

Committee: Overview and Scrutiny Commission

28 February 2013

Agenda item: 6

Wards:

Subject: Business Plan Update 2013-2017

Lead officer: Caroline Holland

Lead member: Councillor Mark Allison

Contact officer: Paul Dale

Forward Plan reference number:

Recommendations:

1. That the Commission consider the latest information in respect of the Business Plan and Budget 2013/14, including draft revenue savings proposals, draft service plans and latest amendments to the capital programme.
 2. That the Overview and Scrutiny Commission considers the resolutions made by Cabinet at its meeting on the 18 February 2013 (Appendix 1) and the additional information provided in respect of CSF06 (Appendix 2)
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1. Purpose of report and executive summary

- 1.1 This report requests the Overview and Scrutiny Commission to consider the latest information in respect of the Business Plan and Budget 2013/14, including, draft revenue savings proposals, draft service plans and latest amendments to the capital programme. After the Commission has met, a meeting will be arranged between the Cabinet Member for Finance and the Cabinet member for Performance and Implementation, on behalf of the Cabinet, and the Chair of the Overview and Scrutiny Commission so that the Cabinet's response to the recommendations arising from the Overview and Scrutiny Commission's meeting can be given.

2. Details

- 2.1 The Cabinet of 18 February 2013 received a further update report on the business plan for 2013-17. This included comprehensive details of all issues relating to the Business Plan including the revenue budget 2013/14, capital programme 2013-17 and Medium Term Financial Strategy 2013-17 draft savings proposals, draft service plans and latest amendments to the draft Capital Programme 2013-17. It also recommended that the Council Tax in 2013/14, equating to a Band D Council Tax of £1,102.55 be approved and recommended to Council for approval.
- 2.2 The resolutions agreed by Cabinet at its meeting on 18 February 2013 are attached as Appendix 1.

2.3 Update on Levies

- 2.3.1 Since the Cabinet meeting on 18 February 2013, details of the Lee Valley levy for 2013/14 have been received. The 2013/14 Lee Valley levy is £219,811.68 which is an increase of £5,019.96 (2.3%) on the 2012/13 levy of £214,791.72.
- 2.3.2 The additional amount will be offset by an adjustment to the inflation provision in order that the Council Tax Requirement remains as reported to ensure that the Council Tax freeze Grant for 2013/14 is not at risk.

3. **Alternative Options**

- 3.1 The Cabinet report on 18 February 2013 (Appendix 3) sets out the details that will enable the Council to set a balanced budget in 2013/14. The Council Tax in 2013/14, equating to a Band D Council Tax of £1,102.55 recommended by Cabinet is set so that the Council's average Council Tax is frozen compared to the Council Tax set for 2012/13, thus ensuring that the Council qualifies to receive Council Tax Freeze grant available for 2013/14. Any changes to the detailed budget should ensure that the overall Council Tax Requirement is not increased.

4. **Consultation undertaken or proposed**

- 5.1 As detailed in the report to Cabinet on 18 February 2013.

6. **Timetable**

- 6.1 Council will consider all available details on the Business Plan 2013-17 at its Budget setting meeting on 6 March 2013.

7. **Financial, resource and property implications**

- 7.1 These are set out in the Cabinet report for 18 February 2013 (Appendix 3)

8. **Legal and statutory implications**

- 8.1 These are set out in the Cabinet report for 18 February 2013 (Appendix 3)

9. **Human Rights, Equalities and Community Cohesion Implications**

- 9.1 These are set out in the Cabinet report for 18 February 2013 (Appendix 3)

10. **Crime and Disorder implications**

- 10.1 These are set out in the Cabinet report for 18 February 2013 (Appendix 3)

11. **Risk Management and Health and Safety Implications**

- 11.1 These are set out in the Cabinet report for 18 February 2013 (Appendix 3)

Appendices – the following documents are to be published with this report and form part of the report

- Appendix 1 Resolutions made by Cabinet 18 February 2013
- Appendix 2 Additional information on CSF06
- Appendix 3: Cabinet report 18 January 2013: Business Plan Update 2013-17 (Circulated separately for members of the Commission only. The report can be viewed here http://www.merton.gov.uk/democratic_services/w-agendas/w-fpreports/1197.pdf)

BACKGROUND PAPERS

Budget files held in the Corporate Services department.

