

Agenda Item 3

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CABINET

27 JANUARY 2020

(7.15 pm - 7.45 pm)

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

ALSO PRESENT: Councillor Nigel Benbow, Nick McLean (Leader of the Conservative Group) and Peter Southgate (Leader of the Merton Park Ward Independent Residents Group)

Ged Curran (Chief Executive), Caroline Holland (Director of Corporate Services), Rachael Wardell (Director, Children, Schools & Families Department), Louise Round (Managing Director, South London Legal Partnership and Monitoring Officer), Zara Bishop (Communications Manager), John Bosley (Assistant Director Public Space Contracts and Commissioning), Alan Gibbs (Policy and Research Officer, Opposition Group), Anthony Hopkins (Head of Library, Heritage and Adult Education Services), Roger Kershaw (Assistant Director of Resources), Octavia Lamb (Policy and Research Officer (Labour Group)), James McGinlay (Assistant Director for Sustainable Communities) and Louise Fleming (Senior Democratic Services Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from the Cabinet Member for Children's Services.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

The minutes of the meeting held on 16 December 2019 were agreed as a correct record.

4 CONTRACT AWARD - RISK AND RESILIENCE SERVICE 2020 (Agenda Item 4)

The Director of Children, Schools and Families presented the report in the absence of the Cabinet Member. She drew Cabinet's attention to the extensive consultation which had taken place, particularly the important role that the Young Commissioners had played in the process. She apologised on behalf of the Young Commissioners, who would have liked to attend the Cabinet meeting to co-present the report, but who were currently revising for their mock A Level exams.

RESOLVED:

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

5 MERTON ADULT LEARNING STRATEGIC OBJECTIVES (Agenda Item 5)

The Cabinet Member for Schools and Adult Education presented the report and thanked the officers involved in the service which had transformed in recent years, moving to a fully commissioned model which had brought the budget under control and improved the offer to learners in the Borough. In response to a question from the Cabinet, she highlighted the large range of accredited courses offered to residents with the key aim of assisting them in getting back into employment.

The Chair thanked the Cabinet Member and all the staff in the service for their hard work and welcomed the achievement of a "good" inspection outcome from OFSTED.

RESOLVED:

1. the strategic objectives for the next 3 years for Merton's Adult Learning Service be agreed.
2. That the progress in the evolution of the model of service following the transition in 2016 to a commissioning model of service and the recent 'Good' Ofsted inspection outcomes be noted.

6 DSG RECOVERY PLAN (Agenda Item 6)

The Cabinet Member for Schools and Adult Education presented the report, highlighting the pressures on the Council's ability to support the growing number of young people eligible for additional support due to their Special Educational Needs (SEN). The Council was committed to supporting these young people and would be bringing a SEN Strategy to a future Cabinet meeting. The financial pressures had been exacerbated by the change in the eligibility criteria introduced by the Government, which had not come with additional funding and therefore it was recommended that the Council continued to lobby the Government to recognise this and ensure sufficient funding is in place in the future. The additional funding included in the Government's financial settlement was welcome but it did not go any way to plugging the gap. Given that the overspend on the Dedicated Schools Grant exceeded 1%, the Council was required to submit a five year recovery plan to the Department for Education to set out how the Council intended to bring the DSG back into balance.

The Cabinet welcomed the plan to improve provision for young people despite the financial difficulties. The Cabinet Member for Finance echoed the comments made and drew the Cabinet's attention to the table on page 139 of the agenda, which set out the financial impact on the Council dependent on the approach taken by the Government. He urged the Government to fund this area properly as it had a big impact on the quality of lives of children in the borough.

The Chair welcomed the report and echoed the comments made. The shortfall in government funding in this area was an issue for all London boroughs and he would continue to lobby the Government along with his colleagues in other boroughs.

RESOLVED:

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

7 WASTE AND STREET CLEANSING CONTRACT ANNUAL REVIEW
(Agenda Item 7)

The Cabinet Member for Adult Social Care, Health and the Environment presented the report and explained the purpose of the annual review of the Waste and Street Cleansing Contract and drew the Cabinet's attention to the proposed changes set out on page 56 of the report, which reflected changes that had taken place since the contract was entered into which included increases in the number of households and assisted collections, improvements in recycling rates and changes in the recycling market, and increases in flytipping. All four boroughs in the South London Waste Partnership had gone through a similar review process and reports would be considered by their decision making bodies over the coming weeks.

Paragraph 2.23 set out the deductions proposed and these would be reported on an annual basis. The annual review process was a contractual mechanism and did not reflect the Council's view on the level of service it was receiving, and there remained disappointment at the performance in certain areas, particularly street cleansing in the east of the borough and therefore the Council would continue to work with Veolia and hold them to account for their poor performance.

The Cabinet welcomed the review, which was standard commercial practice, and the actions proposed in response.

RESOLVED:

1. That the outcome of the annual review of the South London Waste Partnership agreement with Veolia, as set out in the report, be agreed.

2. That the changes arising as a result of a combination of growth in the number of households across the borough, and updated evidence of the cost of providing the waste service that have arisen since the last review, be noted.
3. That the Cabinet continue to support separate measures to monitor and improve service performance as outlined in this report.

8 FINANCIAL MONITORING NOVEMBER 2019 (Agenda Item 8)

The Deputy Leader and Cabinet Member for Finance presented the report, thanking the officers involved for compiling the information. He welcomed the good practice which had helped with the planning for the budget. He highlighted the concerns over the financial pressures on the Council which had led to some growth proposed in the budget item. Overall the Council was projecting a small underspend which was welcomed.

