment arrangements, £0.9 million is where the council has deputyship or awaiting probate, £0.3 where court action is taking place or there are



queries on the invoices and a further £0.46 million has repayment arrangements in place. We are actively working on securing the remaining debt by similar means.

- 3.7 A new working group chaired by the Director of Community and Housing has been set up to monitor Community Care Debt and to work across departments to improve processes and ensure best practice is in place to maximise collection of debts at all stages.
- 3.8 The table below shows the breakdown of Community Care debt by recovery action

Total Community Care Debt by recovery action as at June 2016 compared to March 2016

<b>Community Care Debt</b>	<b>31-Mar-16</b>	<b>Percentage at stage</b>	<b>30-Jun-16</b>	<b>Percentage at stage</b>
Invoice stage	656,084	14%	387,608	9%
Charge & Deferred Payment	995,753	22%	775,880	18%
Payment arrangement	372,108	8%	462,801	11%
Probate, DWP & Deputyship	925,447	20%	944,870	22%
Court action	147,886	3%	141,345	3%
Dept or service query	154,802	3%	182,702	4%
No action secured	1,386,446	30%	1,460,347	33%
<b>Total Debt</b>	<b>4,638,526</b>		<b>4,355,553</b>	

- 3.9 Community Care debt has reduced by £282,973 since the end of March 2016. In the last quarter we have received payment of over £228,000 on one account where we had a deferred payment arrangement in place.
- 3.10 There is £1.8 million of other Community and Housing Debt, this is mainly made up of £275,000 of debt owed to Mascot although the vast majority of this is debt under 39 days old. There is also £1.1 million owed to Housing and Social Services Accountancy team, which is mainly due from Merton CCG and some debt owed from other councils. Just over £350,000 of this debt is over 39 days old and is being pursued.
- 3.11 The total amount of housing benefit debt is £8.046 million, this figure includes £4,014,558 within the sundry debtors system as reported in 1.1 above and the debt still within the housing benefit system.
- 3.12 It has been previously reported that the Department of Work and Pensions commenced a “Real Time” Information initiative at the end of September 2014 which was aimed at identifying overpayments of

housing benefit. The DWP have compared housing benefit claim data and HMRC data and over the six month life of the initiative highlighted 900 cases for Merton where there were data discrepancies.

- 3.13 In May 2015 the second phase of the initiative commenced and we are receiving approximately 150 cases per month.
- 3.14 As at the end of March 2016, £2.625 million of overpayments have been identified and created. A number of cases have resulted in overpayments of over £10,000 and have been referred to the Internal Audit team and the new joint DWP Fraud team.
- 3.15 Where possible these overpayments are being recovered from on-going benefit payments. We are entitled to deduct between £10.95 and £23.35 per week from on-going housing benefit dependant on circumstances. Where the change has resulted in housing benefit being cancelled or nil entitlement we contact the claimants employer and are paid a percentage deduction of their salary each month. So far we have over £160,000 set up to recover in this way.
- 3.16 A further tranche of these cases commenced in May 2016.
- 3.17 The Department of Work and Pensions commenced another initiative in the final quarter of 2014/15. This initiative is where council's are encouraged to identify fraud and error within the system and have been awarded set up funding and on-going funding based on achieving performance targets. This initiative is being extended for 2016/17.
- 3.18 The Council met its target for December 2014 to March 2015 and obtained £22,000 in additional funding and exceeded the upper target for the first quarter of 2015/16 and received £23,000 in additional funding. The second quarter target for 2015/16 was not achieved although the third quarter target was achieved and a further £14,000 additional funding received. The performance for the fourth quarter has still not been received. The Council has committed to continuing this initiative for 2016/17 and has received £49,000 funding to administer this.
- 3.19 These two initiatives and the normal churn of claims has resulted in the level of housing benefits debt increasing and it is very likely that it will continue to increase.
- 3.20 Although the overall housing benefit debt has increased there has been an increase in the amount of debt either being recovered from on-going benefit or on arrangements, with £2.9 million being recovered from on going benefit by reducing current housing benefit payments. Just over £4.85 million is on a payment arrangement or recovery from on going benefit

- 3.21 The table below shows breakdown of all housing benefit overpayments by recovery action.

Total Housing Benefit Debt by recovery action from June 2015 to June 2016 by quarter

	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16
Invoice and Reminder stage	542,969	814,303	1,571,934	1,205,885	667,690
On-going recovery	3,070,965	2,839,286	3,237,225	3,105,644	2,928,207
Payment Arrangements	1,514,546	1,324,634	1,606,401	1,792,340	1,922,400
No Arrangements secured	2,325,949	2,255,792	1,608,915	1,870,006	2,528,002
<b>Total HB Debt</b>	<b>7,454,429</b>	<b>7,234,015</b>	<b>8,024,476</b>	<b>7,973,875</b>	<b>8,046,299</b>

- 3.22 We have continued to review and target all housing benefit debt. We have tried to improve the procedures at the beginning of the process when a debt is first identified by ensuring that invoices are raised as soon as possible to give the best chance of recovery, we are targeting debtors who are now in work and we will be applying to recover the overpayments from their employers and we are looking at the oldest debts to consider if they are still collectable. However, it should be noted that a lot of the housing benefit debt is very difficult to recover as the Council's powers of recovery are very limited unless the debtor works or owns their own property.

- 3.23 The table below shows the amount of debt written off in accordance with financial regulations and scheme of management in 2014/15, 2015/16 and 2016/17.

Debt written off in 2014/15, 2015/16 and 2016/17 by debt type

	2014/15	2015/16	2016/17				
	Total	Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
<b>Debt type</b>							
<b>Sundry Debt</b>	£347,726	£581,419	£129,338				£129,338
<b>Housing benefit overpayments</b>	£1,050,105	£510,352	£116,012				£116,012
<b>Council Tax</b>	£526,881	£951,280	£118,937				£118,937
<b>Business Rates</b>	£790,373	£659,514	£0				£0
<b>Total</b>	<b>£2,715,085</b>	<b>£2,702,565</b>	<b>£364,287</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£364,287</b>

- 3.24 Of the business rates debt written off in 2014/15 just over £400,000 related to businesses that went into liquidation and for 2015/16 £392,000 related to businesses that went into liquidation and therefore it was not possible to collect the rates.
- 3.25 Towards the end of 2014/15 an exercise was commenced targeting the highest housing benefit debts with the aim of agreeing payment arrangements where possible and where appropriate writing debts off. This included many large overpayments, some identified through fraud activity where the prospect of collecting the debt was minimal. In some instances payment arrangements were put in place for 5 years and the remainder of the debt written off. If circumstances change of the debtors or after 5 years all payments are made there is the option of writing part or all of the debt back to collect.
- 3.26 Although the debt written off within any of the years does not relate to one specific year it should be noted that in 2015/16 the council was collecting a net debt of £102.6 million in council tax (this includes the GLA portion), a net debt of £92.3 million in business rates (this includes Business Rates Supplement) and approximately £44 million raised through sundry debts.
- 3.27 Every effort is made to collect all outstanding debts and debts are only written off as a last resort. The council is still collecting some council tax debts that are greater than 6 years old or will have secured the debts against properties where possible.