Extract from the Resolutions made by Cabinet 18 February 2013

1 BUSINESS PLAN 2013-17 (Agenda Item 17)

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 2013/14 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2013-2017. It is important that this consideration is not delayed in order that the Council can work towards a balanced budget at its meeting on 6 March 2013 and set a Council Tax as appropriate for 2013/14.

It was moved by Councillor Mark Allison that Cabinet agree an additional recommendation No. 7 (upon the recommendation being put to the meeting, recommendation 7 was agreed – see resolutions below).

It was moved by Councillor Mark Betteridge that Cabinet agree an additional recommendation No. 8 (upon the recommendation being put to the meeting, recommendation 8 was agreed – see resolutions below).

Cabinet had regard to the recommendations and supporting narrative in the submitted report, the additional recommendations 7 and 8 referred to above and, upon the Chair putting the recommendations to the meeting, it was

RESOLVED: That

1. agreement is given to the response to the Overview and Scrutiny Commission and that the Medium Term Financial Strategy (MTFS) is appropriately amended for Council in March 2013;
2. having considered all of the information in the submitted report and noted the positive assurance statement given by the Director of Corporate Services based on the proposed strategy, the Council Tax in 2013/14, equating to a Band D Council Tax of £1,102.55, is approved and recommended to Council for approval (this represents a Council Tax freeze);
3. having considered all of the latest information and the comments from the scrutiny process, the Business Plan 2013-17 including the General Fund Budget and Council Tax Strategy for 2013/14, and the Medium Term Financial Strategy (MTFS) for 2013-2017 as submitted, subject to minor amendments and reported upon be approved and recommended to Council for approval;

4. having considered all of the latest information and the comments from the scrutiny process, the Capital Investment Programme (as detailed in Annex 1 to the Capital Strategy); the Treasury Management Strategy (Section 5), including the detailed recommendations in that Section, incorporating the Prudential Indicators and the Capital Strategy (Appendix 12) as submitted and reported upon, be approved and recommended to Council for approval;

5. it is noted that the GLA precept is still provisional at this stage and will only be confirmed on the 25 February, in time to incorporate any amendments for Council; and

6. it is noted that there may be minor amendments to figures in this report as a result of new information being received after the deadline for despatch and that this will be amended for the report to Council in March.

7. After considering the views of Overview and Scrutiny Commission the view of Cabinet is:

Items recommended for rejection by Overview and Scrutiny (Table 17 Section 2 of the report)

Items EN07 and EN10 should not be taken. The other items recommended by Overview and Scrutiny for rejection should be referred back to O&S commission for further review in light of additional information available.

Items recommended by Overview and Scrutiny for further work (Table 18 Section 2 of the report)

Cabinet thanks Overview and Scrutiny for highlighting concern about these savings. Cabinet agrees they should be taken but as none of these savings are scheduled until 2014/15, it instructs officers to bring forward more detail in 2013/14, and to provide a paragraph in relation to progress in implementing these savings in Financial Monitoring reports during the year of implementation.

Items highlighted by Overview and Scrutiny with concerns about deliverability due to weather or where it was recommended that the council should proceed with caution. (Table 20 Section 2 of the report).

Cabinet thanks Overview and Scrutiny for its positive role in highlighting the potential risks in these areas and instructs officers to recognise these issues when implementing the measures, and to provide a paragraph in relation to progress in implementing these savings in Financial Monitoring reports during the year of implementation (2013/14 in the case of ASC34, 2014/15 for the others)

Together, these changes would have the following impact on the MTFs and officers are instructed to revise it accordingly.

Impact of Recommendation 7	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
EN07 – 1FTE reduction in enforcement team in 2016/17			53	53
EN10 – 1FTE reduction in enforcement team in 2015/16		35		35
Increase in Budget Gap	0	35	53	88
Revised MTFs Gap	2,655	7,516	13,572	13,572

8. following the meeting of the Overview and Scrutiny Commission called for the 28 February, the Cabinet Member for Finance and the Cabinet member for Performance and Implementation, on behalf of the Cabinet, meet with the Chair of the Overview and Scrutiny Commission to give the Cabinet's response to the recommendations arising from the Overview and Scrutiny Commission's meeting.

● Duke of Edinburgh's Award

Summary:

1) Overview:

The L B Merton is licensed as an Operating Authority through the commercial operations of the Duke of Edinburgh's Award – Award Scheme Ltd (ASL). As an Operating Authority we maintain the licence to deliver DofE programmes in our specified operational area. This approach is the preferred route for licensing and delivering DofE within most London local authorities.