The Director of Corporate Services drew Cabinet's attention to the capital adjustments proposed, which was usual for month 8. The DSG deficit had increased from last month due to the continued pressure of additional young people requiring Education Health and Care Plans.

RESOLVED:

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

Scheme	2019/20 Budget	2020/21 Budget	Narrative
<u>Corporate Service</u>			
Invest to Save	(100,000)	100,000	Re-profiled in accordance with projected spend
Planned Replacement Programme – Data Centre	(150,000)	150,000	Re-profiled in accordance with projected spend
Planned Replacement Programme – Equipment Purchase	100,000	0	Vired from Corporate Cap Maint to cover projected costs
Other Buildings – Capital Maintenance	(100,000)	0	Vired to IT Planned Rep Prog to cover projected costs

Housing Company	(1,564,460)	1,564,460	Re-profiled in accordance with projected spend
Westminster Coroners Court	(455,000)	455,000	Re-profiled in accordance with projected spend
<u>Children, Schools and Families</u>			
Cricket Green – Capital Maintenance	102,250	0	Vired from various Cap Maint Schemes to cover projected costs
Cricket Green Expansion	(100,000)	100,000	Re-profiled in accordance with projected spend
<u>Environment and Regeneration</u>			
Replacement Fleet Vehicles	(284,000)	284,000	Re-profiled in accordance with projected spend
Highways & Footways – Traffic Schemes	(100,000)	100,000	Re-profiled in accordance with projected spend
Highways & Footways – Bridges and Structures	(100,000)	100,000	Re-profiled in accordance with projected spend
Wimbledon Area Regen – Crowded Places/Hostile Vehicle	(259,030)	268,000	Re-profiled in accordance with projected spend
Borough Regeneration – Haydons Rd Shopfronts	(204,000)	204,000	Re-profiled in accordance with projected spend
Parks Investment – Canons Parks for the People	(688,300)	688,300	Re-profiled in accordance with projected spend
Mitcham Area Regen – Canons Parks for the People	(1,244,290)	1,244,290	Re-profiled in accordance with projected spend
Morden Leisure Centre	(231,820)		Scheme complete

			relinquished budget
Sports Facilities – Wimbledon Park Lake	(1,318,160)	1,318,160	Re-profiled in accordance with projected spend
Parks Investment – Resurface Tennis Courts (Wimb Pk)	150,440		Funded by a contribution from a renewal reserve
Total	(6,546,370)	6,576,210	

9 BUSINESS PLAN 2020-24 (Agenda Item 9)

The Deputy Leader and Cabinet Member for Finance presented the report, which had been delayed due to the General Election in December which had pushed back the announcement of the Government's financial settlement. He thanked the Scrutiny Members for accommodating a delay in their meetings to scrutinise the draft savings. He advised that in order to deliver a balanced budget, savings of £3.4m would be required and recommended the package for approval, subject to comments by Scrutiny.

The Director of Corporate Services advised that although the financial settlement had been better than expected, it was only for one year and work would shortly start on making representations for settlements for future years. She drew Cabinet's attention to the increase in the Council tax base, the surplus on the pension fund, the impact of the change to the London Business Rates pool and the impact of London Living Wage on the Council's contracts. The figures in the report would be updated when confirmation had been received.

The Chair welcomed the pension surplus and highlighted that the growth proposed was for services for those in need. He acknowledged that despite maintaining council tax discounts, opening a new library and maintaining school performance, there were still challenges ahead which he hoped Scrutiny would take on board as part of their discussions.

RESOLVED

1. That the new draft growth proposals (Appendix 7), and the new draft savings/income proposals (Appendix 5a) and associated draft equalities impact assessments (Appendix 6) put forward by officers be agreed and referred to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
2. That the growth and savings and the associated draft equalities analyses for the savings noted in October (Member's Information Pack) be agreed.
3. That the latest amendments to the draft Capital Programme 2020-2024 which was considered by Cabinet on 14 October 2019 and by scrutiny in November 2019 (Appendix 9) be agreed and referred to the Overview and Scrutiny

panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.

4. That the proposed amendments to savings, including the draft equalities impact assessments previously agreed. (Appendices 5b and 5c) be agreed and referred to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
5. That the proposed Council Tax Base for 2020/21 set out in paragraph 2.9 and Appendix 1 be agreed.
6. That the draft service plans (Appendix 8) be referred to the Overview and Scrutiny panels and Commission in February 2020 for consideration and comment as part of the Member's Information Pack.
7. That authority be delegated to the Director of Corporate Services in discussion with the Deputy Leader and Cabinet Member for Finance for Merton to enter into a London Business Rates Pool for 2020/21.

10 EXCLUSION OF THE PUBLIC (Agenda Item 10)

Cabinet agreed to note the exempt items and not refer to them so the meeting could stay in public.

11 CONTRACT AWARD - RISK AND RESILIENCE SERVICE EXEMPT APPENDIX (Agenda Item 11)

The Cabinet noted the contents of the exempt appendix. The decision is set out under item 4 above.

12 WASTE AND STREET CLEANSING CONTRACT ANNUAL REVIEW - EXEMPT APPENDIX (Agenda Item 12)

The Cabinet noted the contents of the exempt appendix. The decision is set out under item 7 above.

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