#### **4. PROVISION FOR BAD AND DOUBTFUL DEBTS**

- 4.1 Provision has been made available for writing off bad and doubtful debts held within the ASH and Housing benefits systems. These provisions are £2.83m for ASH miscellaneous debt and £6.29m for debt held in the Housing Benefits system, making a total General Fund provision for bad and doubtful debts of £9.12m. Clearly, every attempt is made to collect debts before write-off is considered. The current level of provision is analysed in the table below.
- 4.3 The Council adheres to the requirements of the SORP when calculating its provisions. Merton's methodology is to provide on the basis of expected non collection using the collection rates for individual departmental debt, and the age of the debt.

## Provision for Bad and Doubtful Debts

Department	Total Provision	
	At 31/03/2015	At 31/03/2016
	£000's	£000's
Env & Regeneration	332	377
Corporate Services	432	342
Housing Benefits	6,344	6,287
Children, Schools & Families	90	121
Community & Housing	1,996	1,995
<b>Total</b>	<b>9,194</b>	<b>9,122</b>

### 5. EXECUTIVE SUMMARY / CONCLUSION

5.1.1 Merton's total level of miscellaneous debt arrears i.e. invoices over 39 days old, as at 30 June 2016 is £12,747,917. The net level of arrears, when the matter was last reported in March 2016 was £10,701,655.

### 6. TOTAL DEBT DUE TO MERTON

The total amount due to Merton as at 30 June 2016 is detailed in table 6 below.

Total debt outstanding as at 31 March 2016 and compared with previous periods over the past 15 months

	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16
	£	£	£	£	£	£
Miscellaneous sundry debt Note 1	14,201,393	10,837,854	10,443,846	11,272,021	16,281,729	12,762,026
Housing Benefit debt	7,070,861	7,454,428	7,234,014	8,024,475	7,973,874	8,046,299
Parking Services	2,143,597	2,197,074	2,120,147	2,026,990	2,236,486	2,475,209
Council Tax Note 2	3,730,152	5,281,972	4,554,084	3,954,459	3,696,585	5,028,749
Business Rates Note 3	638,077	1,758,523	1,741,972	1,502,441	1,112,781	1,696,598
<b>Total</b>	<b>27,784,080</b>	<b>27,529,851</b>	<b>26,094,063</b>	<b>26,780,386</b>	<b>31,301,455</b>	<b>30,008,881</b>

Note 1 This figure differs from the amount shown in Table 1 as it shows all debt, including that which is less than 39 days old.

Note 2 Council tax debt does not include the current year council tax collection.

Note 3 Business rates debt does not include the current year business rates collection

- 6.1 The overall debt outstanding has increased by £2.47 million in the past 12 months compared to the end of June 2015.
- 6.2 The areas where there has been the largest increase are miscellaneous sundry debts which has increased by £1.9 million, housing benefit debt by £5.5 million.
- 6.2 Detailed breakdowns of the Council Car Parking figures are shown in the Table 7 below:

**Table 7 – Car Parking Aged Debtors – June 2016**

Age of Debt	Outstanding £	Number of PCNs
0-3 months	956,943	8,659
3-6 months	419,437	2,857
6-9 months	314,269	2,023
9-12 months	217,471	1,372
12-15 months	202,801	1,220
Older than 15 months	364,288	2,416
<b>Total June 2016</b>	<b>£2,475,209</b>	<b>18,547</b>
<b>Total March 2016</b>	<b>£2,236,486</b>	<b>16,389</b>
<b>Increase</b>	<b>£238,723</b>	<b>2,158</b>

APPENDIX AUTHOR - David Keppler (020 8545 3727/[david.keppler@merton.gov.uk](mailto:david.keppler@merton.gov.uk))

Description	Jun-16						
	2014/15	2015/16	2016/17 Year to Date (First quarter to June 2016)	2016/17 Jul - March	2016/17 Year end Forecast as at June 2016	2016/17 Previous Forecast at March 2016	Forecast Variance at year end (March/June)
	Actual £000	Actual £000	Actual £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
<b>Payments</b>							
Payroll Related Payments (including Schools)-net pay	104,256	116,209	26,419	91,257	117,676	103,160	14,516
Payroll related-HMRC	37,321	41,600	9,457	33,372	42,829	36,626	6,203
Payroll related-Teachers Pensions Authority	13,010	14,502	3,297	9,890	13,187	12,638	549
Payroll related-pension fund and disbursements and including back funding and added years	36,259	22,712	5,988	17,964	23,952	22,940	1,012
Service payments- (Premises, Transport, Supplies and Services and Third Party payments)	284,626	299,145	76,574	224,405	300,392	352,131	-51,739
Transfer Payments-Housing Benefits	92,065	93,060	25,718	67,342	93,060	96,990	-3,930
Bank Charges & Related Expenditure	252	247	66	198	264	258	6
Precepts- BRATES and CTAX	79,341	80,113	20,831	62,492	83,323	16,978	66,345
Business Rates and CTax Refunds	5,601	5,787	2,067	6,201	8,268	5,772	2,496
Capital Payments	37,118	29,078	1,002	38,293	39,295	32,559	6,736
<b>Total Payments</b>	<b>689,849</b>	<b>702,452</b>	<b>171,419</b>	<b>551,414</b>	<b>722,246</b>	<b>680,052</b>	<b>42,194</b>
<b>Receipts</b>							
Business Rates Receipts	-91,292	-90,733	-28,216	-68,051	-96,267	-91,292	-4,975
Council Tax Receipts	-103,301	-104,431	-30,607	-78,324	-108,931	-103,301	-5,630
DWP - Housing Benefit Subsidy & Admin Grant & Discretionary Housing Payment grant&S31 Grant)	-87,289	-93,310	-24,158	-72,474	-96,632	-99,842	3,210
Grants (Including Public Health Grants)	-228,412	-240,758	-59,771	-179,312	-239,082	-217,758	-21,324
Other receipts-fees and charges	-73,621	-72,025	-18,405	-55,216	-73,621	-57,858	-15,763
Payroll Recoupment	-82,897	-83,440	-21,458	-64,374	-85,832	-76,866	-8,966
VAT Reimbursement	-24,247	-21,830	-5,621	-16,863	-22,484	-24,740	2,256
<b>Total Receipts</b>	<b>-691,059</b>	<b>-706,527</b>	<b>-188,236</b>	<b>-534,613</b>	<b>-722,849</b>	<b>-671,657</b>	<b>-51,192</b>
<b>1. Net Cashflow (Revenue and Capital Cash)</b>	<b>-1,210</b>	<b>-4,075</b>	<b>-16,817</b>	<b>16,801</b>	<b>-603</b>	<b>8,395</b>	<b>-8,998</b>
Interest Received on investments	-798	-942	-288	-662	-950	-617	-333
Interest on Pooled Property Investment	0	-198	-63	-137	-200	-224	24
Interest Paid on Debt inc DME	6,718	6,704	958	5,157	6,702	6,702	0
<b>2. Interest-net (Net cash flow)</b>	<b>5,920</b>	<b>5,564</b>	<b>607</b>	<b>4,358</b>	<b>5,552</b>	<b>5,861</b>	<b>-309</b>
B/F Cash Deposits Balance (SoA Note 9 Financial Instruments)	80,000	86,100	85,400	101,750	85,400	86,100	-700
B/F Bank Balance (SoA Note 14 Cash and cash equivalents)	-182	-252	2,049	-3,091	2,049	-252	2,301
B/F ST Borrowing (SoA Note 9 Financial Instruments)	-1,170	-11,910	-15,000	-10,000	-15,000	0	-15,000
B/Fwd Total	78,648	73,938	72,449	88,659	72,449	73,938	-1,489
Change in cash and investments (1+2)	4,710	1,489	-16,210	21,159	4,949	1,361	3,588
C/F Cash Deposits Balance (SoA Note 14 Financial Instruments)	86,100	85,400	101,750	67,700	67,700	77,558	-9,858
C/F Bank Balance (SoA Note 14 Cash and Cash Equivalents)	-252	2,049	-3,091	-200	-200	19	-219
C/F ST Borrowing (SoA Note 9 Financial Instruments)	-11,910	-15,000	-10,000	0	0	0	0
B/Fwd Total	73,938	72,449	88,659	67,500	67,500	72,577	-5,077
	0	0	0	-0	-0	0	-0

