

Merton Council

Cabinet

19 January 2015

Supplementary agenda

8 Business Plan Update 2015-19

1 - 54

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Cabinet

19 January 2015

Agenda item:

Wards:

Business Plan Update 2015-2019

Lead officer: Caroline Holland

Lead member: Councillor Mark Allison

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

Contact officer: Paul Dale, Interim Assistant Director of Resources

Urgent report:

Reason for urgency: The chairman has approved the submission of this report as a matter of urgency as it provides the latest available information on the Business Plan and Budget 2015/16 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2015-2019. It is important that this consideration is not delayed in order that the Council can work towards a balanced budget at its meeting on 4 March 2015 and set a Council Tax as appropriate for 2015/16.

Recommendations:

1. That Cabinet notes the financial information arising from the Provisional Settlement 2015-16 and that the financial implications will be incorporated into the draft MTFS 2015-19 and draft capital programme 2015-19.
2. That Cabinet notes the draft Performance Management Framework and agrees the Corporate Indicators set for 2015/16
3. That Cabinet considers and approves the draft Risk Management Strategy

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an update to Cabinet on the Business Planning process for 2015-19 and in particular on the current position relating to the revenue budget for 2015/16, the draft MTFS 2015-19, and the draft capital programme 2015-19.
- 1.2 It also sets out the latest information and analysis of the Local Government Finance Settlement 2015-19 which was published on 18 December 2014 and summarises the implications for Merton's budget and MTFS.
- 1.3 The report also includes the latest Corporate Performance Indicators and a draft Risk Management Strategy for consideration and comment

2. DETAILS

2.1 Introduction

- 2.1.1 The report provides a general update on all the latest information relating to the Business Planning process for 2015-19, including the Provisional Local Government Settlement 2015/16. Usually, the Settlement will include indicative figures for two years but due to there being a General Election in 2015 there is information for 2015/16 only.
- 2.1.2 A review of assumptions in the MTFS was undertaken and reported to Cabinet on 8 December 2014
- 2.1.3 The following draft savings proposals were considered by Cabinet on 8 December and are currently subject to scrutiny by the Overview and Scrutiny Panels and Commission in January 2015.

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2017/18 £'000
Total Draft Savings (cumulative)	713	11,438	15,443	16,591
Gap remaining (cumulative)	0	0	2,932	13,623

2.2. LOCAL GOVERNMENT FINANCE SETTLEMENT 2015-19

- 2.2.1 Details of the provisional Local Government Settlement were published on 18 December 2014.
- 2.2.2 Appendix 1 sets out the main details set out in the provisional Settlement and assesses the implications for Merton's finances as set out in the Medium Term Financial Strategy (MTFS).
- 2.2.3 In terms of core funding , the following table summarises the main sources for 2015/16 compared with the amounts assumed in the MTFS:-

	MTFS Cabinet 8 December 2014	Provisional Settlement 2015/16	Difference
	2015/16 £000	2015/16 £000	2015/16 £000
Revenue Support Grant	(30,136)	(30,223)	(87)
Business Rates	(32,843)	(32,639)	204
Section 31 Grant	(1,118)	(1,118)	0
C. Tax Freeze Grant 2015/16	(868)	(861)	7
PFI Grant	(4,797)	(4,797)	0
New Homes Bonus – amended for draft top slice	(2,487)	(2,642)	(155)
	(72,249)	(72,280)	(31)

2.2.4 Spending Power

The Government define Spending Power as the aggregate of: council tax; SFA; other special and specific grants; and NHS funding to support social care and benefit health. Merton's spending Power will reduce over the next two years as set out in the following table:-

	Spending Power £m		Change	
	Adjusted 2014-15	2015-16	Adjusted 2014-15 (£m)	2015-16 (%)
Merton	168.89	166.75	-2.14	-1.3%

2.2.5 The headline figures for Spending Power changes are:-

Spending Power	2014-15 adjusted £m	2015-16 £m	Change £m	Change %
England excluding GLA	49,796	48,877	(919)	-1.8%
England	52,598	51,484	(1,114)	-2.1%
London boroughs	8,248	7,968	(280)	-3.4%
Inner London	3,581	3,403	(178)	-5.0%
Outer London	4,667	4,565	(102)	-2.2%
Merton	169	167	(2)	-1.3%

2.2.6 A summary of the key details in the Provisional Settlement and some detailed analysis of Merton's figures are set out in Appendix 1.

2.2.7 **School Funding Announcement 2015/16**

The School Revenue Funding Settlement: 2015 to 2016 was published on 17th December 2014 confirming details of the Dedicated Schools Grant (DSG). The Dedicated Schools Grant (DSG) continues to be set out in three blocks, the early years block, the schools block and the high needs block.

	2015-16 schools block (£m)	2015-16 early years block (£m)	2015-16 high needs block (£m)	2015-16 total other additions (£m)	2015-16 total DSG allocation (£m)
Merton	116.8	9.6	27.9	0.0	154.3

Further details of the School Funding Announcements 2015/16 are included in Appendix 2.

3. **Better Care Fund (BCF) and Implementation of Care Act Funding**

3.1 The BCF creates a local single pooled budget to incentivise the NHS and local government to work more closely together around people, placing their well-being as the focus of health and care services. This funding is ring-fenced to Adult Social Care.

3.2 2015-16 - £6.452m

For financial year 2015-16, the total allocation for the BCF is £6.452m. However, due to some of this money already being built into the base the remaining unallocated funding is £1.680m.

The breakdown is as follows:

2015/16 BCF Allocation	£000
Total 2015-16 BCF Allocation	12,198
Less Merton CCG Allocation	5,746
Sub-total ASC BCF (Including Capital allocation)	6,452
Less Capital Allocation (DFG & Social Care IT grant)	944
Total BCF Revenue Proposals	5,508
Less Care Bill Implementation (New Burden)	400
Less Investments rolled forward from 2014-15	3,428
= Additional Investments for 2015-16	1,680

3.3 This funding will not be used to offset savings that are still to be delivered from 2014/15 (and for which there are action plans in place) but to meet the increased requirements of the BCF and to protect other areas of social care that would otherwise be at risk and in turn pose a greater risk to the health service.

3.4 The latest information on Adults' Personal Social Services specific revenue funding and capital grant allocations to local authorities for 2015/16 is summarised in Appendix 3.

4. **Growth**

4.1 The MTFs includes growth of £1m in 2015/16. This will be allocated to Childrens, Schools and Families department budget for 2015/16.

5. GLA PRECEPT

- 5.1 The Mayor of London's planned timetable and process that will then follow for the GLA budget and precept is set out in the following table:-

Mid December to mid January	The Mayor consults the Assembly and other appropriate bodies on the draft consolidated budget.
Mid to late January	The Mayor determines the final contents of his draft consolidated budget and presents it to the Assembly at its meeting on 28 January 2015 for the Assembly to approve with or without amendment.
Early to mid-February	The Mayor prepares and presents his final draft consolidated budget with or without Assembly amendments (in the latter case the Mayor must provide a written statement of reasons) to the Assembly on 23 February 2015. The Assembly then approves the Mayor's final draft consolidated budget with or without amendment. The only amendments which can be made are those agreed by at least two-thirds of the Assembly Members voting in favour.

5.2 GLA Precept

On 19 December 2014 the Mayor published his 2015-16 draft revenue budget and capital spending plan for consultation. This includes his draft budget proposals for the GLA (Mayor and Assembly), the Mayor's Office for Policing and Crime (MOPAC), the London Fire and Emergency Planning Authority (LFEPA), Transport for London (TfL) and the London Legacy Development Corporation (LLDC). The budget proposes a reduction in the Mayor's Band D council tax precept of £4.00 (1.3 percent) from £299.00 to £295.00 in 2015-16 for council taxpayers in the 32 London boroughs. The 2016-17 indicative budget assumes a further £19 reduction to £276.

5.3 New Homes Bonus Pooled Funding for 2015-16

In the Chancellor's Autumn Statement it was announced that from 2015-16 the LEP will receive £70 million of pooled funding from New Homes Bonus revenues in London. Individual NHB borough allocations and the relevant pooled top slice have been confirmed as part of the provisional local government grant settlement and these amounts will be re-allocated for expenditure on projects in the borough in which the NHB revenues were generated. However, borough projects must be in accordance with LEP priorities whose approval is required. It is estimated £32 million of the £70 million will be paid as capital grants and £38 million as revenue grants.

6. DRAFT CAPITAL PROGRAMME UPDATE

- 6.1 The latest details on the capital programme are attached as Appendix 7. This includes details of proposed changes to the programme since Cabinet in December 2014.
- 6.2 The Capital Programme has changed due to profiling but there have been no other changes to the overall programme. The change in the total programme reported to Cabinet on 8 December 2014 which was based on October monitoring information and that reported to this Cabinet meeting which is based on November monitoring information is summarised in the following table:-

Draft Capital Programme 2015-19					
	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000
Cabinet 8 December	47,318	44,042	46,260	29,596	59,579
Draft Capital Programme (Appendix 7 refers)	44,534	44,640	48,450	29,596	59,579
Change	(2,784)	598	2,190	0	0

- 6.3 Changes to the capital programme since December 2014 Cabinet have resulted in changes to the revenue financing costs. These are shown in the following table:

Revenue effects of Capital Programme				
	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
Net as at December Cabinet	13,685	14,386	15,782	17,180
Revised Net	13,658	14,325	15,941	17,159
Change	(27)	(61)	159	21

- 6.4 The changes in capital financing costs arise from the re-profiling of capital expenditure and the use of capital receipts to fund short life assets up to 8 years.

6.5 Treasury Management Strategy

Effective treasury management will provide support towards the achievement of the Council's business and service objectives. The draft Treasury Management Strategy will be included in the Business Plan report to Cabinet in February.

7. GENERAL FUND BALANCES AND RESERVES

- 7.1 The General Fund balance can be seen as an authority's working balance. In considering the budget plans for the medium term, it is also necessary to give some attention to the level of this working balance. In coming to this decision a number of issues should be considered.

These include:

- (a) the retention of working balances to cushion cash flow variations and to avoid increased borrowing costs;
- (b) the retention of sums to provide against inflation and pay awards being in excess of the assumptions made within the budget;
- (c) the retention of sums to provide for contingent liabilities; or
- (d) to meet unforeseen events

- 7.2 In taking a decision on the level of balances, it is important to take into consideration current and future budget pressures and recognise that in order to set a balanced budget over the

next four years there is a need for significant net reductions in the budget which inevitably will mean that there is very little room for manoeuvre in determining the level of balances.

- 7.3 There has been a regular quarterly update on the use of earmarked reserves for 2014/15 reported through to Cabinet as part of the financial monitoring report.
- 7.4 Previous reports on this year's budget have indicated that the reserve created for future use for budgets will be fully applied over the period of MTFS to help towards balancing the budget.
- 7.5 Merton's reserves and balances as at 31st March 2014 and forecast 2015/16 are summarised in the following table :-

	Balance at 31 March 2014	Forecast balance 31/03/15
	£000	£000
Balances held by schools	19,058	19,247
General Fund balances *	18,838	14,090
Earmarked Reserves	35,241	27,825
Total	73,137	61,162

*Based on month 8 monitoring

- 7.6 The movement and planned use of reserves, both revenue and capital, over the MTFS period is currently being reviewed and there will be a full update to Cabinet in February.