Under our L B Merton Operating Authority Licence we have 14 registered DofE units, these are:

Maintained Schools: Raynes Park High School, Ricards Lodge High School, Rutlish School

Academies: Harris Academy Merton, Harris Academy Morden, St Marks CofE Academy

Voluntary Aided Schools: Ursuline High School, Wimbledon College

Additional Special Needs Schools: Cricket Green School, Melrose School

Independent Schools: Blossom House School (Additional Special Needs), Hall School, Kings College School, Wimbledon High School

2) Budget:

The DofE in Merton has an annual budget of £52k –

Staff costings (all are term time only):

1 full time Co-ordinator (35 hours/week)

1 x Part Time Expedition Co-ordinator (9hours/week)

3 x Part Time Youth Workers (3 hours/week each)

Plus an extensive network of volunteers (currently 8 people) allows delivery of DofE expeditions to an average of over 120 young people annually at the Open Award Centre (based one night a week at John Innes Youth Centre) at bronze, silver and gold level.

Attendance at the Open Award Centre is for participants to access expedition training through their schools, or because they are independent (going to school outside the borough for example). Skills courses and physical activities are also offered to help young people complete their awards.

Expedition data:

3 x Bronze expeditions/ year = **15 Expedition days/ 6 overnight residentials**

- Each has a full training day, 1 practice expedition (2 days/1 night) & 1 x Assessed expedition (2 days/1 night)

1 x Silver expedition = **7 Expedition days/4 overnight residentials** (3 expedition days/2 nights for practice & assessed expeditions, plus full training day)

1 x Gold expedition = **8 Expedition days/4 overnight residentials** (3 x training days, 1 x 5 day expedition/4 nights per year)

30 Expedition days/14 overnight residentials a year (DofE Co-ordinator and expedition co-ordinator sole paid staff for all expeditions).

All awards at bronze and silver level are moderated online by the DofE Co-ordinator. Gold Awards are approved and sent to the DofE London Regional office.

DofE coordinator supports school staff to deliver effective programmes and chases young people to complete on line to ensure high rate of completion.

We organise an Annual Presentation Evening takes place for every young person in the Merton to receive a certificate from the Mayor and celebrate their achievements.

See Stats in **APPENDIX 1** for enrolments each year in Merton by school.

APPENDIX 2 shows overall borough Statistics for enrolments and completions.

3) Support:

Schools are all supported by the DofE Co-ordinator via regular meetings, sessions with pupils, online support for all participants and moderation of awards. Some schools/units deliver their own expeditions, others rely on the Open Award Centre, or the Co-ordinator to deliver them.

SLAs have been introduced this year with our DofE Units to ensure compliance with our policy and procedures and for on-going quality assurance of DofE programme delivery.

Most local authorities make an annual charge to DofE Units and Schools under the terms of the SLA, which assists in recovering DofE running costs including the annual borough licence fee (currently £2800.00 for 2013/14). It is proposed that we adapt the Service Level Agreement (SLA) at local arrangements and charge units depending on their reliance on the LA ie if they run their own residentials, level of support to schools D of E coordinator. Cost to an individual school for an annual operating licence from the DofE is currently £1190.

A schedule of possible charges will need to be negotiated with schools related to use of the open award centre and support required for their staff. We would need to consider impact if some schools didn't buy in at the sufficient level.

4) Enrolment Costs:

An additional supplementary charge is already levied on the cost of each enrolment (this is also common practice within London local authorities). Currently participation fees for each young person are set at

- £20.00 Bronze
- £25.00 Silver
- £30.00 Gold

These additional costs cover online support, access to Open Award Centre, Annual Presentation ceremony. We could increase this charge. We would have to consider impact on access.