Customer & Client Receipts - £000's			2016/17						
Department	Division/Service	Total Budget	Year to Date Actual (P3)	Year to Date Budget (P3)	Year to Date Over (under) Spend	Latest Forecast	Forecast Variance	Internal Receipts Forecast	External Receipts Forecast
Childrens Schools & Families	Schools Buy Back	-1,192	-553	-30	-523	-1,205	-12	0	-1,205
	Early Years & Childrens Centres	-1,358	-464	-340	-124	-1,287	71	0	-1,287
	Other	-281	42	-37	79	-258	23	0	-258
	<b>CSF Total</b>	<b>-2,831</b>	<b>-975</b>	<b>-407</b>	<b>-569</b>	<b>-2,750</b>	<b>81</b>	<b>0</b>	<b>-2,750</b>
Corporate Services	Business Improvement	-114	-16	-28	12	-328	-214	-85	-243
	Corporate Governance	-2,711	-316	-682	365	-3,373	-662	-18	-3,354
	Customer Services	-2,268	-424	-561	137	-2,200	69	-140	-2,059
	CS Resources	-726	-303	-182	-122	-820	-94	-1	-819
	Human Resources	-569	-142	-142	0	-569	0	-160	-409
	Infrastructure & Transactions	-2,584	-567	-641	74	-2,630	-46	-1,538	-1,092
	Corporate Items	0	-3		-3	0	0		
<b>CS Total</b>	<b>-8,972</b>	<b>-1,772</b>	<b>-2,236</b>	<b>464</b>	<b>-9,920</b>	<b>-948</b>	<b>-1,943</b>	<b>-7,977</b>	
Environment & Regeneration	Street Scene & Waste	-11,392	-2,313	-2,827	514	-11,301	91	-8,812	-2,489
	Public Protection	-17,618	-3,230	-4,405	1,175	-17,704	-86	-85	-17,619
	Sustainable Communities	-10,827	-3,932	-2,601	-1,331	-10,685	142	-477	-10,208
	<b>E&amp;R Total</b>	<b>-39,837</b>	<b>-9,475</b>	<b>-9,833</b>	<b>358</b>	<b>-39,690</b>	<b>147</b>	<b>-9,374</b>	<b>-30,316</b>
Community & Housing	Adult Social Care - Client Contribution & Other Cont	-10,157	-1,490	-1,908	418	-8,861	1,297	0	-8,861
	MAE & Libraries	-1,119	-141	-277	136	-360	759	-6	-354
	Housing	-178	-60	-45	-16	-305	-126	0	-305
	<b>C&amp;H Total</b>	<b>-11,455</b>	<b>-1,691</b>	<b>-2,229</b>	<b>538</b>	<b>-9,525</b>	<b>1,929</b>	<b>-6</b>	<b>-9,519</b>
<b>Grand Total</b>	<b>-63,095</b>	<b>-13,913</b>	<b>-14,705</b>	<b>792</b>	<b>-61,885</b>	<b>1,210</b>	<b>-11,323</b>	<b>-50,562</b>	



<b>Date of meeting: 26 July 2016</b>		<b>Appendix 12</b>
<b>Title of report:</b>	<b>Establishment Control and Vacancy reporting</b>	
<b>Lead Director:</b>	<b>Caroline Holland</b>	
<b>Lead Officer:</b>	<b>Kim Brown</b>	
<b>To which strategic theme(s) does this item relate?</b>	Sustainable communities	
	Safer & Stronger communities	
	Healthier Communities	
	Older People	
	Children & Young People	
	Corporate Capacity	Yes
<b>Is this item for:</b>	Information only?	
	Discussion?	Yes
	Decision?	
<b>If this report is for decision, please list the recommendations that you are making to CMT</b>	1.	
	2.	
	3.	
	4.	
	5.	
<b>Is this report intended to...</b>	Come back to CMT?	No
	Go to Leader's Policy Group?	No
	Go to Cabinet?	No
	Go to Council?	No
	Go to Overview & Scrutiny?	No
	Go to the LSP?	No

## **Committee: Financial monitoring scrutiny task group**

**Date: 26 July 2016**

Agenda item:

Wards:

### **Subject: Establishment Control and Vacancy reporting**

Lead officer: Kim Brown – interim HR lead

Lead member: Councillor Mark Allison

Contact officer: Kim Brown ext

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#### **Recommendations:**

A. To note the contents of this report

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## **1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1. Earlier work on refining the Council's technical establishment was reported to the committee on 1 July 2015, 5 November 2015 and 23 February 2016.
- 1.2. This report provides data as at year end 2015/16 with data as at 31 March 2016. It is intended to provide a quarterly update to committee in future, tied to the financial quarters of 30 June, 30 September, 31 December and 31 March.