8. SUMMARY

- 8.1 Following the changes discussed in this report, mainly the changes arising from the Provisional Local Government Finance Settlement and the changes to the capital programme,, the gap in the MTFS (Appendix 4) has changed to the following:-

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2017/18 £'000
Gap remaining (cumulative)	0	0	2,914	14,048

9. CONSULTATION UNDERTAKEN OR PROPOSED

- 9.1 There will be extensive consultation as the business plan process develops. This will include the Overview and Scrutiny panels and Commission, the Financial Monitoring Task Group, business ratepayers and all other relevant parties. The consultation meeting with Business Ratepayers is planned for 11 February 2015.
- 9.2 Feedback on scrutiny of the Business Plan proposals will be provided by the Overview and Scrutiny Commission on 29 January 2015.

10. **TIMETABLE**

- 10.1 The business planning timetable for 2015/16 has been reported to and agreed by Cabinet previously.

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

- 11.1 All relevant implications have been addressed in the report.

12. **LEGAL AND STATUTORY IMPLICATIONS**

- 12.1 All relevant implications have been addressed in the report.

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

- 13.1 Not applicable

14. **CRIME AND DISORDER IMPLICATIONS**

- 14.1 Not applicable

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

- 15.1 Not applicable

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

- Appendix 1** Summary and Analysis of Provision LGF Settlement 2014/15
- Appendix 2** School Funding Announcement 2014/15
- Appendix 3** Adults' Personal Social Services specific revenue funding and capital grant allocations to local authorities for 2013/16
- Appendix 4** Latest Medium Term Financial Strategy 2015-19
- Appendix 5** Draft Performance Management Framework
- Appendix 6** Draft Risk Management Strategy
- Appendix 7** Draft Capital Programme Update

BACKGROUND PAPERS

Budget files held in the Corporate Services department.

REPORT AUTHOR

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Provisional Local Government Finance Settlement 2015-16

The provisional 2015-16 Local Government Finance Settlement was announced on 18 December 2014. The settlement outlines provisional core funding allocations (Settlement Funding Assessments) for local authorities and sets out the impact on local authority “revenue spending power”, as defined by Government, for 2015-16.

Spending Power

The reduction in spending power across England (excluding the GLA) is £0.9 billion (1.8%) in 2015-16. Spending Power is defined by the government as the aggregate of: council tax; SFA; other special and specific grants; and NHS funding to support social care and benefit health. The reduction for London Boroughs is £280 million (3.4%) in 2015-16. There is an overall cap in the reduction of spending power of 6.4% in 2015-16. The Government will continue to pay the “Efficiency Support Grant” to authorities experiencing a reduction of more than 6.4%. There will be certain criteria attached to the receipt of this grant and no London boroughs are eligible.

Spending Power	2014-15 adjusted £m	2015-16 £m	Change £m	Change %
England excluding GLA	49,796	48,877	(919)	-1.8%
England	52,598	51,484	(1,114)	-2.1%
London boroughs	8,248	7,968	(280)	-3.4%
Inner London	3,581	3,403	(178)	-5.0%
Outer London	4,667	4,565	(102)	-2.2%
Merton	169	167	(2)	-1.3%

These figures include:

- The pooled NHS and local authority Better Care Fund of £3.46 billion. The Better Care Fund is a pooled budget, for which spending plans must be agreed locally through Health and Wellbeing Boards.
- Estimates of the amount of income authorities will raise through council tax. This is based on an assuming the historic growth rate in local authority tax bases continues and that there are no increases in council tax rates.
- The assumption that 100% of authorities will take up of the council tax freeze grant - in 2014-15, 59% (100% in London) of all eligible authorities took up the grant.
- This includes the full NHB allocation for London and doesn't reflect the requirement for London boroughs to pool a proportion of their 2015-16 allocation with the London Local Enterprise Partnership.

Settlement Funding Assessment

Settlement funding assessment (SFA) comprises revenue support grant and the local share of business rates. In England, overall Settlement Funding Assessment (core funding) for England is £20.8 billion in 2015-16. This represents an overall reduction of £3.4billion (-13.9%) from 2014-15

based on the adjusted 2014-15 baseline. In London, boroughs will receive £3.75 billion in 2015-16 in core funding. For London, this is an overall reduction of £0.67billion (15.1%) from the adjusted 2014-15 level. In 2015-16, London boroughs will receive this funding through Revenue Support Grant (£1.744billion i.e. 46.5%) and locally retained business rates (£2.007billion i.e. 53.5%).

Settlement Funding Assessment	2014-15 adjusted £m	2015-16 £m	Change £m	Change %
England	24,112.195	20,758.539	(3,353.7)	-13.9%
London boroughs	4,419.156	3,750.706	(668.5)	-15.1%
Inner London	2,182.039	1,841.942	(340.1)	-15.6%
Outer London	2,237.117	1,908.764	(328.4)	-14.7%
Merton	73.055	62.862	(10.2)	-14.0%

Business Rates Retention

- The principal scheme architecture remains broadly the same.
- There are no changes to whether an authority is a top up or tariff authority.
- Tariffs and top-ups will rise by 2% to reflect the recent policy announcement in the Autumn Statement 2014.
- The safety net threshold remains at 7.5% of an authority's baseline funding level.
- There remain no changes to individual levy rates, including the 50p cap on the levy rate.

Following proposals in the technical consultation over the summer, the provisional settlement confirms the Government's intentions to:

- **Roll the 2014-15 council tax freeze grant into RSG**, paid only to those authorities which qualified for the Council Tax Freeze Scheme in 2014-15. This mirrors the arrangements for the 2013-14 grant;
- **Roll the 2014-15 Efficiency Support Grant into RSG** as a separate element for qualifying authorities;
- **Roll the 2014-15 Rural Services Delivery Grant into RSG** and combine it with the existing rural funding element. A further £4 million was earmarked within the Settlement for rural authorities; and
- Reduce funding to authorities which have fallen below the threshold for participation in the **Carbon Reduction Commitment Energy Efficiency Scheme**.

In addition, the settlement confirms a number of new policy announcements that affect the overall SFA distribution and amount. These include:

Capping the small business multiplier: The recent Autumn Statement announced that the small business rates multiplier would continue to be capped at 2% (as in 2014-15) rather than increase by September RPI (2.3%). The result of this policy is that top up, tariffs and baseline funding will increase by 1.91% with a subsequent lowering of the Settlement Funding Assessment (SFA). Again, a separate Section 31 grant will be established to ensure this does not impact on the overall level of funding for local government.

Adjustment to funding for fire and rescue authorities: The Government has decided to take account of the recent revaluation of the Firefighter's Pension Schemes by reducing the fire funding element within RSG by £2.1 million (reflecting an amount equal to 0.24% of pensionable pay for each fire authority).

Reduction in New Homes Bonus holdback: The Government proposes to hold back £950 million instead of the previously announced £1 billion to fund the New Homes Bonus grant in 2015-16. The £50 million will go into upper, lower and fire tier elements of RSG. As before, the Government will contribute £250 million to the scheme.

The business rates multiplier will increase by 1.9% as a result of the 2% cap on business rates outlined in the 2014 Autumn Statement. All tariff and top-up payments, business rates baselines and funding baselines will therefore increase by 1.9%.

The size and extent of safety net payments for 2015-16 are not yet known – these will be determined by local forecasts reported in the NNDR1 returns in January 2015. The retrospective levy payments due from tariff authorities for 2014-15 will be calculated after the current financial year using the final NNDR3 returns.

The safety net threshold will remain at 7.5% meaning authorities are guaranteed 92.5% of their baseline funding. The trigger point for a safety net payment is different for each authority as it depends on the relative size of funding and business rates baselines.

Beyond core SFA funding, the settlement also provides details for a range of other special and specific grants (within the Revenue Spending Power spread sheet). Based on the latest available information, London boroughs will receive close to £1.6 billion from a range of revenue grants in 2015-16.

Main specific grants for London Local Government 2015-16 £m	£m	Merton £m
Local Council Tax Support and Housing Benefit Admin Subsidy Grant	69.4	1.07
New Homes Bonus	247.5	3.79
Better Care Fund	539.8	11.25
Public Health Grant (Ring-fenced)	577.5	9.24
Other grants	124.0	2.38
Total specific grants	1,558.3	27.73

New Homes Bonus

The Government has also published provisional allocations for 2015-16 - year 5 of the New Homes Bonus scheme. London boroughs' share of the national total has stayed broadly the same at 21%, receiving £248 million of the £1.167 billion national total.

The Autumn Statement 2013 announced that local authorities in London would be required to pool £70 million of New Homes Bonus in 2015-16 to support of the work of London's Local Enterprise Partnership. The Government decided that this would be achieved via pooling an equal proportion of each borough's 2015-16 New Homes Bonus allocation, sufficient to total £70m. The level of contribution from each borough is yet to be confirmed.

London Councils has provided early estimates but point out that these figures should be treated with caution. London Councils will publish a fuller briefing on the NHB topslice and what this will mean for the local bids and proposals across the NHB programme at a later date.

The Government has not yet confirmed the amounts each authority will contribute to the £70m LEP topslice in 2015-16. However, it has outlined how it intends to calculate this, and has published provisional allocations. The table following shows London Councils' estimates of the LEP topslice for Merton.

	Provisional full NHB allocation 2015-16	Proportion of London total	Estimated Amount to London LEP	Estimated Net NHB Grant
Merton	3.684	1.5%	-1.042	2.642

The local welfare provision grant

The provisional settlement confirmed that the current intention is not to maintain additional funding for local welfare assistance schemes in 2015-16. A separate element has been identified within RSG worth £129.6 million. However, this is a notional amount and is not ringfenced. Merton's share is c.£0.330m. The Government has indicated that it does not plan to monitor how this is spent.

Council Tax Freeze Grant (CTFG) and Referendum Threshold

The Government has set out its council tax referendum principles for 2015-16. Once again, the threshold for local referendums will be 2%. The Government has extended its Council Tax Freeze Grant scheme for another year. In 2015-16, the Government will compensate authorities who freeze their council tax rate by the equivalent of 1% of their council tax. The value of CTFG in 2015-16 could be in the region of £249 million nationally and £32 million in London.

School Revenue Funding Settlement: 2015 to 2016

The School Revenue Funding Settlement: 2015 to 2016 was published on 17th December 2014, confirming details of the Dedicated Schools Grant (DSG).

The Dedicated Schools Grant (DSG)⁹ continues to be set out in three blocks, the early years block, the schools block and the high needs block.

Overall, DSG is £39.6 billion with London receiving 18.4% (£7.3 billion).

The minimum funding guarantee is to be continued, meaning no school or academy will see a reduction compared with its 2014-15 budget (excluding sixth form funding) of more than 1.5% per pupil before the Pupil Premium is applied.

The DfE also announced a £31.7 million grant to help local authorities in England implement the special educational needs and disabilities (SEND) reforms. London will receive 17.9% (£5.7 million) of this funding.

Merton's share of SEND Implementation Grant is c. £0.125m

Public Health funding for 0-5 year olds

The Government announced a baseline agreement exercise for the transfer of commissioning of children's 0-5 public health services to local authorities on 11 December 2014. This is the final part of the transfer of public health responsibilities to local government.

