

Merton Council Council

4 March 2020

Supplementary agenda 2

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BUDGET COUNCIL MEETING – WEDNESDAY 4 MARCH 2020

AMENDMENT – AGENDA ITEM 4

1. Amend recommendation 1A by adding the following wording:

“subject to the following amendment:

- i) The application of £300,000 from the Outstanding Council Programme Board Reserve to fund the following spend:
 - £100,000 on city trees and green walls to combat pollution across the borough;
 - £100,000 on fly tipping enforcement officers on 12 month contracts, to get a grip on the fly tipping situation in Merton;
 - £100,000 on an electronic whiteboard fund, with the ambition to have one in every primary, secondary and SEN school in the borough; and

After Recommendation 1F to add:

Recommendation 1G:

The Council encourages the Cabinet to embrace a new vision for Merton that addresses the challenges of the 2020's.

- Ensuring the Council prioritises sustainable travel and safe cycling by recognising the need for low carbon provision in the Local Plan and town centre Masterplans;
- Investing in greener, low carbon and well-designed community infrastructure to improve amenity, green spaces, wellbeing and air quality within the Borough;
- Increasing levels of prosperity, job creation and revenue generation by ensuring a proper focus on building better town centres and a brighter Borough for our residents;
- Utilising the new education technology, such as digital interactive whiteboards, reducing teacher workload - allowing all pupils to be challenged by innovative learning techniques;
- Instructing officers to work on preparing for the introduction of electric bike hire schemes across the borough and to establish an active travel fund to improve walking and cycling routes across Merton, to be funded by non-utilisation of funds over the financial year.

And a review of strategic objectives by:

- Working with a more realistic set of forecasting, budget monitoring and financial planning principles that properly recognise the increasing levels of funding provided by central government;
- Ensuring that the financial strategy is explicit about how it supports strategic priorities vs balancing the council's budget to ensure that resources are in the right place to exploit the opportunities, and meet needs;
- Developing a clear narrative that describes strategic vision to create clarity for planning across the departments;
- Constantly reviewing risk appetite to ensure opportunities that can deliver a transformative council with a wider range of benefits are not missed.”

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Amendment 1: Free breakfast club scheme

That after Recommendation 1A, new Recommendations 1B and 1C be added and the following Recommendations be renumbered accordingly

1B) To agree to establish by 2021/2022 a part-borough pilot scheme to pay for those primary school children eligible for pupil premium, and those primary school children identified by schools as vulnerable, to attend breakfast clubs for free, to better understand issues around take-up and implementation of a scheme across the borough, funded from the Outstanding Council Programme Board Reserve up to £100K.

1C) To agree for a consultation to be undertaken with residents to determine their support for introducing a Voluntary Contribution Scheme to fund the above “free breakfast club” proposal going forward, and if positive, for the scheme to be managed through a new charity to be registered with the Charity Commission.

It's noted that the evidence from Westminster Council's charitable scheme is that donations were received from 3.56% of properties that the Council wrote to, with an average donation of £963. Merton has 52,419 properties Bands D-H. 1866 donations (eg a 3.56% donation rate of properties Bands D-H) at an average donation of £500 would raise £0.933m. The cost estimated by Finance officers for a 100% take up of the “free breakfast club” scheme is £0.928m.

Amendment 2: Social care

That after Recommendation 1A to be added: as adjusted by

- Deleting previously agreed saving CS02 Introducing Charges for Blue Badges (£15k)
- Deferral of saving CSF-19-06 reduction in safeguarding and SW training budgets (£60K) until 2021/22 with an aim to reviewing the need for this in the next budget round.
- Deferral of saving CSF2019-09 fill 3 vacant posts of targeted youth workers (£150k) until 2021/22 with an aim to reviewing the need for this in the next budget round.
- The addition of a new saving by abolishing My Merton, saving net £44K.
- The addition of a new part year saving Reducing Trade Union Facilities (£60k)
- The use of balancing the budget reserve to make up any difference (up to £121k in 2020/21)

That after Recommendation 1C shall be added: as adjusted by

- Deferral of saving 2020-21 CS11 reduction of 1FTE procurement post (£50k in 2022/23), until 2023/24 and the results of any improvements to procurement exercises is evident.
- The addition of the full year effect of the new saving Reducing Trade Union Facilities (£30k) in 2021/22