## **2 DETAILS**

- 2.1. Appendix 12A shows the position as at 31 March 2016. The format of the appendix has been revised to make it easier to read and interpret, and in particular the data now clearly shows vacancies not filled by direct employees, and vacancies not filled by either a direct employee or an agency worker/consultant. The size of establishment is measured in terms of authorised FTEs, rather than numbers of posts, and therefore the appendix totals FTEs for budgeted posts, employees, agency workers and vacancies.
- 2.2. Further work has been undertaken to ensure the accuracy of the data including close liaison with Heads of Service to review the detailed establishment for their areas. In addition requests for changes of data have been checked to ensure they followed correct change control procedures. Details of change control procedures were included in earlier reports.
- 2.3. The establishment can vary for a number of reasons, including planned budget changes, TUPE transfers in and out of groups of employees, and in-year adjustments due to reorganisations.
- 2.4. Apprentice data has been excluded as they are at present centrally funded on a case by case basis and do not form part of the formal establishment.

- 2.5. Arrangements are being made to report the base data behind these statistics to DMTs on a monthly basis so that they are up to date on the current establishment and vacancy position, and have the opportunity to address any errors or corrections. It is then intended to provide a quarterly update to committee in future, tied to the financial quarters of 30 June, 30 September, 31 December and 31 March.
- 2.6. HR provides information to Standards and General Purposes Committee on agency and interim usage.
- 2.7. HR has strategies in place to address recruitment to hard to fill roles, reduce dependency on agency staff. There will be situations where certain specialist roles can only be covered by agency, and shorter term usage of agency to cover vacancies during periods of planned organisational change.

### **3 ALTERNATIVE OPTIONS**

- 3.1. Without accurate establishment data, the Authority cannot appropriately plan for the future service or workforce needs. There is also a need to be able to report on unfilled substantive posts, and to monitor and control the use of agency workers to cover unfilled vacancies.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.1. Merton Improvement Board is kept up to date on work to refine the technical establishment and ensure robust establishment controls remain in place.

### **5 TIMETABLE**

- 5.1. It is proposed to provide a quarterly update to this committee, based on data as at 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December each year. Heads of Service will receive a monthly update of establishment details in their area so that they can address any corrections required.

### **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1. Employees account for 25% of the gross General Fund spend in the authority. Having an accurate establishment helps managers plan their service and financial implications.
- 6.2. As a result of the earlier technical establishment exercise and ongoing establishment controls, each post will be linked to appropriate budgetary provision.

### **7 LEGAL AND STATUTORY IMPLICATIONS**

- 7.1. There are no specific legal implications arising from this report.

### **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. There are no specific human rights, equalities or community cohesion implications arising from this report.

### **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1. There are no crime disorder implications arising from this report.

**10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

10.1. There are no specific risk or health and safety issues arising from this report.

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

- Appendix A – establishment analysis including FTE agency workers and vacancies as at 31 March 2016

**12 BACKGROUND PAPERS**

12.1. 1 July 2015 report to Financial monitoring scrutiny task group on Update on Staffing Position

Column	Explanatory Notes
	The tables have been simplified to focus on FTE establishment, FTE employees and agency workers and FTE vacancies - with the aim of making them easier to read and understand. The data excludes Schools and Apprentices
<b>Budgeted FTE Establishment</b>	The total budget FTE
<b>FTE Employees</b>	Total FTE employees
<b>Vacancies: Budgeted FTE less FTE Employees</b>	Budgeted FTE less FTE employees, i.e. the vacancies before accounting for agency workers
<b>FTE vacancies covered by agency workers</b>	Total FTE agency workers
<b>Unfilled vacancies</b>	Total FTE vacancies not filled by an employee or covered by an agency worker