The service transfers to local authorities on 1 October 2015. The 2015-16 funding allocation is, therefore, for the 6 months from 1 October 2015 to 31 March 2016. Overall, the allocation for the six months to 31 March 2016 is £425 million with London receiving £77.3 million (18.2%). A minimum floor for local authorities will be in place such that no local authority is funded to a level below an adjusted spend per head (0-5) of £160. 11 London boroughs are affected by the floor.

The Department of Health has requested responses to the proposed allocations by 16 January 2015. London Councils is currently reviewing the allocations before formally responding to the department.

Timeline for Response

The Government is consulting on the draft settlement figures and has requested comments by 15 January 2015.

Merton Settlement Funding Assessment

	2014-15 adjusted £m	2015-16 £m	
Upper-Tier Funding	38.82	32.18	
Lower-tier Funding	16.67	13.93	
Fire & Rescue Funding		0.00	
2011-12 Council Tax Freeze Compensation	2.05	2.04	
Early Intervention Funding	5.71	5.20	
GLA General Funding	0.00	0.00	
GLA Transport Funding	0.00	0.00	
London Bus Services Operators Grant	0.00	0.00	
Homelessness Prevention Funding	0.39	0.39	
Lead Local Flood Authority Funding	0.13	0.13	
Learning Disability and Health Reform Funding	7.06	7.03	
Rural Services Delivery Funding	0.00	0.00	
2013-14 Council Tax Freeze Compensation	0.85	0.85	
Returned Holdback	0.09		
2014-15 Council Tax Freeze Compensation	0.85	0.85	
2014-15 Efficiency Support Grant	0.00	0.00	
Carbon Reduction Credits Energy Efficiency Scheme adjustment		-0.07	
Local Welfare Provision	0.44	0.33	
Settlement Funding Assessment	73.06	62.86	
RSG	41.03	30.22	
Baseline Funding Level	32.03	32.64	
Settlement Funding Assessment	73.06	62.86	-14.0%

PROVISIONAL 2015-16 SPENDING POWER

Merton

Spending Power Components	2014-15 adjusted £m	2015-16 £m
Council Tax Requirement excluding parish precepts	75.34	76.15
Settlement Funding Assessment	73.06	62.86
SFA: Adjustment to reflect Section 31 grants for business rates initiatives	0.34	0.48
minus Council Tax Support Funding to Parishes	0.00	0.00
Efficiency Support Grant		0.00
Commons Registration Authorities	0.00	0.00
Inshore Fisheries Conservation Authorities	0.00	0.00
Lead Local Flood Authorities	0.06	0.04
Community Right to Challenge	0.01	
Community Right to Bid	0.01	
Fire Revenue Grant (FireLink and New Dimension elements)	0.00	0.00
Council Tax Freeze Grant 2015-16		0.86
New Homes Bonus	3.09	3.68
New Homes Bonus: returned funding	0.11	0.11
Council Tax Support New Burdens Funding	0.11	0.04
Local Council Tax Support and Housing Benefit Admin Subsidy	1.23	1.07
Social Housing Fraud	0.00	
City of London Offset	0.00	0.00
GLA Transport Revenue Grant	0.00	0.00
Department of Health Revenue grant	0.14	0.10
Public Health Grant (Ring-fenced)	9.24	9.24
Adult Social Care New Burdens	0.86	0.86
Better Care Fund	5.30	11.25
Provisional Revenue Spending Power including Better Care Fund	168.89	166.75
Change in Provisional Revenue Spending Power 2015-16		-2.14
Change in Provisional Revenue Spending Power 2015-16		-1.3%

SCHOOLS FUNDING ANNOUNCEMENT 2015/16

Overview

The School Revenue Funding Settlement: 2015 to 2016 was published on 17th December 2014 confirming details of the Dedicated Schools Grant (DSG).

The Dedicated Schools Grant (DSG) continues to be set out in three blocks,

- the early years block,
- the schools block and
- the high needs block.

The minimum funding guarantee is to be continued, meaning no school or academy will see a reduction compared with its 2014/15 budget (excluding sixth form funding) of more than 1.5% per pupil before the Pupil Premium is applied.

The DfE also announced a £31.7 million grant to help local authorities in England implement the special educational needs and disabilities (SEND) reforms.

Dedicated Schools Grant

In March 2014, the Department for Education (DfE) consulted on an increase in schools block per pupil funding for the 69 least fairly funded local authorities. The final arrangements were confirmed in July 2014 and the Department for Education (DfE) confirmed an additional £390 million schools block funding. In London, 8 local authorities will receive between £400,000 and £19.5 million – totalling £68.4 million. Merton will receive an estimated £6.5m of the £390m total.

The DfE also confirmed that non-recoupment academies (NRA) and free schools (other than those that are in their first year of opening) will now be funded in the same way as recoupment academies. There is also an adjustment to the way the carbon reduction commitment is deducted. This was previously done on the basis of section 251 data, instead there will now be a deduction of £7.51 per pupil.

Schools Block

The schools block is based on the schools block units of funding (SBUF) announced in July 2014, which is a flat cash rate for all local authorities other than those uplifted by the additional funding announced. This is then adjusted for a cash transfer for non-recoupment academies and free schools.

Early Years Block

The early years block contains the three and four year old entitlement, at the same per pupil rate as 2014. It also includes the indicative early years pupil premium as announced in October 2014. The funding for disadvantaged two year olds is also part of the early years block, however allocations are not included in the table. The hourly rates⁵ were announced in October 2014 and initial allocations will be made in June 2015.

High Needs Block

The total high needs block for 2014 to 2015 has been carried forward and adjusted for increases in places for academic year 2015 to 2016 resulting from the exceptions process. The EFA has also

published the outcome of the High Needs Exceptional case process here. There is also an additional top-up of £47m distributed based on the 2-19 aged population in each local authority.

Other Additions - Induction for newly qualified teachers (NQTs)

The funding for statutory induction of NQTs was moved into the DSG in 2013 to 2014. The total allocation in 2015 to 2016 is the same as in 2014 to 2015 at £10.2m and is allocated to each local authority on a per pupil basis.

2015-16 DSG Allocations prior to deductions for academies recoupment and high needs places

	2015-16 schools block (£m)	2015-16 early years block (£m)	2015-16 high needs block (£m)	2015-16 total other additions (£m)	2015-16 total DSG allocation (£m)
Merton	116.8	9.6	27.9	0	154.3

Breakdown of DSG Schools Block Calculation 2015-16

	2015-16 Schools Block Unit of funding (£)	2015-16 Schools Block Pupil Numbers (Headcount)	2015-16 Schools Block (£m)	2015-16 Non- recoupment academies Cash Transfer (£m)	2015-16 Total Schools Block (£m)
Merton	4824.3	22169	106.9	9.8	116.8

Breakdown of DSG Early Years Block Calculation 2015-16

	2015-16 3 and 4 year old unit of funding (£)	2015-16 3 and 4 year old pupil numbers (FTE)	2015-16 3 and 4 year old funding (£m)	2015-16 Indicative early years pupil premium (£m)	2015-16 Total Early years Block (£m)
Merton	3896.1	2411	9.4	0.2	9.6

Breakdown of DSG High Needs Block Calculation 2015-16

	2014-15 High Needs block Baseline (£m)	Funding of last 5 months of 2014-15 places growth for pre-16 (£m)	Funding of last 4 months of 2014-15 places growth for post 16 (£m)	Inc/Dec as a result of the exceptions process for 2015-16 (£m)	2015-16 Additional High Needs block top- up funding (£m)	Total 2015-16 Indicative High Needs block (£m)
Merton	27.6	0.09	0.01	0	0.09	27.9

ADULTS' PERSONAL SOCIAL SERVICES: SPECIFIC REVENUE FUNDING & CAPITAL GRANT ALLOCATIONS FOR 2015/16

SPECIFIC REVENUE FUNDING

Local Reform and Community Voices grant

In 2015/16 this grant is comprised of three funding streams:

- additional funding for Deprivation of Liberty Safeguards (DOLS) in Hospitals;
- additional local Healthwatch funding; and
- funding for the transfer of Independent Complaints Advocacy Service (ICAS) to local authorities

This grant now excludes funding for Independent Mental Health Advocacy and the disregard for Guaranteed Income Payments for Veterans. These streams are included in the Better Care Fund in 2015/16.

CARE ACT FUNDING

As announced in the 2015/16 illustrative local government finance settlement, local authorities will receive £285 million for new burdens arising from the Care Act in 2015/16. This funding will be paid out by the Department of Communities and Local Government.

BETTER CARE FUND

Social Care Capital grant (capital)

The Department of Health will make circa £134 million available through the Social Care Capital grant in 2015/16. This funding is part of the Better Care Fund, but will be allocated directly to councils by the Department.

Relevant conditions will be attached to this grant so that they are used in pooled budgets for the purposes of the Fund.

As noted in the original BCF guidance, £50m of the total £134m capital funding has been earmarked for the capital costs (including IT) associated with transition to the capped cost system, which will be implemented in April 2016.

Revenue funding

£135 million of revenue funding within the Better Care Fund is linked to a range of duties for local authorities in 2015/16. This should provide for duties included in the Care Act commencing in 2015/16. The funding also includes provision for Independent Mental Health Advocacy and the disregard for Guaranteed Income Payments for veterans, and money to offset financial pressures on the care and support system that may be created by changes to the pensions and benefit systems.

There is sufficient funding within overall social care allocations (covering both the BCF and the unring-fenced local government finance settlement) for Independent Mental Health Advocacy services and disregards for Guaranteed Income Payments for veterans to be maintained.

Independent Mental Health Advocacy (IMHA)

In 2014/15 and 2013/14 the Local Reform and Community Voices grant contained a funding stream for the transfer to local authorities of responsibility for commissioning Independent Mental Health Advocacy services. In 2015/16 this funding stream will be moved into the Better Care Fund.

Local authorities continue to have a duty under the Mental Health Act 1983 (as amended by the Mental Health Act 2007 and the Health and Social Care Act 2012) to make arrangements to enable every qualifying patient who wants one to have access to an IMHA. Qualifying patients include patients detained under provisions (other than emergency provisions) of the Mental Health Act 1983, all patients on Community Treatment Orders and all patients subject to guardianship under the Mental Health Act 1983.

Disregard for Guaranteed income Payments for Veterans

In 2014/15 and 2013/14 the Local Reform and Community Voices grant contained a funding stream for the disregard for Guaranteed Income Payments for Veterans. In 2015/16 this funding stream will be moved into the Better Care Fund.