APPENDIX 1

Merton Duke of Edinburgh's Award Bronze Enrolments 2009 to 2012

Schools/Units	2009/10	2010/11	2011/12	YTD (ends 31/3/13 – more to come)
Blossom House School	18	16	22	12
Cricket Green School	0	6	5	<i>tbc</i>
Hall School	30	25	36	32
Harris Academy Merton	34	0	13	<i>tbc</i>
Harris Academy Morden (Bishopsford)	0	0	16	17
Kings College School	0	36	56	49
Melrose School	0	4	4	<i>tbc</i>
Open Award Centre	36	26	39	7
Raynes Park High School	12	25	35	37
Ricards Lodge School	30	18	48	39
Rutlish School	28	33	35	50
St Mark's Academy (to restart Sept '13)	0	50	0	0
Ursuline High School	51	39	53	68
Wimbledon College	28	22	34	42
Wimbledon High School	75	70	76	69
Totals	344	370	472	422

Silver Enrolments 2009 to 2012

Schools/Units	2009/10	2010/11	2011/12	YTD (ends 31/3/13 – may be more to come)
Kings College School	106	34	26	58
Open Award Centre	31	53	38	29
Wimbledon High School	22	0	0	0
Totals	159	87	64	87

Gold Enrolments 2009 to 2012

Schools/Units	2009/10	2010/11	2011/12	YTD (ends 31/3/13 – more to come)
Kings College School	32	27	49	33
Open Award Centre	16	7	14	7
Wimbledon High School	0	8	8	8
Totals	48	42	71	48
OVERALL TOTALS	551	499	607	557

APPENDIX2

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London Borough of Merton

	Numbers						Percentage Change		
	2002/03	2007/08	2008/09	2009/10	2010/11	2011/12	1 Year	5 Year	10 Year
DofE CENTRES	18	11	13	12	14	15	7	36	-17
NEW STARTERS	285	455	482	551	499	644	29	42	126
Bronze	132	297	339	344	370	517	40	74	292
Silver	112	133	116	159	87	64	-26	-52	-43
Gold	41	25	27	48	42	63	50	152	54
AWARDS ACHIEVED	96	116	168	172	178	200	12	72	108
Bronze	42	75	126	115	155	139	-10	85	231
Silver	43	25	35	52	12	45	275	80	5
Gold	11	16	7	5	11	16	45	0	45

	2009/10	2010/11	2011/12
Completion Rate (%)	36	32	40

Target Enrolments 2012/13	Target Completions 2012/13
708	220

General Information Background of D of E:

- 1.1 The Duke of Edinburgh's Award (DofE) in the London Borough of Merton continues to provide a range of quality personal development opportunities for young people and young adults from the ages of 14 to 25 and has done so successfully for many years. Opportunities to take part in the programme have been made available to targeted and universal youth work and within our schools and academies.
- 1.2 Demand for DofE is growing and this demand coincides unsurprisingly with the current climate of austerity measures. Young people are very aware of the current levels of unemployment and the rising cost and competition for university places. Young people are also aware that formal paper qualifications by themselves are often not enough. As a result, many young people want to seize every opportunity to add value to their personal portfolio and record of achievement. Young people wish to present themselves in the most positive way when pursuing those prized apprenticeships, college and university places and/or employment opportunities.
- 1.3 For many years young people have been aware of the high regard that employers, colleges and universities place on those gaining a Bronze, Silver or Gold DofE Awards. It is, therefore, no surprise that levels of participation in DofE programmes in the capital have doubled from around 20,000 participants to over 40,000 participants in the past 6 years. In Merton, participation has risen by 42% as highlighted in our Local Authority 2011/12 Statistic report – APPENDIX 2
- 1.4 DofE provides equal access, levels of flexibility and opportunities for those who are deemed 'at risk' or disadvantaged. Across the capital, examples of good practice related to DofE delivery in these areas are evident. This includes young people failing or falling short of educational targets, those with additional needs (inc SEN), those in care or leaving care, looked after children and young offenders (inc. YOIs). Research has shown that those who have the furthest to travel in terms of their personal development gain the most from participating in a DofE programme. For this reason expanding our offer in this area is even more important.

One of the most revealing findings was that doing a DofE programme and achieving an Award will have a stronger effect on those young people who are most in need of an intervention programme and the most to gain in terms of personal development.

Independent Impact Research - Northampton University 2007

- 1.5 Across London, Development Plans for an extended Duke of Edinburgh's Award offer are being rolled out in local authorities, schools, academies and youth services at this time. It is therefore important that we keep pace with regional developments. There is an ambition for those supporting young people via DofE led initiatives in

London to extend the reach and availability of programmes; particularly those who are disadvantaged. No other non-formal Award comes even close to offering the same level of recognition, currency or kudos; for this reason greater degrees of flexibility in developing DofE across the authority are now being sought.