Department / Team	Sub Team (if any)	Budgeted FTE Establishment	FTE Employees	Vacancies: Budgeted FTE less FTE Employees	FTE vacancies covered by agency workers	Unfilled vacancies	BP and HR Manager comments	Finance Comments
Chief Exec - Management		2.00	2.00	0.00	0.00	0.00		
<b>Chief Exec - Management Total</b>		<b>2.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>Business Improvement (Corporate Services)</b>								
Business Systems Team		31.00	20.60	10.40	5.00	5.40		CS63 - 2FTE (16/17) and 2FTE (17/18),CSD39 - 1FTE (16/17)
Continuous Improvement		4.50	2.50	2.00	1.00	1.00		CSD37 - 1FTE (16/17)
Customer Contact Programme		8.00	3.60	4.40	3.00	1.40		
Social Care Information System Project (SCIS)		9.60	2.00	7.60	6.20	1.40		
Systems Development & Improvement		0.00	1.00	-1.00	0.00	-1.00	Post has no Budgeted hours on iTrent	Funded from FIS project
Management		2.00	1.80	0.20	0.00	0.20		CSD42 - 2FTE (17/18)
<b>Business Improvement (Corporate Services) Total</b>		<b>55.10</b>	<b>31.50</b>	<b>23.60</b>	<b>15.20</b>	<b>8.40</b>		
<b>Corporate Governance</b>								
Democracy Services		13.20	12.70	0.50	0.00	0.50		
Electoral Services		5.00	4.00	1.00	1.00	0.00		
Information		11.01	9.99	1.02	1.00	0.02		CSD43 -1FTE (16/17)
Legal Services	Merton & Richmond Legal Services	53.29	44.47	8.82	9.00	-0.18		
	RBK / LBS Mirror	36.00	27.19	8.81	8.00	0.81		
Management		1.00	1.00	0.00	0.00	0.00		
<b>Corporate Governance Total</b>		<b>119.50</b>	<b>99.35</b>	<b>20.15</b>	<b>19.00</b>	<b>1.15</b>		
<b>Customer Services</b>								
Customer Contact	Reception - Contact Centre & Cash Office	19.03	13.00	6.03	6.20	-0.17		CS39 -1FTE(16/17)
	Translation	2.00	2.60	-0.60	0.00	-0.60		
	Web Team	4.00	2.00	2.00	1.00	1.00		
Management & Apprentic	Management	1.00	1.00	0.00	0.00	0.00		
Head of Communications	Communications	9.00	3.80	5.20	1.00	4.20		CSD19-1FTE 16/17
	Community Engagement	2.00	2.00	0.00	0.00	0.00		
Management	Management	1.00	1.00	0.00	0.00	0.00		
Registrars		10.30	8.30	2.00	0.00	2.00		
Revenues and Benefits	Bailiffs	18.60	13.60	5.00	1.00	4.00		
	Council Tax Incl R&B	1.00	1.00	0.00	0.00	0.00		CSD14 - 1FTE (16/17)
	Council Tax Incl R&B Team 2	23.10	22.30	0.80	0.00	0.80		
	HB Support	10.00	9.00	1.00	1.00	0.00		
	Housing Benefits Incl Appeals	43.86	38.36	5.50	0.00	5.50		
	Income Collection C Tax Recovery	11.80	11.80	0.00	0.00	0.00		
Management & Support	Management & Support	2.00	2.00	0.00	0.00	0.00		CS60 - 1FTE (17/18)
<b>Customer Services Total</b>		<b>158.69</b>	<b>131.76</b>	<b>26.93</b>	<b>10.20</b>	<b>16.73</b>		
<b>Executive</b>								
Executive		2.00	2.00	0.00	0.00	0.00		
<b>Executive Total</b>		<b>2.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>HR</b>								
HR	Learning & Development - Merton	3.00	2.00	1.00	0.00	1.00		All HR staff savings deferred due to HR redesign programme
	Staff Side - Merton	3.54	3.54	0.00	0.00	0.00		
<b>HR Total</b>		<b>6.54</b>	<b>5.54</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>		
<b>Infrastructure &amp; Transactions</b>								
<b>Client Financial Affairs Team</b>								
Facilities Management	Building Services & Security	1.00	1.00	0.00	0.00	0.00		
	Corporate Contracts & Admin	4.00	4.00	0.00	0.00	0.00		
	Energy & Sustainability	3.00	3.00	0.00	0.00	0.00		
	Facilities Technical	11.90	7.84	4.06	2.00	2.06		
	Post & Print	12.07	11.07	1.00	0.00	1.00		CSD7 - 2FTE (16/17) - deferred to 17/18
	Management	1.00	1.00	0.00	0.00	0.00		
IT Service Delivery	Business Development and Projects	3.00	3.00	0.00	0.00	0.00		
	IT Customer Support & Services	14.00	12.60	1.40	0.40	1.00		CS71 - 2FTE (17/18)
	IT Operations	14.00	10.00	4.00	1.00	3.00		CSD8 - 1FTE (16/17)
	Management	2.00	2.00	0.00	1.00	-1.00	Agency worker left 31/03/2016	CS12 - 1FTE (16/17)
Safety Services		7.50	3.00	4.50	0.00	4.50		
Transactional Services	Trans Services (Accounts)	9.00	9.00	0.00	0.00	0.00		CS2015-03 - 3FTE (18/19)
	Trans Services (Care First)	3.00	2.60	0.40	0.00	0.40		
	Vendor Maintenance Officer	1.71	1.71	0.00	0.00	0.00		
	Management	1.00	1.00	0.00	0.00	0.00		
Management		2.00	2.00	0.00	0.00	0.00		
<b>Infrastructure &amp; Transactions Total</b>		<b>96.18</b>	<b>79.62</b>	<b>16.56</b>	<b>6.40</b>	<b>10.16</b>		
<b>Resources</b>								
Accountancy	Budget Team	16.00	11.40	4.60	0.00	4.60		CS46 - 1FTE (16/17)and 2FTE (17/18), CSD27 £100k - 3 FTE (18/19)
	Corporate Accountancy	8.00	8.00	0.00	0.00	0.00		and CS1015-05 £216k - 4 FTE across Accountancy, Business Planning and BP teams
	Service Financial Adviser CSF	4.50	4.43	0.07	0.00	0.07		
	Treasury & Insurance	4.50	3.50	1.00	1.00	0.00		
	Management	1.00	1.00	0.00	0.00	0.00		
Business Planning		14.00	9.00	5.00	5.00	0.00		
Commercial Services		5.00	1.80	3.20	2.00	1.20		
Policy Strategy & Partnerships		5.60	5.60	0.00	0.00	0.00		CSD 47 - 1FTE (16/17)
Business Partner C&H		1.00	2.00	-1.00	0.00	-1.00	Cover for secondment	
Business Partner CSF		1.00	1.00	0.00	0.00	0.00		CSD26 - 1 FTE (17/18)
Business Partner E&R		1.00	1.00	0.00	0.00	0.00		
Management	Management	2.00	1.71	0.29	0.00	0.29		
<b>Resources Total</b>		<b>63.60</b>	<b>50.44</b>	<b>13.16</b>	<b>8.00</b>	<b>5.16</b>		
<b>Management</b>								
Management		1.00	1.00	0.00	0.00	0.00		
<b>Management Total</b>		<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>Grand Total</b>		<b>504.61</b>	<b>403.21</b>	<b>101.40</b>	<b>58.80</b>	<b>42.60</b>		