Local authority Merton	Local Reform and Community Voices grant 2015-16 (revenue) £100,752
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Care Act Funding 2015/16 (distributed by DCLG)	Early assessments revenue grant 2015-16	Deferred payment agreement revenue grant 2015-16	Carers and Care Act Implementation revenue grant 2015-16
Local authority Merton	£427,983	£263,703	£172,954

Social Care Capital grant 2015-16 (capital)

Local authority Merton	Social Care Capital 2015-16 (capital) £416,000
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DRAFT MTFS 2015-19: RE-PRICED AND ROLLED FORWARD

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Departmental Base Budget 2014/15	144,420	144,420	144,420	144,420
Inflation (Pay, Prices)	3,179	6,778	10,380	13,979
Autoenrolment/Nat. ins changes	0	1,000	2,000	2,000
FYE – Previous Years Savings	(4,252)	(9,149)	(10,576)	(10,576)
Replacement Savings	340	0	0	0
Income – Additional Fees/Charges	0	0	0	0
Growth	1,000	1,000	1,000	1,000
Revenuisation	(137)	(239)	(239)	(239)
Taxi card/Concessionary Fares	158	608	1,058	1,508
Education Services Grant	676	676	676	676
NHS t/f of Social Care Funding	(100)	(100)	(100)	(100)
Change in depreciation/Impairment (Contra in Other Corporate items)	1,278	1,278	1,278	1,278
Other (inc. reduced service grants)	610	986	1,056	1,129
Re-Priced Departmental Budget	147,172	147,258	150,953	155,075
Treasury/Capital financing	13,658	14,325	15,941	17,159
Pensions	4,205	4,395	4,592	4,799
Other Corporate items	(13,244)	(13,949)	(13,948)	(13,948)
Levies	637	637	637	637
Sub-total: Corporate provisions	5,256	5,408	7,222	8,647
BUDGET REQUIREMENT	152,428	152,666	158,175	163,723
Funded by:				
Revenue Support Grant	(30,223)	(23,161)	(16,691)	(12,256)
Business Rates (inc. Section 31 grant)	(33,757)	(34,432)	(35,121)	(35,823)
C. Tax Freeze Grant 2015/16	(861)	0	0	0
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(2,487)	(2,000)	(2,000)	(2,000)
Council Tax inc. WPC	(77,051)	(77,435)	(77,821)	(78,208)
Collection Fund – (Surplus)/Deficit	421	0	0	0
TOTAL FUNDING	(148,755)	(141,825)	(136,429)	(133,084)
GAP excluding Use of Reserves (Cumulative)	3,673	10,841	21,746	30,639
- Use of Reserves	(2,960)	597	(3,389)	0
GAP including Use of Reserves (Cumulative)	713	11,438	18,357	30,639
- Savings/Income Proposals 2015/16	(713)	(11,438)	(15,443)	(16,591)
Gap	0	0	2,914	14,048

PERFORMANCE MANAGEMENT FRAMEWORK

Introduction

Merton launched its Performance Management Framework in 2004. While the main principles of performance management remain the same, the framework undergoes annual review and updating where and when required, to ensure that it remains up to date with changes within the organisation and outside.

We are committed to delivering customer-focused services. To achieve this, it is essential that we measure our performance, both against our own intentions, and the performance of others, using that information to improve local services.

Performance management enables us to ensure that our goals are constantly being met, whilst allowing us to identify best practice and address areas of concern. It is about how we consistently plan and manage improvements to our services to ensure continuous improvement in line with Lean principles. Sustainable improvements in services are unlikely to happen without it.

Everyone in the organisation has a part to play in monitoring our services and achieving our ambition.

Why measure performance?

- It highlights areas where we are doing well, and areas which need improving;
- To enable our managers to monitor performance, manage effectively and plan for the future of the service;
- Performance data is required by the decisions makers within the council to help inform their decisions;
- Timely and accurate performance data will help identify problems early and enable us to put actions in place to address / rectify the situation;
- In order to improve, we need to know where we are now and ensure that we are doing the right things for the right reasons;
- Performance Management provides the evidence required for change and improvement, and lastly;
- What gets measured gets done!

Why do we need a Performance Management Framework?

Since the introduction by Central Government of the Single Data List in April 2011, removing the monitoring of performance to reduce the burden, and reductions of audit and inspection by central government, it is now even more important that we manage and monitor our performance. We must ensure that our Performance Measures are robust, challenging and realistic, ensuring that we are achieving and delivering our priorities.

What is a Performance Management Framework?

This Performance Management Framework has been created to provide a view of the overall approach the council takes to managing performance.

The Framework should also be considered alongside the council's Risk Management and Data Quality Strategies.

Our framework will help all of us to understand:

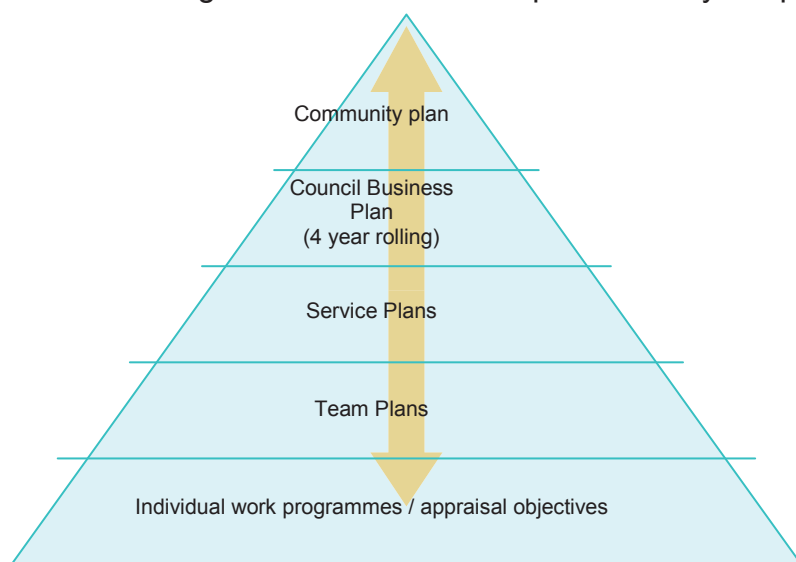
- what we are trying to achieve as an organisation
- how we are going to achieve this
- how we will monitor and report progress
- how the contribution of staff, managers, teams and departments relate to each other to help deliver the targets set for the whole organisation.

The framework has three parts

1. The planning framework, how the plan fits together - the Golden Thread
2. The planning, monitoring and review cycle
3. Taking responsibility seriously

The planning framework - how the plans fit together, the 'Golden Thread'

The performance management framework is represented by the performance triangle



The key aspects of the Golden Thread are:

- [The Community Plan](#) has been developed by the Merton Partnership and sets the overall direction and vision for the borough until 2019.
- [Business Plan](#) sets out the council's priorities for improvement over the next four years. The plan is reviewed every year to ensure that it always reflects the most important improvement priorities.
- [Service Plans](#) are reviewed every year to ensure they outline the key issues and priorities for the department.
- [Medium Term Financial Strategy](#) (MTFS) outlines how much money we expect to receive over the next four years and in broad terms what we expect to be spending this on.
- [Workforce Development Plan](#) is focused on making the best use of the skills of staff to deliver the services residents demand and deserve
- [Individual Appraisals](#) take place twice a year and are used to agree individual work programmes and targets.

The planning, monitoring and review cycle - what happens, when and how?

The planning, monitoring and review cycle shows how we continuously review and revise our performance in order to improve our services.



The cycle has four phases and takes place on an annual basis as part of the development of the next four year rolling Business Plan and agreement of the next year's budget.

Planning - Where are we now and where do we want to be?

Where we are now is reflected in our results against our performance indicators detailed in our service plans, the results of satisfaction surveys such as the Annual Residents Survey (ARS), and other inspection results. Our corporate ambitions and objectives that describe where we want to be are laid out in the Community Plan and the Business Plan and reflected at a more local level in service plans and targets in annual appraisals.

Doing - How do we get to where we want to be?

To get where we want to be we need to maximise our capacity to deliver the actions laid out in the various plans, and use our performance management and appraisals systems to ensure that we remain on course.

Reviewing - How are we doing and are we there yet?

By monitoring and managing performance, consulting with our partners and service users, and benchmarking against other providers we can assess our progress towards achieving our ambitions and learn from the good practice of others.

Revising - What do we do next?

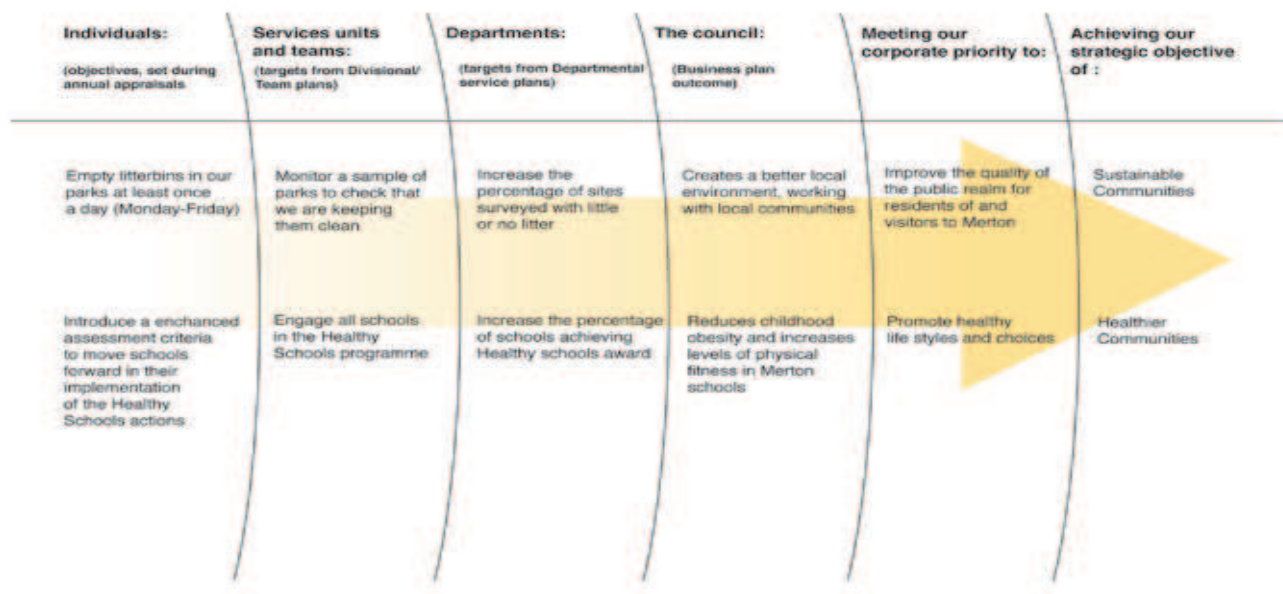
It is important that our services evolve to meet the needs of our residents. Having reviewed our performance we may need to change what we are doing or revise our ambitions and objectives so that we can continuously improve as an organisation.

To maximise the cycle's effectiveness we have an agreed timetable for the process which takes into account both performance and financial considerations. This timetable enables Councillors to agree priorities and allocate resources based on community views and needs, and accurate performance information. These priorities are translated into planned outcomes and performance targets to make sure that the right things get done.

Taking responsibility for results – how we go about doing it

Everyone has a responsibility to contribute to improving Merton, working within and using the performance management framework. This ensures that measurable activities at individual, team and service levels translate into outcomes.

It is the responsibility of the owner of the performance measure to ensure that details of the measure are clearly defined and that adequate collection, recording and validation processes are in place to enable effective monitoring and reporting in line with the council's Data Quality Strategy.



Performance Management Systems and Collection Arrangements

With effective from 1 June 2013 performance against service plan measures is captured and reported via our Performance Management System known as Covalent.

One the first day of each month departmental performance leads are reminded of the deadline date by which performance data needs to be uploaded onto the system.

Performance Monitoring reports are presented to CMT on the fourth Tuesday of every month, Cabinet receives quarterly reports and Full Council annually. In addition, a monthly performance dashboard is published on both the internet and intranet giving staff, Members, residents and the public access to the latest performance data detailing how the council is doing against it targets.