Amendment 3: A fresh start for Merton

That after Recommendation 1F, new Recommendations 1G and 1H be added

1G) To agree to fund, within existing budgets or managed within existing contracts, the following activities within 2020/21:

- work with existing contractors to get the data needed to understand the impact on the Council's finances of requiring the London Living Wage for contractor's employees in procurement exercises;
- work with existing contractors to get the data needed to understand the impact on the Council's finances of requiring improved rates for those on zero-hour contracts in procurement exercises;
- a review of the Council's flexible working policies to increase scope for flexible working by Council employees;
- a review into whether dedicated Merton-based sexual health and mental health services for vulnerable young people escaping sexual exploitation could and should be introduced;
- a review into the operation and effectiveness of private providers of alternative education places, also known as pupil referral units; and
- complete the work necessary to establish a compelling evidence base to help meet the statutory requirements for the introduction of a Selective Licensing scheme to better support private sector renters.

1H) To keep under review the assumptions made on the estimates of parking revenue raised (ie that there will be a 20% reduction in the sale of residents permits), so that if there is less than a 20% reduction, this be reported separately with a view to this being used to bring forward proposals to support the Council's work on the climate emergency and improving air quality, subject to the overall position of the council and legal requirements of what the monies can be spent on.

DRAFT MTFS 2020-24:				
	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000
Departmental Base Budget 2019/20	152,567	152,567	152,567	152,567
Inflation (Pay, Prices)	5,243	8,985	12,728	16,471
Salary oncost increase (15.2% to 17.06%)	695	718	741	766
FYE – Previous Years Savings	(7,307)	(8,723)	(8,828)	(8,828)
FYE – Previous Years Growth	500	500	500	500
Amendments to previously agreed savings/growth	(239)	(229)	(304)	(500)
Change in Net Appropriations to/(from) Reserves	737	345	(213)	(213)
Taxi card/Concessionary Fares	92	542	992	1,442
Change in depreciation/Impairment (Contra Other Corporate items)	448	448	448	448
Social Care - Additional Spend offset by grant and precept	7,364	5,828	5,824	5,824
Growth	5,230	5,634	6,018	6,408
Provision - DSG Deficit	16,009	6,354	7,158	8,130
Free Breakfast Club (Net Cost)	0	0	0	0
Other	44	137	226	315
Re-Priced Departmental Budget	181,383	173,106	177,858	183,330
Treasury/Capital financing	10,583	11,491	12,733	13,464
Other Corporate items	(20,247)	(20,694)	(20,277)	(20,626)
Levies	609	609	609	609
Sub-total: Corporate provisions	(9,055)	(8,594)	(6,935)	(6,553)
Sub-total: Repriced Departmental Budget + Corporate Provisions	172,328	164,512	170,923	176,777
Savings/Income Proposals 2020/21	(4,351)	(6,832)	(7,017)	(7,017)
Sub-total	167,977	157,680	163,906	169,760
Appropriation to/from departmental reserves	(2,889)	(2,497)	(1,935)	(1,935)
Appropriation to/from Balancing the Budget Reserve	(8,385)	(259)	0	0
BUDGET REQUIREMENT	156,703	154,924	161,971	167,825
Funded by:				
Revenue Support Grant	(5,159)	0	0	0
Business Rates (inc. Section 31 grant)	(38,676)	(38,358)	(39,185)	(40,029)
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(4,058)	(2,776)	(3,160)	(3,550)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(1,438)	(1,008)	(800)	(800)
Council Tax inc. WPC	(97,386)	(99,785)	(102,242)	(104,751)
Collection Fund – (Surplus)/Deficit	(327)	0	0	0
TOTAL FUNDING	(156,703)	(151,586)	(155,047)	(158,789)
GAP including Use of Reserves (Cumulative)	0	3,338	6,925	9,035

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Provision - DSG Deficit	16,009	6,354	7,158	8,130
Amendment 2: Social Care	0	(30)	(37)	(119)
Other	44	137	226	315
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Collection Fund – (Surplus)/Deficit	(327)	0	0	0
TOTAL FUNDING	(156,703)	(151,586)	(155,047)	(158,789)
GAP including Use of Reserves (Cumulative)	0	3,308	6,888	8,916

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