Department / Team	Sub Team (if any)	Budgeted FTE Establishment	FTE Employees	Vacancies: Budgeted FTE less FTE Employees	FTE vacancies covered by agency workers	Unfilled vacancies	BP and HRBP comments	Finance comments
<b>Children's Social Care &amp; Youth Inclusion</b>								
Family & Adolescent Services	Education, Training & Employment Team	12.80	11.61	1.19	0.00	1.19		0.9 CSF2012-07
	Support Team	7.00	5.60	1.40	1.00	0.40		
	Transforming Families Team	17.24	13.24	4.00	0.00	4.00		
	Youth Offending Team	17.10	14.40	2.70	1.00	1.70		
	Management	2.00	1.00	1.00	0.00	1.00		
MASH & Child Protection Services	Family Support Centre Bond Road	21.80	17.30	4.50	1.50	3.00		
	MASH and First Response Teams	21.00	14.00	7.00	7.00	0.00		
	Support Team	9.00	8.00	1.00	0.00	1.00		
	Vulnerable Children Team	12.60	7.60	5.00	1.00	4.00		
	Management	1.00	1.00	0.00	0.00	0.00		
Permanency, Looked after Children	14+ Looked After & Leaving Care	20.37	15.83	4.54	2.00	2.54		
	Adoption Team	8.00	5.90	2.10	2.00	0.10		
	Fostering Team	5.10	6.00	-0.90	0.00	-0.90		
	Permanency	6.00	5.10	0.90	0.00	0.90		
	Quality Assurance & Panel	1.00	0.80	0.20	0.00	0.20		
	Support Team	8.60	8.50	0.10	0.00	0.10		
Safeguarding Standards & Training	Safeguarding Standards & Training Services	9.20	5.20	4.00	2.00	2.00		
	Support Team	13.60	9.00	4.60	4.00	0.60		
Social Work Intervention Services	Safeguarding and Care Planning Team 1	8.00	3.00	5.00	3.00	2.00		
	Safeguarding and Care Planning Team 2	7.00	6.00	1.00	0.00	1.00		
	Safeguarding and Care Planning Team 3	7.00	6.00	1.00	0.00	1.00		
	Safeguarding and Care Planning Team 4	7.00	4.00	3.00	1.00	2.00		
	Safeguarding and Care Planning Team 5	7.00	5.00	2.00	0.00	2.00		
	Support Team	7.00	6.00	1.00	0.00	1.00		
	Management	2.00	2.00	0.00	0.00	0.00		
Trainee Social Workers	Trainee Social Workers	1.00	1.00	0.00	0.00	0.00		
Management	Management	1.00	1.00	0.00	0.00	0.00		
<b>Children's Social Care &amp; Youth Inclusion Total</b>		<b>241.41</b>	<b>185.08</b>	<b>56.33</b>	<b>25.50</b>	<b>30.83</b>		
<b>Commissioning, Strategy And Performance Division</b>								
Access to Resources		13.24	10.74	2.50	1.00	1.50		
Business Support Team (CSPD)		4.00	3.60	0.40	1.00	-0.60		
Contracts & School Organisation	Capital	4.00	2.00	0.40	2.00	0.00		
	Contracts Management	4.00	4.00	0.00	0.00	0.00		
	Schools Admissions	4.86	6.00	0.40	0.00	-1.14		
	Management	1.00	1.00	0.00	0.00	0.00		
Joint Commissioning & Partnerships		3.44	3.44	0.00	0.00	0.00		
Policy, Planning & Performance	Research & Information	4.66	4.66	0.00	0.00	0.00		
		3.50	3.36	0.14	0.00	0.14		
Management		1.00	1.00	0.00	0.00	0.00		
<b>Commissioning, Strategy And Performance Division Total</b>		<b>43.70</b>	<b>39.80</b>	<b>3.84</b>	<b>4.00</b>	<b>-0.10</b>		
<b>Education Division</b>								
Early Years Childcare and Children's	Business Support Resources and Facilities	6.50	5.71	0.79	1.00	-0.21		1FTE
	Continuous Improvement and Quality Assurance	54.65	47.33	7.32	4.50	2.82		
	Development	1.69	1.69	0.00	0.00	0.00		
	Early Years 0-5s Supporting Families	6.00	3.20	2.80	2.00	0.80		
	Early Years Locality Services Children's Centres	38.80	35.46	3.34	3.00	0.34		
	Funded Places, Sufficiency and Information	4.00	3.50	0.50	1.00	-0.50		
	Systems and Service Development	4.00	4.00	0.00	0.00	0.00		
	Management	1.00	1.00	0.00	0.00	0.00		
Education Inclusion	Education Welfare Service	10.35	9.19	1.16	1.00	0.16		
	Learning Behaviour & Language Team	13.93	13.73	0.20	0.00	0.20		
	Parent Partnership Service	1.00	1.00	0.00	0.00	0.00		
	Virtual Behaviour Service (Youth Inclusion)	9.70	9.60	0.10	0.00	0.10		
	Youth Justice Services	1.00	0.00	1.00	0.00	1.00		
	Youth Service	19.00	13.70	5.30	1.00	4.30		
Merton School Improvement	Management	1.00	1.00	0.00	0.00	0.00		
	Education Support Team	1.60	1.60	0.00	0.00	0.00		
	Equality & Diversity	4.39	3.90	0.49	0.00	0.49		
	Educational Psychology Service (moved from S	10.35	10.45	-0.10	0.00	-0.10		
	Governance Team	3.00	3.00	0.00	0.00	0.00		
	Schools ICT Support Management	6.00	6.00	0.00	0.00	0.00		
	Strategic School Improvement	6.60	6.20	0.40	0.00	0.40		
	Sensory Impairment Service (moved from SEN	5.06	4.40	0.66	0.00	0.66		
	Virtual Team	5.69	4.80	0.89	1.00	-0.11		
Management	1.00	1.00	0.00	0.00	0.00			
SEN & Inclusion Service	Children with Disability Social Work Team	11.00	6.00	5.00	6.00	-1.00		
	Portage, Early Support & Targeted Inclusion Team (PETIT)	3.00	2.00	1.00	0.00	1.00		
	SEN & Inclusion Service Support Team	12.71	9.51	3.20	1.00	2.20		
	SEN Team	9.50	8.66	0.84	1.00	-0.16		
	Short Breaks & Brightwell Team	19.04	15.57	3.47	1.62	1.85		
	Management	2.00	2.00	0.00	0.00	0.00		
	Management	1.00	1.00	0.00	0.00	0.00		
<b>Education Division Total</b>		<b>274.56</b>	<b>236.20</b>	<b>38.36</b>	<b>24.12</b>	<b>14.24</b>		<b>1FTE Schools saving CSF2014-08 could require another 2-3 FTEs</b>
<b>Management &amp; Exec Assistant</b>								
Management & Exec Assistant		2.00	2.00	0.00	0.00	0.00		
<b>Management &amp; Exec Assistant total</b>		<b>2.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>Grand Total</b>		<b>561.67</b>	<b>463.08</b>	<b>98.53</b>	<b>53.62</b>	<b>44.97</b>		<b>As part of management action we are holding some posts vacant to reduce overall departmental overspend although this would not be sustainable on an on-going bases.</b>