Roles and responsibilities

The roles and responsibilities are outlined below:

Individuals	All staff have a responsibility to deliver the tasks / actions that have been agreed in their appraisal and understand how their work contributes to the team, departmental and council goals.
Managers	All managers have responsibility for supporting their staff through the appraisal process and regular reviews. They must also show commitment and accountability by leading through example. Managers should ensure that their team have regular meetings to share information, review progress of their divisional and team plans, develop ideas, identify areas for the next plan and agree the way forward on a variety of team and work issues. Managers should use these meetings to raise issues around corporate priorities, tell staff about developments within the department and the council and to cascade information about performance to staff.
Heads of service	Heads of service report to Directors and are responsible for overseeing the performance of service units within their remit. They take a key role in the development and monitoring of their service plan at their DMT. They may also take on or contribute to wider corporate projects.
Departmental Management Teams (DMT's)	DMT's monitor their department's performance information and are responsible for taking action to deal with under-performance. DMT's make sure that every manager in the department knows and understands the planning cycle and performance management framework
Directors	Each Director is responsible for the performance of their department. They must make sure that appropriate reporting arrangements are in place with their DMT's to enable them to monitor performance. Directors demonstrate commitment to the performance management framework by leading its implementation within their department. They make sure their service plans are monitored at least every two months and regularly provide progress reports to the Chief Executive and appropriate Cabinet portfolio holder(s). Directors also have collective responsibility for corporate improvement as members of Corporate Management Team (CMT)
Corporate Management Team (CMT)	CMT is made up of the Chief Executive and Directors of the four departments. Its role is to focus on the 'big issues' facing the council and develop the organisation's strategic approach and service delivery. CMT reviews performance monthly and it can ask DMT's to review areas of concern and agree management action to address under-performance.
Cabinet and Elected Members	Ultimately, councillors are responsible for setting the direction of the Council and developing priorities by developing policy, setting strategic targets, monitoring progress, and agreeing the framework for continuous improvement.
Full Council	Members receive regular reports on progress against the strategic themes, including any relevant performance information and can use these meetings as an opportunity to ask questions of Cabinet members about performance issues.
Overview and Scrutiny	Overview and Scrutiny panels have regular performance monitoring task groups to examine performance data, detect trends and identify key areas of

	concern. They are responsible for challenging Cabinet to ensure that they are fulfilling their responsibilities. If they have areas of concern then they can ask Cabinet members and officers to attend meetings to answer questions. If they have wider concerns about the performance of a service area then they could carry out a scrutiny review into a particular area.
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Help and advice

If you require any guidance or advice with regards to Performance Management or have any queries please contact a member of the [Business Planning team](#).

Corporate Indicator set 2015-16

The corporate indicator set is a set of ten key measures from each of the four departments. There are 40 performance measures in total which are monitored on a monthly basis by the Corporate Management Team (CMT).

Corporate Indicator set 2015/16

Dept. / Service Area	PI code and description	13/14 target	14/15 target & target to date	14/15 Perf. to Nov/Q2	15/16 target	Frequency	Polarity
CS – Customer Services	CRP 18 & SP ???(on service plan) - % council tax collected	97% n/a (Nov)	97% 75.9 (Nov)	75.97%(Nov)	97.25% n/a (Nov)	Monthly	High
CS – Customer Services	CRP 36 & SP155 - % of business rates collected	97% n/a (Nov)	97.25% 78%	74.69% (Nov)	97.50% n/a Nov	Monthly	High
CS – Customer Services	CRP 13 - % of positive and neutral coverage tone	91.5%	92%	97.69%	92.5%	Monthly	High
CS – Customer Services Corporate Governance	CRP 37 - % of complaints progressed to level 2 (quarterly in arrears)	10%	9%	6.19%	9%	Quarterly	Low
CS – Customer Services	CRP 43 & SP301 – % Successful website visits	81.5%	84%	83.64% H & 62.31% L	84%	Monthly	High
CS – Corporate Governance	CRP 14 & SP??? - % of ombudsman complaints answered in time	90%	90%	85.71%	90%92.5%	Monthly	High
CS – Corporate Governance	CRP 41 & SP 192 - % of Freedom Of Information requests dealt with in time (monthly in arrears)	90%	90%	89.05%	90%92.5%	Monthly	High
CS – Corporate Governance	CRP 42 - Freedom of Information (FOI) requests answered in full (including information already published or not held)	80%	85%	86.68%	85%	Monthly	Low
CS – Human Resources	CRP 04 & SP 351- Average numbers of working days lost to sickness	87 n/a (Nov)	87 4.64 (Nov)	4.756 (Nov)	8	Monthly	Low

APPENDIX 5

Dept. / Service Area	PI code and description	13/14 target	14/15 target & target to date	14/15 Perf. to Nov/Q2	15/16 target	Frequency	Polarity
CS – Infrastructure & transactions	CRP 16 & SP 401 - The level of CO2 emissions from the council's main operational buildings (tonnes) – (2014/15 to include ALL council buildings thus increase in target).	1,875	4,100	Q1 749.47	4,000	Quarterly in Arrears Monthly	Low
CS – Infrastructure & Transactions	CRP 074 – Number of staff working from Civic Centre	1,275	1,275	Q1 1075	1,275	Quarterly in Arrears	High
E&R – Parking Services	CRP 44 – Parking services estimated revenue	£11,401,998 n/a (Nov)	£11,789,000 £7,859,328 Nov	£7,894,819 Nov	£11,872,000	Monthly	High
E&R - Property	CRP 46 & SP023 - Increase the level of capital receipts to support the financial strategy (excluding Merton Priory Homes)	£5,000,000 n/a (Nov)	£1,300,000 £500,000 Q2	£400,000 Q2	£1,000,000	Quarterly	High
E&R – Waste Management	CRP 47 & SP 068– No. of refuse collections including recycling and kitchen waste missed per 100,000	60	55	53.17	50	Monthly	Low
E&R – Street Cleaning	CRP 48 - % sites surveyed on street inspections for litter that are below standard	8.5	8.57-5	6.31	9.5%	Monthly	Low
E&R – Street Cleaning	CRP 49 & SP 059 – Number of fly tips in streets and parks	3,300 n/a Nov	3,200 2,128 (Nov)	2,641 (Nov)	3,700	Monthly	Low
E&R – Development & Building Control	CRP 45 & SP 118– Income from development and building control	£1,970,000 n/a Nov	£2,010,000m £1,970,000 £1,339,996 No)	£1,375,534 Nov	£2,050,000 n/a Nov	Monthly	High
E&R – Development & Building Control	CRP 50 - Volume of planning applications	1,850 n/a Nov	2,050 1,288 Nov	1,709 Nov	3,500	Monthly	High
E&R – Development & Building Control	CRP 51 & SP 114- % of major planning applications processed within 13 weeks	60%	60%45	53.33%	60%	Monthly	High
E&R – Development & Building Control	CRP 52 & SP 115- % of minor planning applications processed within 8 weeks	65%	50%	60.53%	66%	Monthly	High
E&R – Development & Building Control	CRP 53 & SP116- % of other planning applications processed with 8 weeks	80%	81%75	85.45%	81%	Monthly	High
C&H – Adult Social Care	CRP 54 & SP 039 - No. of adults Inc. carers, in receipt of Direct Payments or Personal Budgets as a % of all customers & carers receiving community based services.	70%	925%	94.5%	95%	Monthly	High
C&H – Adult Social Care	CRP 55 & SP 275 – Weekly rate of delayed transfers of care from hospital - (both Merton & NHS responsible)	6.5	5	2.313	5%	Monthly	Low
C&H – Adult Social Care	CRP 56 & SP054 – % No Carers receiving a service of information and advice	n/a	878 593 Nov	750 Nov	930(1)	Monthly	High

APPENDIX 5

Dept. / Service Area	PI code and description	13/14 target	14/15 target & target to date	14/15 Perf. to Nov/Q2	15/16 target	Frequency	Polarity
C&H – Adult Social Care	CRP 57 & SP274 - No. of adults receiving community based Services e.g. Personal Care, to help them continue to live in their own homes, as a % of all customers receiving services	82%	70%	75%	71%	Monthly	High
C&H – Adult Social Care	CRP 58 & SP 273– No. of adults on the Occupational Therapy waiting list	80	75	78.75	74	Monthly	Low
C&H - Libraries	CRP 59 & SP 008 – No. of people accessing the library service by borrowing an item or using a peoples network terminal at least once in the previous 12 months	54,000	54,500	59,561	55,000 (2)	Monthly	High
C&H - Libraries	CRP 60 & SP 009 - Number of visitors accessing the library service on line	110,000 n/a Nov	115,000 Nov 76,660 Nov	130,191 Nov	125,000(3) n/a Nov	Monthly	High
C&H – Housing Needs & Enabling	CRP 61 & SP 036 – The number of households in temporary accommodation provided under the homeless legislation	100	125400	119	130	Monthly	Low
C&H – Housing Needs & Enabling	CRP 62 & SP .35 – The number of homelessness cases prevented	550 n/a Nov	550 367 Nov	384 Nov	550 n/a Nov	Monthly	High
C&H – Merton Adult Education	CRP 078 & SP 335- % Retention rate	8887	8887	No Return	88%	Monthly	High
C&H – Merton Adult Education	CRP 079 & SP 334- % Achievement rate	95%	96%	No Return	96%	Monthly	High
C&H – Merton Adult Education	CRP 080 & SP 285 - % Success rate	83%	84%	No Return	84%	Monthly	High
CSF – Children's Social Care	CRP 64 & SP 075 – % Children and young people on child protection plan for second or subsequent time	10%	10%	12.9%	10%	Monthly	Low
CSF – Children's Social Care	CRP 65 & SP 095 - Number of Special guardianship orders and adoptions finalised during the year	12 n/a Nov	13 6 Nov	9 Nov	13	Monthly	High
CSF – Children's Social Care	CRP 71 & SP 091 – No. of first time entrants to the Youth Justice System aged 10-17 years.	96 n/a Nov	80 56 Nov	43 Nov	75 n/a Nov	Monthly	Low
CSF – Children's Social Care	CRP 72 & SP 319 – % 16-19 year olds Not in Education, Employment or Training (NEET)	8.3%	6%	3.6%	5%	Monthly	Low

APPENDIX 5

Dept. / Service Area	PI code and description	13/14 target	14/15 target & target to date	14/15 Perf. to Nov/Q2	15/16 target	Frequency	Polarity
CSF - Education	CRP 68 & SP 084 - % of Good or Outstanding Ofsted inspections rated as good in children's centres.	100%	100%	100%	100%	Monthly Quarterly	High
CSF - Education	CRP 69 & SP 078 - % Outcome of schools Ofsted inspections rated as good or outstanding	77%	85%	82.69%	85%	Monthly	High
CSF - Education	CRP 075 & SP 077- % 5 GCSE A-C including English and math	64%	64%65	62.6%	65%	Annual	High
CSF - Education	CRP 076 & SP 347- % L4 English and maths at KS2	78%	78%82%	78%	82%	Annual	High
CSF - Commissioning, Strategy & Performance	CRP 077 & SP 374- No. of in-house foster carers recruited	16 n/a Nov	20 8 Nov	3 Nov	20 n/a Nov	Quarterly	High
CSF - Commissioning, Strategy & Performance	CRP 73 & SP 109- % vacancies in reception year of primary school	2%	2%	3.75%	4%(4)	Annual	Low
CSF - Commissioning, Strategy & Performance	CRP 66 & SP 290 - % Looked after children in foster care placed with external agency carers	38%	36%	48%	35%	Monthly	Low

CS = Corporate Services,

E&R = Environment & Regeneration,

C&H = Community & Housing,

CSF = Children, Schools & Families.