2.0 Policy Context

2.1 The Duke of Edinburgh's Award has remained relevant to the agenda of successive governments and has shared the direction and aspiration of their policies for young people for nearly 60 years. The current government agenda, which supports a range of benefits for young people, is equally relevant and again closely aligned to the visions, values and principles of DofE's valued award programme.

With the right supportive relationships, strong ambitions and good opportunities all young people can realise their potential and be positive and active members of society.

All young people benefit from additional opportunities and support, but some young people and their families, particularly the most disadvantaged and vulnerable, need specific additional and early help to address their challenges and realise their potential.

Statutory Guidance for Local Authorities on Services and Activities to Improve Young People's Well-being

2.2 Statutory guidance was issued by the Secretary of State for Education in June 2012. It related to local authorities' duty to secure services and activities for young people aged 13 to 19, and those with learning difficulties to age 24 to improve their well-being. This guidance is defined under Section 507B of the Education and Inspection Act 2006.

2.3 DofE delivery in the Borough is aligned to all of the rationale and scope of the local authority's duty within this guidance:

- DofE connects young people with their communities, enabling them to belong and contribute to society, through volunteering and supporting them to have a voice in decisions which affect their lives;
- DofE offers young people opportunities in safe environments to take part in a wide range of sports, arts, music and other activities, through which they can develop a strong sense of belonging, socialise safely with their peers, enjoy social mixing, experience spending time with older people, and develop relationships with adults they trust;
- DofE supports the personal and social development of young people through which they build the capabilities they need for learning, work, and the transition to adulthood –DofE improves young people's physical and mental health and emotional well-being;
- DofE helps those young people at risk of dropping out of learning or not achieving their full potential to engage and attain in education or training; and

- DofE raises young people's aspirations, builds their resilience, informs their decisions – and thereby reduces teenage pregnancy, risky behaviours such as substance misuse, and involvement in crime and anti-social behaviour.

In a society that is positive for youth, young people will enjoy their teenage years and make a successful transition through to adulthood. They will realise their potential through positive relationships, strong ambitions and good opportunities.

Positive for Youth 2011

2.4 In reflecting on the vision statements within the ***Positive for Youth*** paper:

- DofE can evidence ways it assists young people in building supportive relationships, develop their values and judgement, learn from experience, take responsibility, and manage pressures.
- DofE can assist young people in socialising safely with their peers, enjoy social mixing, experience spending time with older people, and develop relationships with adults they trust.
- DofE, as a means of early intervention can inspire and support young people, particularly the most vulnerable and disadvantaged.
- DofE can promote young people's success in learning and work, further their understanding of the value of education and develop important skills for employment.
- DofE can provide opportunities for young people to live healthily and safely whilst recognising, understanding and managing risk.
- DofE programmes encourage young people to take the initiative and promote active involvement of young people and through volunteering and leadership in local communities and society as a whole.
- DofE links well with schools, academies and the national curriculum.
- DofE is a proven personal and social development programme offering opportunities for personal challenge and responsibility – including work experience and relationships with adults they trust that help them develop the character, qualities and capabilities that they need to learn, build relationships, make informed choices and become employable.
- DofE can, through youth councils/forums, New Leader Programmes and with those undertaking a young ambassador role, provide a platform for young people to express their views and influence public decision-making.
- DofE provides young people with the opportunity to learn and develop so that every young person has the opportunity to reach their full potential.

90% of young people said doing their DofE has given them opportunities to help others.

Independent Impact Research - Northampton University 2007

From summer 2013, young people will be required to continue in education or training until the end of the academic year in which they turn 17. From 2015, they will be required to continue until their 18th birthday.

Raising the Participation Age (RPA) - Department for Education

2.5 RPA will come into effect from summer 2013 and local authorities will be subject to duties under the Education and Skills Act (2008) to support all young people to participate in education or training until their 18th birthday.

Young people will be able to choose how they participate post-16, which could be through:

- Full-time education, such as school, college or otherwise;
- An Apprenticeship;
- Part-time education or training if they are employed, self-employed or volunteering for 20 hours or more a week.

2.6 There is a clear role for DofE involvement here. Any post 16 offer could benefit from having a DofE Programme mapped to it or one that could be uniquely structured for the purposes of an additional post 16 offer in our Borough. In this regard a pilot programme might be developed to include a range of Level 2 or Level 3 qualifications and work experiences mapped to each section of the DofE.