Department / Team	Sub Team (if any)	Budgeted FTE Establishment	FTE Employees	Vacancies: Budgeted FTE less FTE Employees	FTE vacancies covered by agency workers	Unfilled vacancies	BP and HRBP comments	Finance comments	
<b>Assessment &amp; Commissioning</b>									
Assessment & Commissioning	Assessment & Commissioning	3.00	2.00	1.00	0.00	1.00		CH04, CH20, CH22 & CH58	
Access & Assessment Team	Direct Payments & Financial Assessment -	12.24	9.00	3.24	2.00	1.24			
	East Merton	15.40	7.90	7.50	3.00	4.50			
	Hospital Social Work Team	11.00	6.00	5.00	4.00	1.00			
	Raynes Park	13.90	10.00	3.90	3.00	0.90			
	West Merton	12.10	7.60	4.50	2.00	2.50			
	Management	7.00	2.00	5.00	4.00	1.00			
Adult Soc Care - Commissioning Function - MGM Team	Brokerage	8.81	8.31	0.50	0.00	0.50			
	Commissioning Team	3.00	1.00	2.00	0.00	2.00			
	Community Care General Training	2.00	0.00	2.00	1.00	1.00			
	Planning & Performance Team -	5.71	3.00	2.71	0.00	2.71			
	Pollards Hill Lunch Club	0.50	0.50	0.00	0.00	0.00			
	Procurement Team	6.50	4.50	2.00	0.00	2.00			
Commissioning		1.00	0.00	1.00	1.00	0.00			
Learning Disability Team	LD Transitions Team	3.21	1.00	2.21	1.00	1.21			
	NHS Tupe Transfer	10.89	6.89	4.00	1.87	2.13			
	Specialist Health Professionals	4.48	3.00	1.48	1.00	0.48			
	Management, Admin, Exec	14.99	11.21	3.78	1.00	2.78			
Mental Health Team	Drugs and Alcohol Team	2.00	2.00	0.00	0.00	0.00			
	Early Intervention Service	1.00	1.00	0.00	0.00	0.00			
	Home Treatment Team	2.00	2.00	0.00	0.00	0.00			
	Hospital Discharge Team	1.00	0.00	1.00	0.00	1.00			
	Merton Assessment Team	1.40	2.00	-0.60	0.00	-0.60			
	Mitcham Recovery Support Team	3.00	3.00	0.00	0.00	0.00			
	Morden Recovery & Support Team	1.00	0.00	1.00	0.00	1.00			
	Older Peoples Mental Health Team	4.00	3.00	1.00	1.00	0.00			
	Wimbledon Recovery & Support Team	2.00	1.00	1.00	0.00	1.00			
	Management	4.00	1.00	3.00	2.60	0.40			
Occupational Therapy		20.67	12.16	8.51	2.00	6.51			
<b>Assessment &amp; Commissioning Total</b>		<b>177.80</b>	<b>111.07</b>	<b>66.73</b>	<b>30.47</b>	<b>36.26</b>			<b>31.03FTE</b>
<b>Housing Services</b>									
Housing Needs	Advice & Options	14.50	14.50	0.00	0.00	0.00			(CH42, CH43, CH44)
	Development	6.00	4.00	2.00	0.00	2.00			
	Environmental Health (Housing) Team	6.03	4.03	2.00	0.00	2.00			
	Housing Strategy	2.00	1.00	1.00	1.00	0.00			
	Management	3.00	3.00	0.00	0.00	0.00			
<b>Housing Services Total</b>		<b>31.53</b>	<b>26.53</b>	<b>5.00</b>	<b>1.00</b>	<b>4.00</b>			<b>3.06</b>
<b>Libraries &amp; Heritage</b>									
Libraries & Heritage	Donald Hope Library	2.00	2.00	0.00	0.00	0.00		(CH46)	
	Heritage Centre	2.00	2.00	0.00	0.00	0.00			
	Mitcham Library	4.80	4.00	0.80	0.00	0.80			
	Morden Library	8.55	7.26	1.29	1.00	0.29			
	Pollards Hill Library	2.80	2.40	0.40	0.00	0.40			
	Raynes Park Library	3.20	2.50	0.70	0.00	0.70			
	Schools Service	0.00	0.00	0.00	0.00	0.00			
	Resources Team	2.50	1.50	1.00	0.00	1.00			
	West Barnes Library	1.74	1.74	0.00	0.00	0.00			
	Wimbledon Library	12.43	11.93	0.50	0.00	0.50			
	Management & Projects	6.60	5.60	1.00	1.00	0.00			
	<b>Libraries &amp; Heritage (Community &amp; Housing) Total</b>		<b>46.62</b>	<b>40.93</b>	<b>5.69</b>	<b>2.00</b>	<b>3.69</b>		
<b>Merton Adult Education</b>									
Adult Education Commissioning		4.00	2.00	2.00	0.00	2.00		Tutor / Sessional Posts which are only recruited to seasonally depending upon demand.	
Arts and Community Learning	Art & Craft	0.00	2.43	-2.43	0.00	-2.43			
	Fitness	0.00	0.11	-0.11	0.00	-0.11			
	Performing Arts	0.00	0.00	0.00	0.00	0.00			
	Towards Independence	0.00	0.47	-0.47	0.00	-0.47			
	Management & Office Staff	2.10	1.60	0.50	0.00	0.50			
Business Innovation and Skills for Life Curriculum	Languages	0.00	0.29	-0.29	0.00	-0.29			
	Skills For Life	0.00	1.47	-1.47	0.00	-1.47			
	Management & Curriculum - Susan Taylor	4.20	3.70	0.50	0.00	0.50			
Business Innovation and Vocational Curriculum	Business Development (Adult Education)	0.00	0.00	0.00	0.00	0.00			
	Early Years	1.00	1.00	0.00	0.00	0.00			
	IT & ILT	0.00	0.41	-0.41	0.00	-0.41			
	Vocational Curriculum	0.00	0.00	0.00	0.00	0.00			
Management	3.70	2.20	1.50	0.00	1.50				
Healthy Living	Tutors	0.00	0.00	0.00	0.00	0.00			
Support and Commercial Services		16.12	11.36	4.76	1.00	3.76			
Management		2.50	2.00	0.50	0.00	0.50			
<b>Merton Adult Education Total</b>		<b>33.62</b>	<b>29.04</b>	<b>4.58</b>	<b>1.00</b>	<b>3.58</b>		<b>0.16</b>	
<b>Provider Services</b>									
Provider Services	Management	1.00	1.00	0.00	0.00	0.00		(CH21, CH59)	
All Saints Day Centre		10.00	10.00	0.00	0.00	0.00			
Eastways Day Centre		8.81	8.50	0.31	0.57	-0.26			
Glebelands		9.97	8.97	1.00	0.00	1.00			
High Path Day Centre		10.39	10.43	-0.04	0.00	-0.04			
Jan Malinowski Centre	NHS Tupe	8.59	7.28	1.31	0.00	1.31			
		21.27	20.27	1.00	0.00	1.00			
Mascot		21.01	19.21	1.80	0.00	1.80			
Meadowsweet		9.20	9.12	0.08	0.00	0.08			
Merton Employment Team		3.00	2.71	0.29	0.00	0.29			
Reablement	Admin and Support	3.00	2.80	0.20	0.00	0.20			
	East Merton	13.00	9.86	3.14	1.00	2.14			
	Raynes Park	13.00	9.14	3.86	2.00	1.86			
	West Merton	13.00	8.14	4.86	1.00	3.86			
	Management	1.00	1.00	0.00	0.00	0.00			
Riverside Drive		17.46	15.59	1.87	0.00	1.87			
Service Provision Business Support		3.00	2.00	1.00	0.00	1.00			
Supported Living Service		18.46	13.54	4.92	0.00	4.92			
<b>Provider Services Total</b>		<b>185.16</b>	<b>159.56</b>	<b>25.60</b>	<b>4.57</b>	<b>21.03</b>			<b>11.57</b>
<b>Redesign</b>									
Redesign		4.00	2.00	2.00	0.00	2.00		Team funded by reserves	
<b>Redesign Total</b>		<b>4.00</b>	<b>2.00</b>	<b>2.00</b>	<b>0.00</b>	<b>2.00</b>			
<b>Management</b>									
Management		2.00	2.40	-0.40	0.00	-0.40		Health Funded post	
<b>Management Total</b>		<b>2.00</b>	<b>2.40</b>	<b>-0.40</b>	<b>0.00</b>	<b>-0.40</b>			
<b>Public Health Team</b>									
Public Health Team		15.92	14.99	0.93	1.00	-0.07			
<b>Public Health Team Total</b>		<b>15.92</b>	<b>14.99</b>	<b>0.93</b>	<b>1.00</b>	<b>-0.07</b>			
<b>Grand Total Community &amp; Housing</b>		<b>496.65</b>	<b>386.52</b>	<b>110.13</b>	<b>40.04</b>	<b>70.09</b>			