Red = Underperforming

Green = Meeting Target

Blue = Over Performing by 20% or more

Notes

- (1) Provisional figure will be finalised in February 2015 by Adult Social Care Senior Management Team.
- (2) There has been a spike in these figures due to some projects running, it is not envisaged that this spike will continue longer term
- (3) There has been a spike in these figures due to the launch of the new service, it is not envisaged that this spike will continue longer term
- (4) In the late 90s the Audit Commission recommended a vacancy rate of 5% for Reception to allow some parental choice. Merton along with other local authorities is working with a lower percentage of circa 3%. The percentage has been increased in 2015/16 because of the impact of the free school which is incorporated into Merton's returns.

DRAFT RISK MANAGEMENT STRATEGY

Introduction

Risk management should take place at every level within the council and across our partnerships. Risk management should be a central part of any organisation's strategic management and should be seen as the means by which business opportunities are maximised and potential losses associated with unwanted events are reduced.

Local authorities are under increasing external pressure to improve outcomes for the public and at the same time reduce costs. As such the council is required to rethink how it operates in order to achieve its desired outcomes. Risks have to be understood, managed and controlled if we are to meet our objectives and therefore we need to ensure that we have a robust system of risk management in place. This will ensure that decisions are made on the best available information and the likelihood of success is increased.

Risk Management Strategy

The process of identifying and evaluating risks is known as risk assessment. By understanding the risks we face we are able to be actively aware of where uncertainty surrounding events or outcomes exists and therefore identify steps that can be taken to protect the council, its staff, residents, customers and assets from these risks.

This strategy sets out to provide a structured approach to identifying emerging risks as well as assessing and managing current risk. It builds in a process for regularly reviewing and updating identified risks.

This strategy will be reviewed on annual basis and updated where required.

What is risk?

Risk is the threat that an event or action may adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies'. A risk can be a threat, obstacle, barrier, concern, problem or event that may prevent us fulfilling our objectives.

Risks should not be confused with issues. Issues are current problems, questions, outstanding items, tasks or a request that is here today. There is a strong element of fact surrounding it. An issue becomes a risk when the issue cannot be addressed and could continue or get worse.

Definitions of Risk Management

Risk Management is the process by which organisations methodically address risks with the goal of achieving sustained benefit within each activity and across the portfolio of all activities.

Organisations exist to achieve their ambitions, aims and objectives. Risk management is the process of how we identify the risks that may prevent us from achieving this, enabling us to anticipate, identify, manage, and where possible mitigate these risks. Ultimately, risk management is about creating a better understanding of the most important problems facing our organisation.

As risk is very much concerned with our objectives, the management of it will be closely linked to the creation of our strategic, service, project and partnership objectives and plans. The established processes for the creation of these plans will act as an "anchor" for the risk management process.

Risk is also implicit in the decisions we make; how we make those decisions will affect how successful we are in achieving our objectives. Decision making is, in turn, an integral part of the day to day existence and is particularly prominent in times of change. Risk management therefore is a key component in the management of change and to decision making.

Our risk management process will be continuous and will support internal and external change. The risk management process will be fully integrated with the normal business management processes across the authority.

By being aware of and managing the risks we face, it is more likely that we will achieve our objectives and that, should a risk occur, we will be better placed to deal with it.

We endeavour to identify all risks facing the council and to monitor, manage and mitigate (where possible) all those risks which are deemed to be high (scored Amber or Red). Risks are monitored via Departmental Risk Registers, and key crosscutting risks to the council are placed on the Key Strategic Risk Register (KSRR).

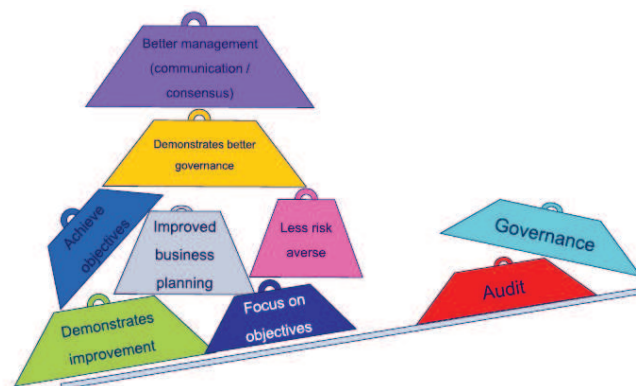
Merton's aims and objectives in relation to risk management are to:

- Establish and maintain a robust framework and procedures for the identification, analysis, assessment and management of risk, including reporting and recording.
- To not expose the council to unacceptable levels of risk, minimise injury, damage, loss and inconvenience to staff, residents and service users.
- Integrate risk management into the day to day activities of staff and the culture of the organisation, raising awareness of the importance and need for risk management.
- Ensure consistent application of our methodology across all of our activities, including partnerships and projects.
- Effectively manage the total cost of risk.

The benefits and National drivers behind risk management

We are required to undertake risk management as it forms part of the Annual Governance Statement, we must demonstrate a systematic strategy, framework and process for managing risk. The council recognises that the benefits of risk management far outweigh the requirement to undertake the activity and such benefits include;

- Achieving our ambitions, aims and objectives as key risks are managed.
- Better decision making as we are more aware of risk.
- Ability to take advantage of opportunities because we understand the risks attached to them.
- Better governance and the ability to demonstrate it to our stakeholders.
- Reduction in failure, loss, damage and injury caused by risk
- Improvement in ability to adapt to change
- Improvement in corporate governance
- Compliance with statutory and regulatory requirements



Risk management awareness

Ensuring awareness of risk management will be undertaken on an on-going basis through training sessions, reviews, departmental meetings, briefings and staff bulletins. Each department has a risk champion who will be able to offer guidance to staff where required. The [risk management intranet page](#) will be regularly reviewed and staff will be signposted to the information they need to pro-actively identify and manage risk e.g. the risk management toolkit and guidance.

Risk Appetite

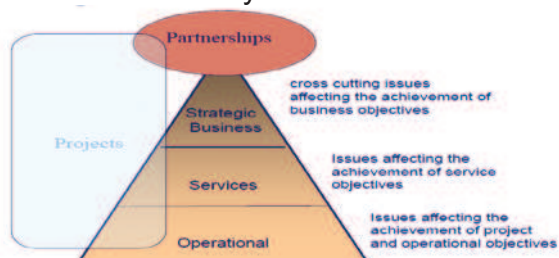
The council recognises that its risk appetite to achieve its corporate priorities identified within its business plan could be described in general as an informed and cautious approach. Where significant risk arises, we will take effective control action to reduce these risks to an acceptable level.

It is also recognised that a higher level of risk may need to be taken, for example to support innovation in service delivery. To offset this there are areas where the council will maintain a very cautious approach for example in matters of compliance with the law, and public confidence in the council, supporting the overall informed and cautious position on risk.

How does risk management fit in?

Risk management links closely with Health and Safety, Business Continuity, Emergency Planning and Insurance, by ensuring close links we can enhance the resilience of the organisation .

Generally, a single issue or risk will fall into only one of these categories; however some may fall into two or more. As Business Continuity is a way of mitigating risk, the link with risk management is key to ensuring the continuous delivery of services that are important to the community.



Risk management in projects

Risk management is a key part of the ongoing management of projects and partnerships and is clearly defined in [Merton's Approach to Projects \(MAP\)](#).

Risk management in partnerships

The council is involved in a wide range of partnerships to achieve our ambitions, aims and objectives. It is vital we assess the risks to achievement within our key partnerships, and ensure that they are monitored regularly.

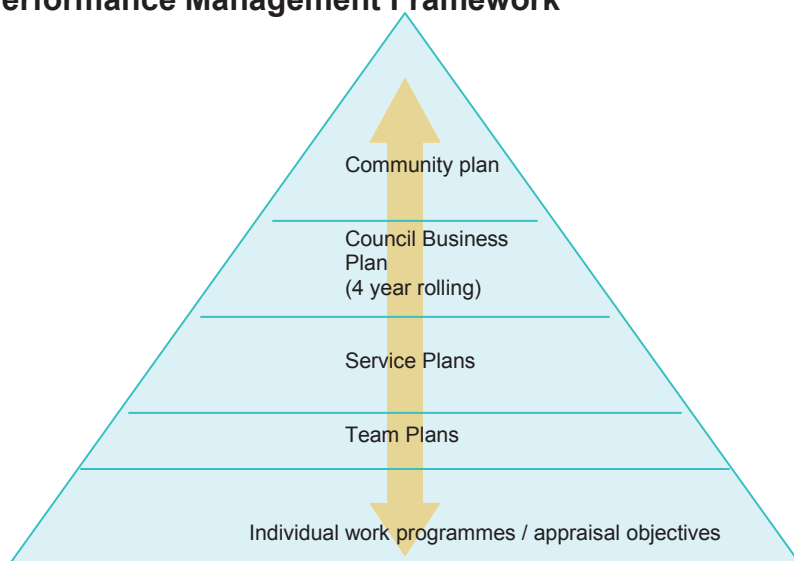
Risk management and financial planning

Risk management is an important part of financial planning. As part of the budget setting process a robust risk assessment is completed and reviewed on a regular basis.

Corporate approach to risk management

In order to formalise and structure risk management, it is recognised there is an obvious and clear link with the business planning process and therefore risk management sits within the Business Planning team. The overall council Business Plan and service plans set out what a team, division, department, or the council as a whole, want to achieve in a set time frame, as shown below.

Merton Performance Management Framework



- CMT is ultimately accountable for delivering the council's Business Plan therefore they are responsible for the corporate KSRR.
- DMTs are responsible for their own service risk registers.
- Divisions or teams are responsible for their own risk registers, if applicable.

It is important that risks identified and assessed at an operational level can be escalated to a departmental or corporate level. However, because a risk may have a great impact on a team it does not necessarily follow that it may have the same impact on the department, or the organisation as a whole. Ultimately, it is the respective management team who decide if a risk is worthy of inclusion on their risk register.

Scoring Risk

In conjunction with this strategy, more detailed guidance will be issued to assist officers in identifying risks and issues, and the scoring, managing and reporting of those risks identified.

When determining a score for service level risks, definitions of likelihood and impact of risk (Service Level) together with the matrix as detailed below, should be used. Therefore, if the likelihood of a risk is 4, significant, (occurs or likely to occur more than 25%, and up to 50% of the time) and the impact is 3, critical, (service provision - service suspended short term) – then the risk rating will be 12 (4x3) which is amber.