Department / Team	Sub Team (if any)	Budgeted FTE Establishment	FTE Employees	Vacancies: Budgeted FTE less FTE Employees	FTE vacancies covered by agency workers	Unfilled vacancies	BP and HRBP comments	Finance Comments
<b>Public Protection</b>								
Regulatory Services Partnership	Administration and Finance	3.00	2.00	1.00	1.00	0.00		
	Environmental Health (Commercial)	16.20	10.40	5.80	1.00	4.80		
	Environmental Health (Pollution)	10.00	5.00	5.00	2.97	2.03		
	Licensing	5.00	3.00	2.00	0.97	1.03		
	Trading Standards Management	9.00	6.36	2.64	0.00	2.64		
	Management	1.00	1.00	0.00	0.00	0.00		
Parking & CCTV Services	Business & Customer Services							
	CCTV							
	Civil Enforcement Team							
	Finance and Infrastructure	96.00	71.66	24.34	6.00	18.34		3FTE
	Parking Services Management & Admin							
Mediation (Safer Merton)	Mediation	1.11	1.11	0.00	0.00	0.00		Note: Posts no longer within LBM from April
Safer Merton - Strategic Team	Safer Merton Strategic Team - TBC	5.86	4.49	1.37	0.00	1.37		
Safer Merton Operations	ASB Team	2.00	2.00	0.00	0.00	0.00		
Management	Management	2.00	2.00	0.00	0.00	0.00		
<b>Public Protection total</b>		<b>151.17</b>	<b>109.02</b>	<b>42.15</b>	<b>11.94</b>	<b>30.21</b>		
<b>Street Scene And Waste</b>								
Transport Services	Finance & Administration Support	6.29	6.29	0.00	0.00	0.00		
	Fleet Maintenance	6.00	7.00	-1.00	0.00	-1.00	2 posts have no budgeted hours on iTrent	
	Training & Road Safety	2.00	2.00	0.00	0.00	0.00		
	Transport & Operations	47.79	41.97	5.82	4.57	1.25		
	Management	0.33	0.00	0.33	1.00	-0.67		
Waste Operations	Business Development & Service Support	13.70	6.00	7.70	6.00	1.70		
	Street Cleansing & Public Realm	120.00	86.09	33.91	4.00	29.91		
	Waste Collection	109.00	80.60	28.40	0.00	28.40		
	Management	1.00	1.00	0.00	0.00	0.00		
Waste Services	Community Waste Partnerships	3.00	2.00	1.00	0.00	1.00		
	Enforcement & Inspection	5.00	5.00	0.00	0.00	0.00		
	Finance & Performance	3.00	3.00	0.00	0.00	0.00		
	Service Development & Strategy	3.69	3.09	0.60	0.00	0.60		
	Management	3.00	2.00	1.00	0.00	1.00		11FTE
Management	Management	6.00	5.03	0.97	0.00	0.97		
<b>Street Scene And Waste Total</b>		<b>329.80</b>	<b>251.07</b>	<b>78.73</b>	<b>15.57</b>	<b>63.16</b>		
<b>Sustainable Communities</b>								
Business Performance (Sustainable Communities)	Business Performance	1.57	1.00	0.57	1.00	-0.43		0.57FTE
Development Control	Admin & Finance	5.00	5.00	0.00	0.00	0.00		
	Building Control	11.61	4.00	7.61	3.00	4.61		
	Enforcement	4.50	3.50	1.00	1.00	0.00		
	Planning Mitcham & Morden	8.00	3.00	5.00	3.00	2.00		
	Planning Wimbledon	6.00	4.00	2.00	0.00	2.00		
	Management	1.00	1.00	0.00	0.00	0.00		
futureMerton	Commissioning	10.04	7.89	2.15	2.00	0.15		
	Economy	6.00	6.00	0.00	0.00	0.00		
	Infrastructure	17.50	12.41	5.09	5.00	0.09		
	Programming	13.00	10.00	3.00	3.00	0.00		1.5FTE
	Street Works and Network Co-ordination	9.00	6.80	2.20	0.00	2.20		
	Management	1.00	1.00	0.00	0.00	0.00		
Leisure & Culture Development	Arts Development	2.00	1.69	0.31	0.00	0.31		
	Leisure Development	2.00	2.00	0.00	0.00	0.00		
	Leisure Support Services	5.60	8.37	-2.77	0.00	-2.77		
	Wimbledon Park Watersports Centre	6.00	3.00	3.00	0.00	3.00		
	Management	1.00	1.00	0.00	0.00	0.00		
Leisure & Culture Greenspaces	Arboricultural	2.00	2.00	0.00	0.00	0.00		
	Cemeteries	7.25	11.60	-4.35	0.00	-4.35		
	Events	1.00	1.00	0.00	0.00	0.00		
	Greenspaces Development	7.90	6.10	1.80	0.00	1.80		
	Mitcham Common	0.00	3.00	-3.00	0.00	-3.00	All 3 posts have no budgeted hours	
	Parks Operations	33.00	27.60	5.40	0.00	5.40		
	Parks Support	20.00	18.00	2.00	0.00	2.00		
	Management	1.00	1.00	0.00	0.00	0.00		4.4FTE
Property Management	Estates (Property Management)	3.00	2.00	1.00	0.00	1.00		
	Finance & Admin (Property Management)	1.60	1.60	0.00	0.00	0.00		0.75FTE
	Management -	1.00	1.00	0.00	0.00	0.00		
Management	Management	2.00	1.60	0.40	0.00	0.40		1FTE
<b>Sustainable Communities Total</b>		<b>190.57</b>	<b>158.16</b>	<b>32.41</b>	<b>18.00</b>	<b>14.41</b>		
<b>Management</b>								
Management		3.00	2.00	1.00	0.00	1.00		
<b>Management Total</b>		<b>3.00</b>	<b>2.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>		
<b>Grand Total</b>		<b>674.54</b>	<b>520.25</b>	<b>154.29</b>	<b>45.51</b>	<b>108.78</b>		

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