Risk Matrix

Likelihood	
6	= Very High
5	= High
4	= Significant
3	= Possible
2	= Low
1	= Almost Impossible

Likelihood	6	6	12	18	24
	5	5	10	15	20
	4	4	8	12	16
	3	3	6	9	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		Impact			

Impact	
4	= Catastrophic
3	= Critical
2	= Significant
1	= Marginal

Defining the Likelihood of Risk

Classification	Definition
6 - Very High	Occurs or likely to occur more than 90% of the time
5 - High	Occurs or likely to occur more than 50%, and up to 90% of the time
4 - Significant	Occurs or likely to occur more than 25%, and up to 50% of the time
3 - Possible	Occurs or likely to occur more than 5% and up to 25% of the time
2 - Low	Occurs or likely to occur more than 1% and up to 5% of the time
1 - Almost Impossible	Occurs or likely to occur up to 1% of the time

Defining the Impact of Risk (Service Level)

Categories	1 Marginal	2 Significant	3 Critical	4 Catastrophic
Financial Impact - FI	Up to 15% gross budget or turnover	Over 15% and up to 50% of gross budget or turnover	Over 50% and up to 75% of gross budget or turnover	Over 75% of gross budget or turnover
Service Provision - SP	Reduced service	Significant reduction	Service suspended short term	Service suspended long term / statutory duties not delivered
Health and Safety - HS	Broken bones / illness	Major illness / threat not life threatening	Loss of life / major illness	Major loss of life / large scale illness (pandemic)
Objectives - O	Objectives of one service area not met	Departmental objectives not met	Corporate objectives not met	Statutory objectives not met
Reputation - R	Adverse local media lead story short term	Adverse local media story long term. Adverse national publicity short	Adverse national publicity longer term	Remembered for years

		term.		
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Reporting and escalating risks

Risks on service area risk registers which are red and therefore score 15 and above should be reviewed at Departmental Managers Team (DMT) meetings to determine if any of these (red) risks are to be escalated to the Departmental Risk Register (DRR).

If DMT determine a risk to be significant enough to be escalated to the DRR for monitoring and management, then the risk needs to be checked for any cross cutting implications. If the risk could have an impact across the organisation, then it must be rescored using the Defining the Impact of risk (corporate level) criteria below, prior to escalation to the Key Strategic Risk Register.

Defining the Impact of Risk (Corporate Level)

Categories	1 Marginal	2 Significant	3 Critical	4 Catastrophic
Financial Impact - FI	Up to £2.5m per annum or up to £10m one off	£2.5m up to £5m per annum or up to £20m one off	£5m up to £7.5m per annum or up to £30m one off	£7.5m up to £10m per annum or above £30m one off
Service Provision - SP	Reduced service	Significant reduction	Service suspended short term	Service suspended long term / statutory duties not delivered
Health and Safety - HS	Broken bones / illness	Major illness / threat not life threatening	Loss of life / major illness	Major loss of life / large scale illness (pandemic)
Objectives - O	Objectives of one service area not met	Departmental objectives not met	Corporate objectives not met	Statutory objectives not met
Reputation - R	Adverse local media lead story short term	Adverse local media story long term. Adverse national publicity short term.	Adverse national publicity longer term	Remembered for years

Having been reviewed / rescored against the definition of likelihood and risk (corporate level), risks with a score of between 10 to 24 (inclusive) and which will impact across the whole organisation are to be escalated to the KSRR. The matrix below shows the re-evaluated risk scores which require escalation.

Likelihood						Impact
6 = Very High	6	8	12	15	24	4 = Catastrophic
5 = High	5	7	10	15	20	3 = Critical
4 = Significant	4	6	8	12	16	2 = Significant
3 = Possible	3	5	6	9	12	1 = Marginal
2 = Low	2	4	5	6	8	
1 = Almost Impossible	1	2	3	4		
	1	2	3	4		

During the financial year 2015/16 officers will be exploring whether the impact matrices should be amended to accommodate project working.

Monitoring and Managing

During the year, new risks will arise that have not previously been considered and there may be changes to existing risks. Therefore the risk registers need to be regularly managed. The reviews of risk registers should be managed by exception. The reporting cycle as detailed below, takes place during April, July, October and January.

1st week	2nd week	4th week
DMT – review operational service risks and propose KSRs as per the definitions of likelihood and impact for crosscutting risks	Corporate Risk Management Group (CRMG) – review service risks and proposed KSRs	CMT – identify and review KSRs

However, risks with a score of 15 and above (red risks) should be reviewed on a more frequent basis (at least monthly) with the responsible officer ensuring the risk has an action plan in place which is monitored and updated until the risk has been managed down to a score of 12 or below, where this is possible.

Roles, Responsibilities and Governance

Across the organisation we all have a responsibility to identify and manage risk.

Councillors

Elected councillors are responsible for governing the delivery of services to the local community. Councillors have a responsibility to understand the key risks the council faces and will be made aware of how these risks are being managed through the annual business planning process. All Councillors will have the responsibility to consider the risks associated with the decisions they undertake and will be informed of these risks in the plans and reports submitted to them.

Chief Executive and CMT

The Chief Executive and CMT are ultimately accountable in ensuring that risk management is fully embedded in the council's business planning and monitoring processes as well as having overall accountability and responsibility for leading the delivery of the council's Risk Management Strategy and Framework. CMT are to take a leading role in the risk management process ensuring that risk management is communicated, understood and implemented by Councillors, managers and staff, and establish a supportive culture.

CMT will submit an annual report on risk to the General Purposes Committee and Cabinet.

Directors

Each Director is accountable for proper monitoring of their departmental risk register, action plans and the embedding of risk management into the business planning process of their directorate. They will need to be actively involved in the risk management process within their department and CMT, including nominating an appropriate Risk Champion for their department. Directors are also accountable and responsible for leading the delivery of the council's Risk Management Framework in their respective Directorate.

Section 151 Officer / Internal Audit

The Section 151 officer and internal audit will be responsible for carrying out independent reviews of the risk management strategy and processes, providing assurance and giving an independent and objective opinion, to the council on the adequacy of risk management, control procedures and governance.

An annual Audit Plan, based on a reasonable evaluation of risk, will be carried out and an annual assurance statement will be provided to the council based on work undertaken in the previous year. The section 151 officer will chair the CRMG group.

Risk Champions

Risk champions will work with their Director, Heads of Service, Managers and Team Leaders to ensure the RM Strategy and Framework is embedded in the Directorate and departmental planning, performance, project and partnership management, offering support and challenge. They will also represent their directorate at CRMG meetings.

They will assist management teams to identify and record all key risks to service, project and partnership objectives, monitoring and reviewing risks against performance.

Service Managers

Managers have a responsibility not only for the risks for which they are the risk owner, but are also accountable for those risks, within their service, which are owned / managed by others.

They are to maintain an awareness of risk and feed those identified into the risk management process, understanding and acting upon the key risks that could significantly impact on the achievement of their service/team objectives. Managers should encourage staff to be open about risk so that treatment actions can be agreed.

Risk Owners

Risk owners are responsible for Identifying and implementing risk treatment that will bring the risk/s they own to a tolerable level. Regularly reviewing the progress of the risk treatment actions and report on the risk treatment progress to the responsible body.

Individual Employees

Individual employees need to have an understanding of risks and consider risk management as part of their everyday activities, identifying risks surrounding their everyday work, processes and environment. Risks that could impact on service delivery the achievement of objectives or their own or other wellbeing must be identified and actively managed with risk actions in place, where appropriate.

Business Planning team

The business planning team are responsible for ensuring that risk management is embedded throughout the council, as well facilitating and supporting the risk management process and supporting risk owners.

The team will ensure risk management documentation and intranet pages up to date and relevant, as well as updating the KSRR with emerging risks, new risks and updating existing risks.

In addition the Business Planning team will ensure risk is part of the annual service planning process, facilitate the CRMG meetings and submit strategic updates and reports on risk management to CMT, Cabinet, Audit and Assurance Committee etc.

Corporate Risk Management Group

The Corporate Risk Management Group will provide strategic direction and leadership to ensure a risk strategy is maintained and updated and that risks are appropriately identified and managed within the organisation. It will provide a forum that brings together risk specialists for the benefit of the council, it's staff and the wider community.

CRMG will strive to ensure that the risk management framework is embedded within the council's overall strategic and operational policies, practices and processes in a consistent and standardised manner.

In addition it will provide assurance that all risk based systems and processes are operating effectively to minimize the overall risk exposure to the Council. On a quarterly basis the headline departmental risks and planned mitigation activity from each department, project and partnership, will be discussed by CRMG and will then forward for discussion at CMT.

Cabinet

Cabinet will receive reports on the risk management strategy to determine whether corporate risks are being actively managed. They are responsible for agreeing the strategy on an annual basis, or when significant changes are made, and to report to full Council on the risk management framework.

General Purposes Committee

To provide an independent oversight of the adequacy of the risk management framework and the associated control environment. The committee will receive an annual review of internal controls and be satisfied it properly reflects the risk environment and any actions required to improve it. Reports will also be provided regarding the KSRR in order that the committee can determine whether strategic risks are being actively managed.

On an annual basis, the committee will review and recommend the adoption of the risk management strategy to cabinet, or if significant changes are identified, to request a revision.

Risk management in committee reports

When a report is submitted to a committee the author is required to complete a section on Risk Management and Health and Safety Implications. The committee should be informed of any significant risks involved in taking a recommended course of action or if it decides not to follow the recommend course of action. The risk assessment should follow the corporate procedure and scored using the risk matrix. The report should also give details of any controls proposed, or in place, to manage the significant risks identified. Where appropriate, reference should be made to any existing risk.

Report authors are advised to consult with the Business Planning team or their departmental risk champion, for further advice and to propose any risks to be considered for inclusion in the departmental or KSRR.

Merton	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Total Corporate Services	5,220,050	7,094,410	3,862,000	2,881,000	2,757,000	1,500,000	1,760,000	1,645,000	1,435,000	1,450,000
Total Community and Housing	2,765,230	2,060,770	1,334,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000
Total Children, Schools and Families	25,053,540	16,029,220	25,979,140	20,874,360	20,103,800	3,265,600	7,246,800	5,059,580	658,800	658,800
Total Environment and Regeneration	11,495,060	19,455,250	17,274,500	5,500,500	6,378,500	4,873,000	4,654,000	4,654,000	4,654,000	4,654,000
	44,533,880	44,639,650	48,449,640	29,595,860	29,579,300	9,978,600	14,000,800	11,698,580	7,087,800	7,102,800

Merton	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Total Corporate Budgets	1,542,340	1,612,990	1,000,000	0	0	0	0	0	0	0
Total Buisness Improvement	578,840	2,211,000	0	0	0	0	0	0	0	0
Total Corporate Governance	9,920	0	0	0	0	0	0	0	0	0
Total Resources	333,450	228,250	0	0	0	0	0	0	0	0
Total Information Technology	1,617,450	584,000	1,862,000	1,881,000	1,007,000	575,000	860,000	770,000	560,000	575,000
Total Facilities Management	1,138,050	2,458,170	1,000,000	1,000,000	1,750,000	925,000	900,000	875,000	875,000	875,000
Total Corporate Services	5,220,050	7,094,410	3,862,000	2,881,000	2,757,000	1,500,000	1,760,000	1,645,000	1,435,000	1,450,000
Community and Housing										
Total Adult Social Care	297,100	53,880	0	0	0	0	0	0	0	0
Total Merton Adult Education	1,980	0	0	0	0	0	0	0	0	0
Housing										
The Gables Mitcham	577,300	0	0	0	0	0	0	0	0	0
8 Wilton Road	489,240	0	0	0	0	0	0	0	0	0
Western Road	760,000	115,000	0	0	0	0	0	0	0	0
Disabled Facilities	639,610	1,541,890	784,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000
Other Housing	0	0	0	0	0	0	0	0	0	0
Total Libraries	0	350,000	550,000	0	0	0	0	0	0	0
Total Community and Housing	2,765,230	2,060,770	1,334,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000

Approved and Indicative Programme as at November 2014 Monitoring with Proposed Changes

APPENDIX 7

Merton	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Children, Schools and Families										
Total Primary School Expansions	22,389,120	12,031,320	4,092,000	3,848,780	2,575,000	1,600,000	0	0	0	0
Total Secondary School Expansions	100,000	670,000	15,375,000	11,500,000	13,954,270	0	6,000,000	4,008,000	0	0
Total SEN	574,780	2,466,610	3,910,000	3,000,000	850,000	850,000	0	0	0	0
Total Other	1,989,640	861,290	2,602,140	2,525,580	2,724,530	815,600	1,246,800	1,051,580	658,800	658,800
Total Children, Schools and Families	25,053,540	16,029,220	25,979,140	20,874,360	20,103,800	3,265,600	7,246,800	5,059,580	658,800	658,800
Environment and Regeneration										
Total Footways Planned Works	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Greenspaces	1,164,760	620,010	365,000	250,000	350,000	350,000	350,000	350,000	350,000	350,000
Total Highways General Planned Works	547,660	458,570	419,000	419,000	419,000	419,000	419,000	419,000	419,000	419,000
Total Highways Planned Road Works	1,783,100	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Leisure Centres	734,290	1,200,000	9,300,000	1,300,000	1,800,000	300,000	300,000	300,000	300,000	300,000
Total Other E&R	259,340	300,000	0	0	0	0	0	0	0	0
Total On and Off Street Parking	42,910	1,300,000	0	0	0	0	0	0	0	0
Total Regeneration Partnerships	2,223,720	4,999,690	1,922,000	0	0	0	0	0	0	0
Total Plans and Projects	70,000	0	0	0	0	0	0	0	0	0
Total Street Lighting	410,000	200,000	462,000	290,000	509,000	509,000	290,000	290,000	290,000	290,000
Total Street Scene	80,000	375,190	60,000	60,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Transport for London	2,170,050	1,310,000	1,271,000	0	0	0	0	0	0	0
Total Traffic and Parking Management	286,730	135,000	150,000	156,000	175,000	175,000	175,000	175,000	175,000	175,000
Total Transport and Plant	620,000	5,546,890	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total Safer Merton - CCTV & ASB	0	300,000	300,000	0	0	0	0	0	0	0
Total Waste Operations	102,500	209,900	25,500	25,500	25,500	20,000	20,000	20,000	20,000	20,000
Total Environment and Regeneration	11,495,060	19,455,250	17,274,500	5,500,500	6,378,500	4,873,000	4,654,000	4,654,000	4,654,000	4,654,000

Corporate Services	Cost Code	Scrutiny Panel *	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Corporate Budgets												
Acquisitions Budget	CA003MA	OSC	1,042,340	500,000	500,000	0	0	0	0	0	0	0
Transformation Budgets	CT012EAZ	OSC	0	234,990	0	0	0	0	0	0	0	0
Capital Bidding Fund	CA004MA	OSC	500,000	878,000	500,000	0	0	0	0	0	0	0
Total Corporate Budgets			1,542,340	1,612,990	1,000,000	0	0	0	0	0	0	0
Business Improvements												
Replace doc management system	CT012EM	OSC	0	740,000	0	0	0	0	0	0	0	0
Customer Contact Programme	CT021EA	OSC	0	785,000	0	0	0	0	0	0	0	0
Data Labling	CT023NA	OSC	293,840	0	0	0	0	0	0	0	0	0
Replacement SC System	CT007EA	OSC	285,000	686,000	0	0	0	0	0	0	0	0
Total Buisness Improvement			578,840	2,211,000	0	0	0	0	0	0	0	0
Corporate Governance												
ITR Capital Hardware	CT019NC	OSC	9,920	0	0	0	0	0	0	0	0	0
Total Corporate Governance			9,920	0	0	0	0	0	0	0	0	0
Resources												
Improving Information Systems	CT020NB	OSC	333,450	228,250	0	0	0	0	0	0	0	0
Total Resources			333,450	228,250	0	0	0	0	0	0	0	0
Information Technology												
Disaster recovery	CT003EA	OSC	513,880	0	0	0	0	0	0	0	0	0
Planned Replacement Programme	CT006EA	OSC	877,070	299,000	1,412,000	1,686,000	957,000	575,000	860,000	770,000	560,000	575,000
ITSD Enhancements	CT012ED	OSC	35,000	85,000	250,000	120,000	50,000	0	0	0	0	0
Multi-Functioning Device (MFD)	CT022EA	OSC	125,000	200,000	200,000	75,000	0	0	0	0	0	0
Room and Space Management	CT007EX	OSC	66,500	0	0	0	0	0	0	0	0	0
Total Information Technology			1,617,450	584,000	1,862,000	1,881,000	1,007,000	575,000	860,000	770,000	560,000	575,000

Corporate Services	Cost Code	Scrutiny Panel *	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Facilities Management												
Civic Centre refurbishment	CF001AB	OSC	100,000	0	0	0	0	0	0	0	0	0
Invest to Save Schemes	CF002SA	OSC	500,000	1,800,300	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Water Safety Works	CF011FA	OSC	0	0	150,000	150,000	100,000	75,000	50,000	25,000	25,000	25,000
Asbestos Safety Works	CF011FB	OSC	0	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Capital Works - Facilities	CF004SA	OSC	200,000	200,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Civic Centre Passenger Lifts	CF001AL	OSC	307,130	342,870	0	0	0	0	0	0	0	0
Civic Centre Boilers		OSC	0	0	0	0	300,000	0	0	0	0	0
Data Centre Support Equipment		OSC	0	0	0	0	300,000	0	0	0	0	0
Civic Centre Staff Entrance Improvements		OSC	0	0	0	0	200,000	0	0	0	0	0
Civic Centre Windows	CF001AK	OSC	30,920	115,000	0	0	0	0	0	0	0	0
Total Facilities Management			1,138,050	2,458,170	1,000,000	1,000,000	1,750,000	925,000	900,000	875,000	875,000	875,000
TOTAL			5,220,050	7,094,410	3,862,000	2,881,000	2,757,000	1,500,000	1,760,000	1,645,000	1,435,000	1,450,000

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	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Children, Schools and Families										
Cricket Green	20,000	130,050	1,500,000	1,500,000	0	0	0	0	0	0
Primary school autism unit	179,110	836,290	0	0	0	0	0	0	0	0
Perseid	335,670	1,150,270	0	0	850,000	850,000	0	0	0	0
Perseid - Further 28 Places Primary	0	100,000	1,500,000	1,500,000	0	0	0	0	0	0
Secondary School Autism Unit	40,000	250,000	910,000	0	0	0	0	0	0	0
Total SEN	574,780	2,466,610	3,910,000	3,000,000	850,000	850,000	0	0	0	0
Other										
Feasibility										
Inflation Contingency	0	172,460	1,952,140	1,875,580	2,074,530	165,600	596,800	401,580	8,800	8,800
Devolved Formula Capital	370,000	38,830	0	0	0	0	0	0	0	0
Schs Cap Maint & Accessibility	666,170	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Merton Park- Entrance adaptation	630	0	0	0	0	0	0	0	0	0
Raynes Park Sports Pavilion	4,770	0	0	0	0	0	0	0	0	0
Free School Meals	575,270	0	0	0	0	0	0	0	0	0
Schools Equipment Loans	372,800	0	0	0	0	0	0	0	0	0
Total Other	1,989,640	861,290	2,602,140	2,525,580	2,724,530	815,600	1,246,800	1,051,580	658,800	658,800
TOTAL	25,053,540	16,029,220	25,979,140	20,874,360	20,103,800	3,265,600	7,246,800	5,059,580	658,800	658,800

Approved and Indicative Programme as at November 2014 Monitoring with Proposed Changes

APPENDIX 7

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Approved and Indicative Programme as at November 2014 Monitoring with Proposed Changes

APPENDIX 7

Environment and Regeneration	Cost Code	Scrutiny Panel *	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
The Broadway-Russell to Merton Rd	CE105FO	SC	109,250	0	0	0	0	0	0	0	0	0
Bus Stop Compliance	CE105FR	SC	128,800	0	0	0	0	0	0	0	0	0
Coombe Lane			85,500	0	0	0	0	0	0	0	0	0
Morden Rd Kingston Rd to High Path	CE105FQ	SC	57,950	0	0	0	0	0	0	0	0	0
Mitcham Town Centre	CE104FP	SC	165,000	0	0	0	0	0	0	0	0	0
A298/A238 Strategic Corridor	CE104FQ	SC	291,000	0	0	0	0	0	0	0	0	0
Total Transport for London			2,170,050	1,310,000	1,271,000	0	0	0	0	0	0	0
Traffic and Parking Management												
Traffic Schemes	CE142FA	SC	135,730	135,000	150,000	156,000	175,000	175,000	175,000	175,000	175,000	175,000
Belvederes and Ridgway Place Traffic Sch			70,000	0	0	0	0	0	0	0	0	0
Replace Parking Phone System	CE150NA	SC	37,500	0	0	0	0	0	0	0	0	0
S106 Cycle Imp Beverley Rounda		SC	43,500	0	0	0	0	0	0	0	0	0
Total Traffic and Parking Management			286,730	135,000	150,000	156,000	175,000	175,000	175,000	175,000	175,000	175,000
Transport and Plant												
Replacement of Fleet Vehicles	CE082EA	SC	590,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Network Rail	CE085FA	SC	0	9,400	0	0	0	0	0	0	0	0
Shared Space	CE085FF	SC	0	20,000	0	0	0	0	0	0	0	0
B609 Wim Town Centre trans imp	CE085FR	SC	0	5,000	0	0	0	0	0	0	0	0
B610 Wim Town Centre trans imp	CE085FS	SC	30,000	12,490	0	0	0	0	0	0	0	0
Transportation Enhancements	CE085FW	SC	0	5,000,000	0	0	0	0	0	0	0	0
Total Transport and Plant			620,000	5,546,890	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Safer Merton - CCTV & ASB												
CCTV (match funding)	CE002EA	SC	0	300,000	300,000	0	0	0	0	0	0	0
Total Safer Merton - CCTV & ASB			0	300,000	300,000	0	0	0	0	0	0	0

Environment and Regeneration	Cost Code	Scrutiny Panel *	Updated Budget 14/15	Updated Budget 15/16	Updated Budget 16/17	Updated Budget 17/18	Updated Budget 18/19	Updated Budget 19/20	Updated Budget 20/21	Updated Budget 21/22	Updated Budget 22/23	Updated Budget 23/24
Waste Operations												
Alley Gating Scheme - Fly Tip	CE087FA	SC	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Wheelie Bins Pilot			29,000	23,500	0	0	0	0	0	0	0	0
Re-use/recycling Site Maintena	CE090SA	SC	48,000	0	0	0	0	0	0	0	0	0
Waste Bins - Finance Lease	CE001EC	SC	5,500	5,500	5,500	5,500	5,500	0	0	0	0	0
Waste Phase B - Replace RCVs	CE092EA	SC	0	30,900	0	0	0	0	0	0	0	0
GPS Vehicle Tracking	CE148EA	SC	0	130,000	0	0	0	0	0	0	0	0
Total Waste Operations			102,500	209,900	25,500	25,500	25,500	20,000	20,000	20,000	20,000	20,000
TOTAL			11,495,060	19,455,250	17,274,500	5,500,500	6,378,500	4,873,000	4,654,000	4,654,000	4,654,000	4,654,000

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